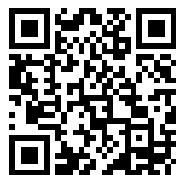
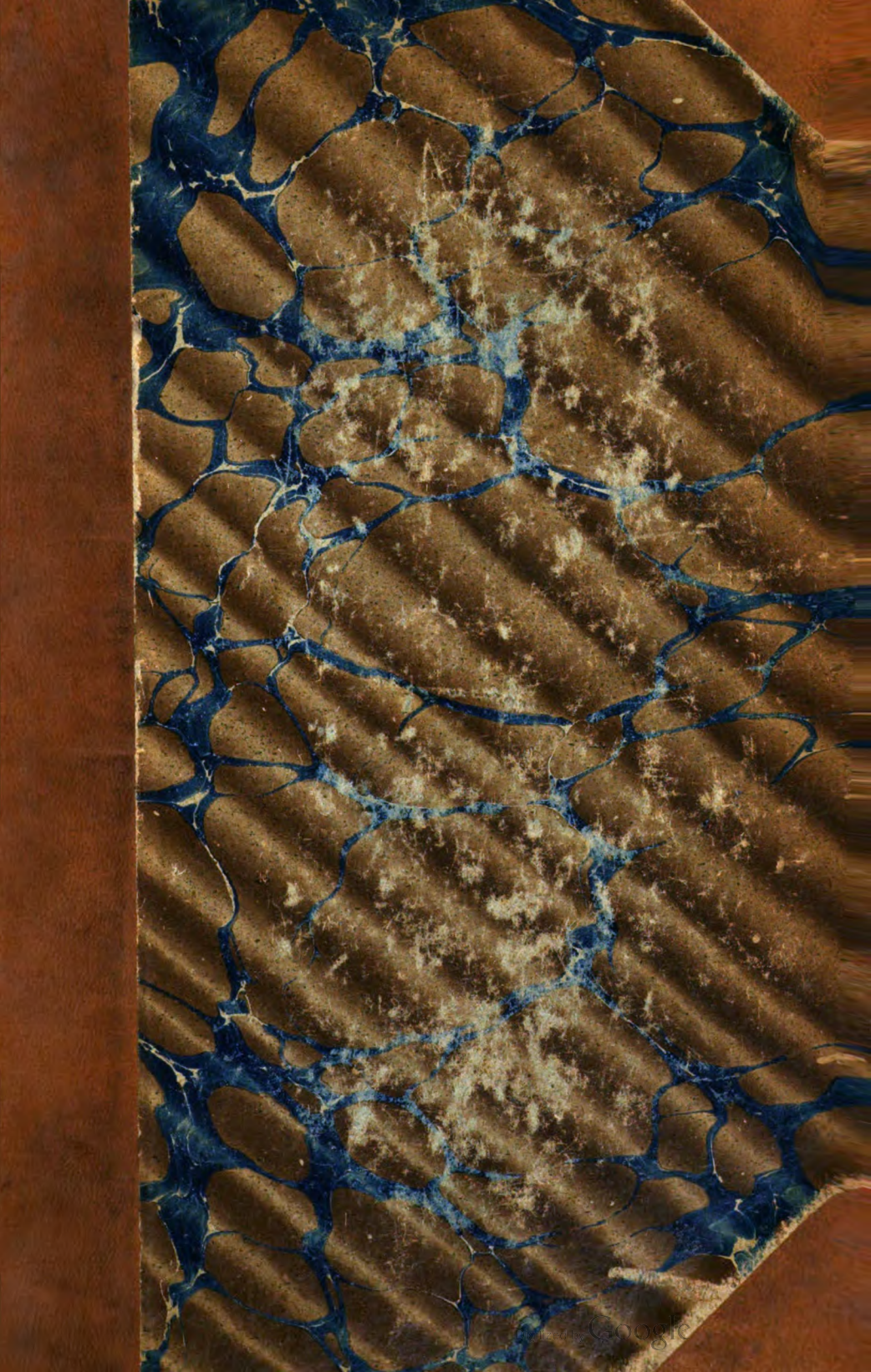

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NEW BANKS, CHANGES, FAILURES, ETC.

January number.....	90	July number.....	732
February number.....	199	August number.....	831
March number.....	307	September number.....	942
April number.....	411	October number.....	1036
May number.....	521	Nov. number.....	1137
June number.....	625	December number.....	1233

V. THE BANKER'S GAZETTE.

THE MONEY MARKET AND FINANCIAL SITUATION.

January number.....	89	April number.....	419	July number.....	737	October number.....	1041
February number.....	207	May number.....	528	August number.....	844	Nov. number.....	1147
March number.....	315	June number.....	634	September number.....	947	December number.....	1240

BANKERS' OBITUARY RECORD.

Adams, J.....	440	Gates, G. W.....	1264	Lyon, Lyman.....	972	Ridgway, Thomas.....	440
Adams, Platt.....	760	Gay, Nelson.....	656	Lyons, Robert.....	1168	Rogers, John H.....	972
Adams, Walker.....	1264	Gillette, C. S.....	228	Mackin, James.....	440	Sabin, Sidney S.....	119
Allen, William C.....	228	Goodall, Albert G.....	336	Macy, William H.....	656	Samuel, John M.....	972
Allen, Ira C.....	656	Gortner, John S.....	440	Marmet, Florence.....	1264	Sargent, Benjamin.....	1264
Armstrong, Mat.....	228	Green, Joshua.....	440	Marsh, John.....	228	Sargent, Ignatius.....	808
Baldwin, A. H.....	119	Green, A. M.....	760	Masten, Peter.....	336	Sather, Cedar.....	119
Baldwin, Jesse G.....	549	Greenleaf, H. G.....	656	Mattocks, Saml. B.....	440	Schlund, C.....	972
Bantfield, A. W.....	549	Greenleaf, John H.....	228	May, Simon C.....	549	Seaver, A. W.....	1064
Barker, Hiram.....	549	Greenleaf, Rich. C.....	972	McConnell, Robt.....	1264	Seligson, Henry.....	440
Bateman, Seth.....	1264	Groves, George M.....	119	McConomy, A.....	119	Sherwood, John H.....	440
Beaure, Owen.....	1168	Guild, James.....	656	McCarthy, Jos. A.....	972	Shields, A. H.....	760
Besell, Jonathan.....	656	Gurley, William.....	228	McCulloch, Wm.....	1264	Sibley, Geo. R.....	868
Berford, C.....	119	Hale, Calvin.....	656	McKim, Robert.....	656	Simons, Oscar A.....	119
Bigelow, A. O.....	656	Hamilton, E. S.....	119	Meumann, Theo.....	1264	Slocum, Samuel.....	440
Bingham, Samuel.....	119	Hargous, Louis S.....	119	Meigs, Henry.....	760	Smith, John B.....	549
Blake, Samuel H.....	549	Harrison, A.....	1168	Mershon, Henry.....	549	Smithers, C. F.....	656
Board, Green B.....	1064	Hartman, Edward.....	440	Miller, A. B.....	549	Sprigg, Joseph A.....	228
Boardman, Isaac H.....	868	Harris, Geo. W.....	1264	Monahan, Thomas.....	656	Standford, E. D.....	972
Bodman, Luther.....	972	Hartshorn, Charles.....	972	Mowry, Spencer.....	1064	Stevens, George F.....	1264
Bowen, Edward E.....	440	Harvey, Calixte.....	868	Myers, Alfred G.....	440	Stokes, Henry.....	336
Brayton, Edward S.....	760	Hayford, Wm. B.....	336	Myers, Joseph M.....	760	Stormont, D. W.....	972
Breed, Henry A.....	656	Hays, Wm. H.....	119	Near, Andrew.....	228	Sturges, Z. B.....	368
Brown, Lizzie A.....	1168	Head, George S.....	336	Newman, Wm. H.....	228	Tatman, Charles.....	1168
Brown, B. E.....	1264	Hechmer, G. S.....	868	Noyes, Albert L.....	549	Tash, Geo. W.....	119
Buchanan, R. M.....	1168	Hickling, Geo. M.....	336	Odell, Isaac.....	119	Taylor, Caleb N.....	1264
Carney, James.....	228	Hill, A. B.....	1264	Osgood, John H.....	656	Taylor, M. G.....	1168
Carter, Bull C.....	119	Hill, Wm. R.....	1264	Osterholtz, Henry.....	1264	Thacher, Jesse.....	1264
Carter, Ezra.....	656	Hobbs, A.....	228	Owens, Rufus S.....	228	Thatcher, Geo. H.....	336
Church, Fred L.....	656	Hogarth, John P.....	228	Packard, D. F.....	1264	Thomas, Geo. R.....	868
Clague, John.....	868	Holbrook, Chas. L.....	1064	Palmer, George H.....	972	Thompson, Aug. P.....	440
Clark, James A.....	760	Hoyle, Hon. Tim.....	119	Palmer, Nicholas F.....	336	Thompson, Geo. D.....	760
Clarke, Wm. A.....	440	Hoyt, Oliver.....	656	Parry, Chas. T.....	868	Thurston, Josiah.....	119
Cleveland, Wm. E.....	1064	Humphrey, John D.....	440	Patterson, Joseph.....	1064	Todesco, Herr.....	228
Coit, Henry R.....	549	Hunting, Nathaniel.....	972	Pearson, Robert.....	1264	Travers, Wm. R.....	440
Cooke, Jay.....	868	Huntzinger, H. H.....	440	Perkins, Wm.....	868	Treat, James A.....	440
Costmcock, C. C.....	760	Hurter, Henry.....	119	Pierce, Jas. M.....	1264	Vance, James.....	868
Crane, John J.....	549	Husted, S. L.....	760	Pinneo, James B.....	228	Voight, Adolph.....	119
Crane, Walter B.....	1064	Hyde, Frederick.....	1168	Pitts, Chas. Hall.....	1264	Wadsworth, Julius.....	760
Crosswell, Chas. M.....	119	Johnson, William.....	1064	Plummer, Avery.....	656	Wadsworth, Strong.....	760
Cutting, Robert L.....	336	Kaufman, A.....	119	Pollock, Thomas C.....	228	Wallace, Lynn W.....	440
Dana, Newton C.....	1168	Kennedy, Robt. L.....	1064	Pomeroy, Edward.....	440	Ward, Geo. Cabot.....	656
Davis, Edward S.....	972	Kenyon, S. N.....	549	Pope, Samuel M.....	228	Warner, Charles.....	228
De Forest, Cor. V.....	1264	Kilham, A. D.....	1168	Preston, David.....	549	Warren, James D.....	119
De Rivas, M. E.....	868	King, Paul.....	410	Price, Richard.....	119	Wells, Chandler J.....	336
Derry, Henry F.....	1064	Knapp, Jas. H.....	1264	Printup, D. S.....	228	Wescott, George B.....	440
Dow, James N.....	972	Knapp, Shepherd F.....	228	Randall, Albert.....	1264	White, Frank W.....	228
Emple, Levi.....	549	Laight, Albert.....	336	Redington, Edw. C.....	440	Whitin, Chas. P.....	1064
Eyster, George.....	119	Lamb, Thomas.....	1264	Reel, Isaac.....	1064	Whitney, Chas.....	1064
Fairwell, George N.....	336	Landell, Wash. I.....	228	Reimig, L. O.....	336	Williams, John.....	228
Fellows, John F.....	972	Learned, Ebenezer.....	972	Richmond, Alonzo.....	440	Williams, H. T.....	1064
Fiddeman, H. B.....	1168	Leach, Samuel W.....	760			Wiswell, Joseph B.....	760
Fitch, George P.....	440	Lewis, James M.....	1064			Woodard, Daniel.....	760
Fleet, J. Gardner.....	440	Lincoln, A. S.....	1064				
Fleming, Chas. L.....	549	Lindsay, Jesse H.....	228				
Fleming, Hugh S.....	1064	Locke, Wm. M.....	1264				
Foot, Geo. L.....	1264	Lockwood, LeGrand.....	549				
Forst, Daniel P.....	656	Loomis, Henry.....	119				
Fuller, Henry.....	760	Long, Nimrod.....	549				

NOTICES OF NEW BOOKS.

May number.....	530	September number.....	969
July number.....	759	Dec. number.....	1262
August number.....	865		

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W. H. H. H.

Journal of Learning

The first of these is the fact that the majority of the population of the United States is of European descent. This is a result of the historical pattern of immigration to the United States, which has been dominated by people from Europe. The second is the fact that the majority of the population of the United States is of European descent. This is a result of the historical pattern of immigration to the United States, which has been dominated by people from Europe.

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RHODES' JOURNAL OF BANKING.

Vol. XIV.

JANUARY, 1887.

No. 1.

UNITED STATES Treasurer Jordan, in his annual report, makes an explanation as to the character of the fund in the Treasury to retire bank circulation, which was clearly needed. There has been an apparent discrepancy between the monthly statements of the Comptroller of the Currency and the Treasurer for some time, the one reporting a certain amount of "legal-tender notes on deposit to retire circulation," while the Treasurer's statement showed a much smaller amount of such notes in the Treasury. The explanation is exactly as we anticipated it would be—in the event of any being made. The Treasurer states that no attempt is made to hold a legal-tender reserve for the notes. When the notes are presented they are paid either by check on New York or in such form of currency as may be demanded. On November 30th the Government was indebted to the banks on account of deposits to retire circulation and the 5 per cent. reserve fund in the sum of \$94,752,389, all of which (theoretically) is payable in legal-tenders, yet the Treasurer says that on that date there were only \$29,548,188 legal-tenders in the Treasury. "The entire sum of \$94,752,389," he says, "may be said to be composed of \$29,548,188 legal-tenders, \$32,602,100 standard silver dollars and \$32,602,100 in gold." Of course these specific amounts are not set apart for the retirement of bank notes, the redemptions being made out of the general balance. The fact is brought out, however, that there is no legal-tender reserve specially held to retire bank notes, and this being the case the methods of reporting deposits to retire notes ought to be changed. The Treasurer's criticism of the methods of including in the Treasury balance funds which are held by the Government only as a depository is obviously proper.

NO MORE SATISFACTORY EVIDENCE of the local character of the National banks could be required than that furnished by the Comptroller of the Currency in his annual report. A statement is there presented which shows that, of a total of 7,116,894 shares of National bank capital, 6,426,320 (or over 90 per cent.) are held by residents of

the State in which the respective banks are located. This average is pretty generally maintained in the Eastern, Northern and Southern States. In some of the far Western States and Territories the average is smaller, owing to their great dependence upon outside capital. But the exceptions are few where less than 70 per cent. of the total number of shares are owned by residents. We question if the State banks can show a larger percentage of resident owners, and it is very certain that few corporations, financial or commercial, having large capital, are less in the control of outside capital. Another fact which the Comptroller brings out very clearly is that the National banks are not controlled by large capitalists. Over 50 per cent of the shareholders of these institutions own only ten shares or less, the actual number being 117,974 out of a total of 223,583. There are 78,781 others who own more than ten shares, but not over fifty shares each, so that 196,755 (or 88 per cent.) of all the National bank stockholders of the country own from one share to fifty shares each, or from \$100 to \$5,000. The average number of shares owned by stockholders is thirty-two, or about \$3,200 in value. This is a complete denial of the proposition that the National banks are in the nature of a monopoly, or are controlled by a privileged class.

A SILVER ADVOCATE who believes in maintaining the old ratio of silver to gold, and charges the decline in the value of silver to "a dastardly attempt to double the value of bonds, to depreciate the price of labor and to destroy the peace and prosperity of the nation," publishes the following statement showing the average ratio between gold and silver for different periods:

From 1492 to 1600.	11.50
From 1600 to 1700 ..	14.00
From 1700 to 1800.	15.00
From 1800 to 1850. ..	15.07
From 1850 to 1875.	15.85
From 1875 to 1885.	18.20

This table, it is claimed, proves that "never until 1874 was the price of silver reduced to a point where an 412½ grain silver dollar was not of equal value in the open market to a dollar in gold." Well, so it does, but it proves more than that, for it shows very conclusively that silver has been declining in value ever since 1600, which antedates by more than 200 years the power of any living "conspiracy" to depreciate it. If there is any force of logic in "what has been," the champion of silver should not stop at the ratio of 16 or 15½, but should demand that the ratio of 11½, which existed when America was discovered, should be established by law.

THE PASSAGE BY THE SENATE of a bill to retire the trade dollar gives reasonable hope that this badly treated coin might soon be disposed of for good but for the fact that a bill with similar provisions was defeated in the House at the previous session. The bill is well

drawn to guard against bringing in the coin from foreign countries for redemption. The time for redeeming is limited to July 1, 1887, which would allow less than six months for the holders to present them. The clause in the bill to which the House may object, however, is the one providing that the trade dollars which are to be recoined into standard dollars shall be deducted from the amount of bullion required to be purchased and coined by the law of 1878. The silver men in the House will undoubtedly fight this provision, and, as they succeeded in defeating it at the last session, they may again. The trade dollar should be retired. The Government practically made itself sponsor for it, and, since it has discredited it, Congress should call it in and put an end to its existence.

ESTIMATES OF THE LOSS ON GOLD COIN by wear and abrasion in Great Britain were published in the December 1886 number of the *JOURNAL*, from which it appeared that the sovereigns in circulation were .64 of one per cent. below the full standard value, while the half sovereigns were 1.63 per cent. below. The Director of the Mint has since issued a report, in which he states that in this country both the legitimate and fraudulent abrasion of coin is probably below that of any other country, on account of the economy of circulation of gold coin. The Director says that, in the case of gold coin of the United States tested upon a large as well as upon a small scale, all old coin have hitherto been found strictly within the limit of tolerance of fineness and about the same as new coin. Upon the recoinage in 1873 of \$16,000,000 of light gold coin the fineness was found in no single melt to be below .899. No systematic investigations on an adequate scale have been made in this country to determine the loss by actual wear on gold coin, but such experiments as have been made indicate that the abrasion under passed conditions of circulation has been from $1\frac{1}{2}$ to 2 per cent. a century.

THE IMPORTANT BANK TAX CASE, involving the legality of over \$2,000,000 of taxes on National banks in the City of New York, has been advanced on the United States Supreme Court calendar, and is set down for argument on the first day after the February recess. The decision of Judge Wallace, of the Circuit Court, holding that there was no unjust discrimination against National banks under the tax laws of New York, and that the taxes were legal, was published in full in the November, 1886, number of the *JOURNAL*. The decision of the Supreme Court of the United States will be awaited with interest.

THE ISSUE OF ANOTHER CALL for bonds by the Secretary of the Treasury on December 28th was in the nature of a surprise, it being generally expected that the Secretary would hold back his calls until some expression came from Congress as to its policy with reference to the public debt and revenues.

FUTURE OF THE NATIONAL BANKING SYSTEM.

An article by ex-Comptroller Knox, upon "The Future of the National Banking System," appears in the *North American Review* for the present month of January. The article is evidently an elaboration of an interview which appeared in a city paper on the 7th of December. In this article it is proposed :

First—That a bill shall be passed authorizing a reduction of the bonds required to be kept on deposit as security for circulation as proposed by the bill of Senator McPherson, to which reference is made elsewhere.

Secondly—Provide for the refunding of the 4 per cent. bonds, amounting to \$738,000,000, now outstanding into $2\frac{1}{2}$ or 3 per cent. bonds, offering the inducement to the holders of these bonds to exchange them for the new ones to be issued, the Government paying to the holders the difference between $2\frac{1}{2}$ per cent. or 3 per cent. and 4 per cent.—the difference in value to be ascertained by an exact calculation by the Actuary of the Treasury Department.

Thirdly—Provide a safety fund from the tax upon circulation, which should be reduced to $\frac{1}{2}$ per cent. per annum, and from the estimated loss arising from the failure to present lost or worn-out National bank notes for redemption during the last twenty years, amounting to about \$4,500,000. When this safety fund amounts to \$5,000,000 authorize the issue of circulating notes at the rate of \$100,000 of circulation upon \$80,000 of bonds ; the loss, if any, from the inability of insolvent banks to redeem their circulating notes to be charged and paid from this safety fund. The statistics in reference to the failure of National banks during the last twenty years show that if circulation had been issued at the rate of \$100,000 upon \$80,000 of United States bonds deposited there would have been no loss whatever to the holders of the circulating notes of insolvent banks. But with a safety fund in hand of \$5,000,000, steadily increasing by a tax of one-half per cent. upon the circulation outstanding, there would be no possibility of loss to the holders of the notes of an insolvent National bank if such notes were issued at the rate of \$100 for every \$80 of United States bonds deposited.

If, however, the 4 per cent. bonds could be funded into $2\frac{1}{2}$'s by the payment of interest in advance, and circulation issued at par upon the bonds, and the present tax upon circulation repealed, the issues of the National banks could be maintained without the necessity of a safety fund until the maturity of the bonds.

The banks might also be authorized, at their option, to deposit in part gold or silver coin or bullion instead of United States bonds, and such a circulation is greatly to be preferred to the silver certificates now in circulation.

Either one of these propositions would give relief to the banks, and all combined would have the effect of continuing the National bank circulation for twenty years, or until the date of the payment of the 4 per cent. bonds now outstanding. Under such an arrangement the circulation of the National banks would not be likely to diminish, but would increase during the next

twenty years. These propositions provide for an absolutely secure National bank circulation. They are eminently practicable and easy to execute if the proper legislation can be obtained.

In any event, there is no reason why a law should not be passed authorizing National banks, if they desire, to reduce their circulation and the bonds required to be held as security therefor, and authorizing that circulation shall be issued at par upon the bonds, as previously provided in the McPherson bill. Surely all parties can agree to allow National banks to retire a portion of their circulation and their bonds if they desire to do so.

The report of the Comptroller of the Currency for 1886 shows a decrease in the circulation of the National banks for the year ending November 1, 1884, of \$24,170,676; in 1885, of \$15,545,461, and in 1886, of \$56,593,533, making a total of \$96,309,670. The banks held \$57,000,000 of threes, all of which will be called in the course of a few months—reducing the circulation from \$210,000,000, the present amount, to about \$170,000,000 during the coming mid-summer months, and increasing the funds on deposit in the Treasury for the retirement of National bank notes from \$88,000,000 on December 1st to nearly \$120,000,000.

It is evident that, unless legislation is obtained during the present session of Congress, the National bank notes now outstanding are to be largely reduced, and that silver certificates are to be issued in their stead; but it does not follow that on this account the National banking system will cease to exist, for the system will continue as long as the banks continue to hold the minimum amount of bonds required by law. The banks which have been organized during the last few years have not been organized on account of the profit upon circulation, but rather because it is found by experience that a bank can more certainly build up a deposit account under the National system than any other. This is very evident from the numerous conversions of State banks and private bankers into the system and the numerous organizations in the new States and Territories, where the rates of interest are so high that there is a loss, instead of a profit, on circulation; and also from the fact that many associations which have left the system on account of the restrictions of the Act have found it to their interest again to return.

So long as the National banks continue to retain their reputation as the safest places of deposit the system will attract to itself new organizations and continue to retain the old.

It is probable that, not long hence, the constitutional question will be raised whether Congress has not the power to authorize the organization of National banks without requiring them to deposit any United States bonds whatever, and, in view of a recent decision of the Supreme Court, there would not seem to be much doubt as to the construction of such a law by that tribunal.

If a law should be passed authorizing the National banks to reduce the bonds now on deposit to one-half the amount now required, as given in the first proposition, the National banking system could continue during the next twenty years upon an aggregate deposit of about \$50,000,000 of bonds by the different banks now organized, or which are likely to be organized, until the year 1907.

In the course of the next twenty years many strange things may happen, and among them, possibly, an increase of the National debt.

PROPOSED BANK LEGISLATION IN CONGRESS.

Bills were introduced in Congress during the month of December by Senator McPherson, of New Jersey, and the Hon. James P. Miller, Chairman of the Committee on Banking and Currency in the House, authorizing a reduction of the bonds held as security for National bank notes.

The bill of Senator McPherson proposes that banks having a capital in excess of \$150,000 shall keep on deposit \$25,000 of United States bonds as security for their circulation, and that National banks having a capital of less than \$150,000 shall keep on deposit an amount equal to one-eighth of their capital.

The bill of Mr. Miller proposes that banks having a capital of from \$50,000 to \$75,000 shall keep on deposit \$5,000, and banks with a capital of \$75,000 and less than \$150,000 may organize or continue business upon a deposit of \$10,000 of United States bonds; while banks having a capital in excess of that amount shall be required to keep on deposit a sum not exceeding \$25,000.

The bill of Senator McPherson, like his previous bill, which was first presented in the year 1883, and which passed the Senate during the last Congress, contains a clause providing for the issue of circulating notes at the par value of the bonds, while the House bill provides for the issue of 90 per cent. only, in accordance with the present law.

Senator Aldrich, of Rhode Island, on December 18th of last year, renewed his proposition, which was under consideration in 1883, providing for the refunding of the long Government bonds into 2½'s and for the payment of maturing bonds having a higher rate of interest previous to those bearing a lesser rate.

On December 13th, Hon. Abram S. Hewitt, of New York city, introduced a bill in the House authorizing the Government to anticipate the payment of interest on the bonded debt in excess of the rate of 3 per cent., for stamping the bonds which are presented so as to show the reduced rate of interest, and also authorizing such stamped bonds to be received as security for the issue of circulating notes to the National banks at the par value thereof. The first section of this bill is as follows:

SECTION 1. That out of any money in the Treasury not otherwise appropriated the Secretary of the Treasury is hereby authorized and empowered to anticipate the payment of so much of the interest on the interest-bearing bonds of the United States as shall be in excess of the rate of 3 per cent. per annum by the payment in gross of such sum in each case as shall be equal to the aggregate present worth of such excess of interest thereon. And for the purpose of ascertaining such present worth the interest upon the amount paid by the United States in and in anticipation of such excess of interest shall be computed at the rate of 3 per cent. per annum, reinvested quarterly, so as to secure to the United States the benefit of compound interest thereon.

The third section of Mr. Hewitt's bill authorizes the deposit of \$100,000,000 of the Treasury surplus with the National banks upon the security of a like amount of United States bonds, to be deposited with the Treasurer of the United States.

WILLIAM LEE TRENHOLM.

The Hon. William Lee Trenholm, an excellent portrait of whom appears in this issue of the JOURNAL, was appointed Comptroller of the Currency by President Cleveland in March, 1886. Mr. Trenholm was born in Charleston, S. C., on February 8, 1836, and is the son of Mr. Geo. A. Trenholm, who was Secretary of the Treasury of the Southern Confederacy. He graduated from the South Carolina College in December, 1855, and was married in January following. He at once engaged in mercantile pursuits, becoming a partner in the commercial house of John Fraser & Co., of Charleston. Subsequently he entered the firm of Trenholm Bros. & Co., of New York, and Fraser, Trenholm & Co., of Liverpool, England. Mr. Trenholm lived in England two years while connected with the last-named firm.

At the breaking out of the civil war he entered the service of the Southern Confederacy, volunteering in the South Carolina State troops in December, 1860, and serving throughout the war.

In 1865, Mr. Trenholm resumed active business in Charleston. He became identified with the progressive business interests of that city; and, while never a candidate for public office, was twice nominated and elected Alderman of Charleston on tickets especially made up for an unusual occasion and supported distinctively by the business elements of the community.

While Mr. Trenholm has long been well known in the section in which he lived for his excellent business qualifications and broad and comprehensive views on commercial and financial questions it is only recently that his name has become familiar throughout the country.

Public attention was first attracted to him by his discussion of the silver question before banking and commercial conventions. Being a native of the South, his opposition to the further coinage of silver and his championship of the National banking system naturally brought him into prominence, and the more so because of the clearness of his views and the ability with which he presented them.

His introduction into the public service may be traced to the masterly way in which he presented an argument in behalf of the South Carolina rice growers before the Secretary of the Treasury in 1885. The clearness and brevity of his argument so favorably impressed Assistant Secretary Fairchild that, when the appointment of two Civil Service Commissioners came up, Mr. Fairchild strongly urged that Mr. Trenholm be named as one.

In November, 1885, the President appointed Mr. Trenholm a Civil Service Commissioner, and he filled that position to the extreme satisfaction of the administration until March, 1886, when he was appointed Comptroller of the Currency. The soundness of his views on all questions which were likely to be influenced by his official position made his selection almost universally popular.

The most delicate compliment paid to Mr. Trenholm at the time he was made Comptroller, we think, was uttered by the *New York Times*, which said: "The only possible cause of regret for the nomination of Mr. William L.

Trenholm as Comptroller of the Currency is his withdrawal from the Civil Service Commission. He is equally qualified—and very highly—for either position, but we fear it will be harder to replace him on the Commission than it would be to find as good a man for Comptroller."

It is unnecessary to refer to Mr. Trenholm's record thus far as Comptroller. It is enough to say that he has satisfied every one who believes in maintaining the credit and currency of the country upon the highest basis. He has disappointed nobody except those who feared he might not make a good Comptroller.

The very complete summary of his last annual report which we print elsewhere in this number shows that his views on financial questions have undergone no change since he entered his present office.

A COMPUTATION BY ACTUARY ELLIOTT.

REFUNDING OF THE UNITED STATES FOURS INTO TWO-AND-A-HALFS.

The following letter from the Hon. E. B. Elliott, Actuary of the Treasury Department, exhibits the maximum amount of the Treasury surplus which would be payable to the holders of the four per cent. bonds of the United States if the bill proposed by Senator Aldrich, of Rhode Island, should become law :

UNITED STATES TREASURY DEPARTMENT, {
WASHINGTON, D. C., December 24, 1898. }

John Jay Knox, Esq., President National Bank of the Republic, New York.

MY DEAR SIR:—In response to your request of the 11th inst. as to "the difference in interest between 738 millions of 4 per cents maturing in 1907 and a bond exactly the same, maturing at the same date, bearing interest at 2½ per cent.," I would say that, throwing out of consideration the superior advantages offered by the 2½ per cent. bond for the purposes of bank-note circulation, the present value to the holders of one dollar and a half a year for 20 years, re-invested quarterly, is, if computed at a 4 per cent. rate of investment, \$20.5831; if invested at 3 per cent., \$22.4979; and, if invested at 5 per cent., \$18.895 on each \$100 bond.

Very truly yours, E. B. ELLIOTT, Government Actuary.

MEMORANDUM.

Present value of one dollar and a half a year for 20 years, re-invested quarterly, at the following rates of interest per annum.

2½ per cent.....	\$23.552
3 per cent.....	22.498
4 per cent.....	20.583
5 per cent.....	18.895

Corresponding difference in interest on \$738,000,000 reduced from 4 per cent to 2½ per cent. per annum.

\$178,810,000
168,034,000
151,903,000
139,445,000

A CRITICISM.—Mr. A. H. Magill, a member of the banking firm of John Warner & Co., of Clinton, Illinois, writes under date of December 20th, when sending remittance to renew his subscription for 1897 :

"I have but one criticism to make on the JOURNAL, and that is that you furnish so much valuable and interesting matter that we can scarcely find time to read it all. Since we began taking the JOURNAL it has been steadily improving until now it is undoubtedly the best bankers' periodical in this country. You give us more than we bargained for."

This is a fair sample of numerous criticisms which reach us now-a-days.

**Notes and Comments on
BANKING PRACTICE.**

SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

I.

Bank Clerks' Schedules.—The work of a bank is, as a general rule, so regular and uniform in its character that it admits of an unusual degree of system in its arrangement and also in its disposition among the several members of the working force. Nothing conduces more to the efficiency of the clerical force of a bank than for each man to know precisely what his duties are. Bank clerks are pretty much like other men. Some are active and industrious, others negligent and inattentive. And it is scarcely fair that the former should be virtually required to perform work that properly belongs to the latter. Yet, under the happy-go-lucky system that prevails in many banks, this is too apt to be the case. Some clerks always come early and go late; others pretty generally come late and go early. When any one is absent special arrangements have to be made concerning his work. Things go, so to speak, by tradition rather than by settled rule, and the older clerks are pretty sure to arrange matters to their own liking rather to the disadvantage of those who are new and inexperienced. There are, in consequence, considerable jarring and friction in the bank work and occasionally unpleasant disagreements as to whose duty the performance of such and such a task may be.

To avoid all this, and to secure a proper degree of system in the arrangement of bank work, it is well for the Cashier to make out written schedules for the various desks, defining, as near as may be, the duties appertaining to each. Care should be taken to provide for absences so that there may be no confusion on that account. Written schedules are not to be expected to cover every point. Indeed, they are only intended as general guides, and do not at all preclude the clerks helping each other as much as possible. On the contrary mutual assistance is more practicable when each man knows his duties.

In arranging for absences it is desirable that the work of the absent clerk should be done as far as possible by the one next in the line of promotion.

Attention to Details.—Great results are seldom attained by single efforts, however skillful or well directed, and what appears to the outsider a master stroke of policy is usually but the culmination of a well-digested and patiently-thought-out plan that has already been long in action. This proposition, which will be readily assented to by most people, might be supported by a variety of examples and illustrations from the careers of successful men and the history of successful enterprises. At present, however, it is not intended to do more than briefly note its application to some of the phases of the banking business. Careful readers of the articles on "Practical Banking"

that have been appearing in the JOURNAL no doubt often noticed how much attention the writer has given to what may be termed little things—even going so far as to suggest a way to preserve for a time the waste paper of the bank, so that it may be readily referred to and examined when searching for lost checks, coupons, etc. In respect to this attention to little things the writer of the articles referred to shows the result of his own long actual experience in bank management. All through the pages of the JOURNAL will be found useful suggestions and practical hints as to small matters that are well worth remembering. In an ordinary matter, like the care of a bank vault and safes, very little attention would many times have prevented a troublesome and annoying lock-out. In reading accounts of bank burglaries one is often struck by the seeming ease with which they are effected, the fact being that lack of attention to every little detail on the part of the bank Manager has left some weak and unprotected point which the keen eye of the "professional" rarely fails to notice. And so, also, with forgeries and the various swindling schemes, old and new. In the arrangement of the bank work it is surprising how many ways clerks and even Cashiers will devise to hinder instead of helping themselves. In many banks there can be found account books in active use utterly useless for any practical purpose—mere relics of by-gone ways—yet these old books are clung to with the tenacity of superstition, and daily consume hours of precious time. Some bank officers seem to have a passion for multiplying books, and surround themselves with all sorts of "ticklers," "scratchers," "blotters," etc. Now, a little attention and thoughtfulness would soon gather up all these miscellaneous memoranda into a simple and comprehensive system that would save time and labor and insure a greater degree of accuracy, the main object being to so guard every point that the work when finished must be right. The account of the Teller's cash should be so kept that an error can be, to a certain extent, located. Attention to this matter would prevent many annoying discrepancies. In the matter of carrying money about the street, bank Messengers are sometimes negligent of even ordinary precautions—a negligence, however, that should not be attributed in all cases to the Messenger himself, but rather to the faulty system under which he is working. For instance, the runner should always have his wallet secured by a leather-covered chain passed over the shoulder. This is an obvious precaution and one sometimes neglected. In fact, this principle of attention to little things can be applied with advantage to every department of a bank, and the permanent success of the institution often depends greatly upon its observance.

A Model President and Director.—A fine banker of the old school, who was President and Director of the Suffolk Bank in Boston during the many years Mr. Grubb served as chief of the foreign money department—a gentleman held in most kindly remembrance by all who were ever brought in contact with him—was the late Jeffrey Richardson. Mr. Richardson for more than 40 years was a member of the foreign money committee of the bank—altogether the most important committee in the Board of Directors. While serving on that committee, and also in the more conspicuous position of President of the bank, he showed a skill, a patience and a kindness of heart that won the respect and esteem of the clerks under, and the men of business who were associated with, him. Early in life he had been an active merchant—a large importer and

dealer in iron—but from the date of his entry into the Board of the Suffolk Bank up to the day of his death his time and attention were more given to the banking business than to trade in the old store on Central Wharf, which he nominally occupied for a half a century or so.

When it became evident to most Massachusetts bankers that the days of banking under State charters were numbered and that there was no alternative for the old State banks but to submit to Secretary Chase and be nationalized, Director Richardson, who had all his life been identified with State banking, either in the capacity of President or Director, could not be convinced of the wisdom of reorganizing the Suffolk Bank under the National system. He talked against it, he wrote against it, and, alone in all the Board, he to the last voted solidly against it, because, as he said, he never approved the wisdom of the change.

Following is an accurate likeness of this worthy banker that will vividly recall to many a reader of these papers his kindly face and cheery presence :



Legal and Illegal Holidays and the Mails.—There are two classes of holidays for bankers and merchants who are willing to take them—those which are termed legal holidays and those which are not. In the case of the first named there are no difficult questions arising with banks relative to the way they shall be kept.

|| Banks on such days are not open at all, do not receive their mails or transact business of any description, but treat them, as far as business is concerned, as if they fell on Sunday. This arrangement is, of course, perfectly safe and consistent. But where a bank observes holidays which are not legal—shuts up its place of business when it has no legal authority to do so—it assumes responsibilities which are sometimes troublesome and even risky. Its maturing paper which falls due on the holiday in question is, of course, generally paid the day preceding, for the makers are usually aware of the holiday closing and accommodate themselves to it. If such paper is not paid the day before the holiday it must be kept where the promisor can readily reach it on that day, for it cannot be protested until the close of banking hours on the day of its actual maturity. So banks that nominally close on holidays which are not

legal either leave some clerk at the bank to take charge of the unpaid maturities of that day—to collect or protest them—or post a notice on its doors stating where the paper in question may be found.

But it is in the treatment of the incoming mails on an illegal holiday that the closing banks are sometimes at a loss what to do, and especially is this the case in cities and towns where there are many banks and a Clearing-House. As no settlements at clearing are made on such days, and as the banks have no means of making collections from each other, it evidently becomes a dangerous and embarrassing thing for any bank to take its letters from the post office on such a day; if it takes them from the mail it should open them, and if it opens them the question arises how shall it proceed if the letters contain large checks and sight and demand drafts? Regarding its treatment of the latter the difficulty is increased by the fact that the places of business of the drawees are likely to be shut.

Banks should not take their letters from the post office on illegal holidays.

It is to be hoped that bankers never entertain the idea of going for their mails on Sundays and other legal closing days.

“Take this Off Before Presenting.”—These words are often printed on “no protest” slips. The request, however, is not always complied with. Banks that regard the no pro. slip as sufficient instruction not to protest sometimes object to removing it for fear, if the draft is not paid, it may be overlooked, and thus the draft may incur protest contrary to the wishes of the drawer. But the general custom is to remove it.

Stamped Envelopes.—It is surprising how many banks still use the adhesive stamp instead of the stamped envelopes furnished by the post office authorities. The latter are not only more convenient, but insure the bank against vexatious delays occasioned by letters being put in the post office unstamped—a little piece of forgetfulness to which even the most careful Corresponding Clerks are liable. Envelopes with printed addresses should be used for all regular correspondents.

Signatures.—Whether it is really possible for an expert in handwriting to certainly determine as to the genuineness of a disputed signature is at least open to debate. Sometimes trials in court develop the fact that persons whose opinions are entitled to equal weight are apt to arrive at exactly opposite conclusions. However this may be, it is the duty of bank book-keepers to carefully note the signatures of the checks that come under their supervision. By doing this habitually there is acquired a certain familiarity with the various handwritings that is not easily deceived.

Obsolete Accounts.—What is to be done with old accounts which carry an unclaimed balance of a small amount? Proper attention at the right time would often prevent the accumulation of such accounts. But, when it becomes apparent that such an account will no longer be disturbed, the checks belonging to it should be carefully listed, proved with the ledger and filed for reference. The account should then be balanced in the regular way and closed into the suspense account or into profit and loss. A note should be made on the face of the account of the disposition made of it.

Corporation Accounts.—It is always preferable to have accounts of corporations opened in the name of the corporation and not in the name of

one or more of its officers, thus: "New York Publishing Co.," not "James Robinson, Treasurer New York Publishing Co." To do this prevents constantly changing the name of the account on the ledger as new officers succeed the former ones.

If the corporation keeps two or more accounts, as, for example, one for the Treasurer and a minor one for a Cashier or Agent, the accounts should stand: "Treasurer of the New York Publishing Co.," and "Agent" or "Cashier of the New York Publishing Co." The name of whoever may be the officer for the time being shows on the signature book, and a memorandum of the same may properly show on the ledger; but the accounts should stand as indicated.

Preserving Books and Papers.—Banks differ very much in the matter of preserving old books and papers. Some esteem it of importance to preserve everything, while others go to an opposite extreme. The chief objection to preserving the books for any length of time is the room they occupy. But if a thoroughly systematic method of filing and shelving is observed this objection may be reduced to small proportions. Shelves can be run up to the ceiling, the heavier books being placed on the lower shelves while the lighter books and letter boxes on those higher up, the chief object being to have everything where it can be readily found at a moment's notice. A proper system once introduced can be very easily kept going. The objection to destroying documents is that there is no telling when a book or a paper may be called for, and he who can produce the written evidence usually has the advantage of the situation. A small book-case, handsomely made, in which are kept the original subscription books of the bank, the minute books, etc., form an agreeable addition to the furniture of the Directors' room.

No one Authorized to Act.—It was half-past three o'clock. The President had left his office and gone home to dinner; the Cashier had left the bank for the day. A customer came in with a batch of collaterals (gilt-edge, in fact) and wanted a heavy loan and his check certified against it. The Cashier was in the habit of attending to such matters personally, and, consequently, the Discount Clerk declined to take the responsibility of advancing the loan. The Teller refused to certify until the loan was advanced. The applicant explained why he came late, interjecting the caustic remark, "If half-past three o'clock in the afternoon could be called 'late'?" and argued, reasonably enough, that in busy seasons, with an active market, the bank should provide for these emergencies. Two of the bank's Messengers were dispatched in search of the Cashier, and, fortunately, one of them found him in a short time and secured the necessary authority for making the loan.

A formal rule of the Board now provides for such an occurrence.

Certifications in Lead Pencil.—In some places it is customary for bank Messengers presenting checks for certification to allow the Teller to write his name or initials in pencil on the check instead of a regular and formal certification. This is to save time and trouble. Where the amounts are not large there is no special objection to the custom. It is one of those "faith and honor" transactions in which the banking business so peculiarly abounds.

New Ideas.—Banks should always be on the lookout for new ideas and improved methods of doing business. The ways of the business world are continually changing, and banks that want to keep their business up to the

highest point must change their ways also. Even in the last ten or fifteen years there have been the most remarkable changes in the banking business. Indeed, to a banker of the old school everything seems to be done on an entirely different basis. The competition in the banking business, a thing almost unknown twenty years ago, has increased to such a degree that every point of advantage has to be seized upon. It is to this consideration that we owe the large number of books on banking and financial matters generally that have been issued of late years. The increased circulation of monthly journals and weekly periodicals devoted to financial affairs is due to the same cause.

Wide-awake managers find it impossible to keep pace with their competitors unless they avail themselves of the new ideas that are being put forth in financial publications. For example, the difference between old and new-fashioned methods in book-keeping means the difference of the salary of one or more clerks.

One good practical idea caught from a book on banking, or from a banking journal of recognized authority, is worth several times the price of a year's subscription.

Well-Seasoned Blank Books.—This is a very desirable quality and one which all makers of blank books claim for their work. Were a blank book put in use as soon as it is made it would be very likely to warp or "spring" from the effect of the heat of the banking office. For this reason careful manufacturers keep such book in press for some time before delivering them. This hint should be acted upon by bank officers ordering their books a considerable time before they are needed. When the books are sent to the bank let them be put in a dry place and some heavy books piled on top so as to keep them under pressure until needed for use. In the case of large books, as ledgers, for instance, a number of slips of blotting paper should be placed between the leaves close in against the back before putting the book under pressure. This will make the book open as readily as one that has been long in use.

A Signature.—Bankers come across some queer signatures in the regular course of business. Here is one which will hardly be taken for "John Smith" at the first glance. It is an exact *fac-simile*, photographed from a check recently received at this office in payment of a subscription :



We will give a year's subscription for the JOURNAL OF BANKING to any Teller (outside the State of Kansas), not having previously seen the signature, who will send in the Cashier's name plainly written.

Brief Replies to Subscribers.—It is found that the space heretofore occupied by Brief Replies is required for more valuable matter. For the present, therefore, questions that have been answered under this head will either be attended to by mail or else will find a place under "Replies to Law and Banking Questions."

BANKING LAW.

* Legal Decisions Affecting Bankers.

LIABILITY OF COLLECTING BANK FOR DEFAULT OF CORRESPONDENT—THE MICHIGAN RULE.

Plaintiff brought suit in a Justice's Court to recover a balance claimed to be due him on account of five drafts, of \$100 each, drawn by him upon O. S. Rixford, of East Highgate, Vermont. These drafts were made payable to the order of Waldby & Clay, the defendants, bankers at Adrian, Mich., who undertook the collection of the same. The drafts were dated and paid by Rixford (as appears upon their face) respectively as follows: March 1, 1884, paid March 14, 1884; March 10, 1884, paid March 22, 1884; March 18, 1884, paid March 22, 1884; March 26, 1884, paid April 3, 1884; and March 31, 1884, paid April 3, 1884. These drafts were forwarded by Waldby & Clay to the First National Bank, of St. Albans, and that bank, after collecting of Rixford, sent its own draft on New York for the money to Waldby & Clay. Quite a large number of drafts had been drawn by Simpson, the plaintiff, upon Rixford before this and collected in this manner without any trouble. Waldby & Clay, upon the receipt of the New York draft of the St. Albans bank, would credit the amount of the same to Simpson, who drew against such credit as he wanted money in his business. Waldby & Clay would forward the New York draft to their banking house in New York, which would collect the same and give them credit therefor. The defendants claimed that the amounts of the last three drafts were never received by them, as, on account of the failure of the St. Albans bank, a draft or drafts of that bank upon New York received by them was protested and not paid in New York, the amount being \$300, and they filed a notice of set-off with their plea for moneys overdrawn by Simpson. The trial in the Justice's Court resulted in a verdict and judgment for defendants for \$51.62 damages. On appeal to the Circuit Court, the verdict of the jury was "No cause of action," and judgment was entered for defendants. The case was then appealed to the Supreme Court.

The plaintiff, upon trial in the Circuit Court, testified that he was dealing in axes manufactured by Rixford, and, by arrangement with him, was authorized to draw upon him for money as he needed it in his business; that, when he made the first draft in the commencement with Waldby & Clay, Mr. Clay asked him where East Highgate was. He told him it was a small town in the northern part of Vermont, and that St. Albans was Rixford's banking town; that Clay himself chose the First National as the bank at St. Albans through which defendant would make the collection; that he (Simpson) did not know anything about banks there, and had nothing to do with the selection, nor was there any agreement between him and defendants that the collection should be at his risk. Shortly after Clay informed him that the draft was paid, and he commenced drawing against it. The last four drafts mentioned in plaintiff's bill of particulars were not paid promptly, as Simpson supposed. After the draft of March 10th, he went into Waldby & Clay's for the money. They told him the draft had not been paid. He then drew the one of March 18th. He kept calling for money, receiving the same reply, until he had drawn all the drafts; and still no returns. He had considerable talk with defendants about the matter, and finally said to them that he knew Rixford was all right

* With this issue, Mr. THOMAS B. PATON, who has been connected with the JOURNAL as law writer for the past three years, is introduced to our readers as the Associate Editor of the Law Department.

Attention is directed to several improvements which appear in this number. All the latest Decisions affecting Bankers will be found herein as early as obtainable.

and he should write to him and find out about the matter. He did write to Rixford, and, about the time after so writing that it would take a letter to reach East Highgate and an answer to return to him, Mr. Waldby called him into the bank and said: "Mr. Simpson, the drafts have come. It was just as you stated—they were delayed in sending them on." That day, the 5th of April, he drew from Waldby & Clay \$150 against the drafts, and on April 10th they paid a Wisconsin draft against him, without his knowledge, for \$35.15. He claims that when they paid him the last \$50 of the \$150 in the afternoon they informed him that the St. Albans bank had failed, but paid him the money just as readily as they ever had upon the receipt of drafts before that date. Soon after the defendants refused to pay him any more money, and claimed that he must bear the loss of the three drafts, which they said had been protested in New York.

The defendants testified that, when Simpson commenced doing business with them in this way, they had an agreement with him that the collection of these drafts should be at his risk, and they were not to be responsible for any money collected by the St. Albans bank until it was paid to them, or until drafts that might be sent by that bank had been paid or placed to their credit in the bank where they did business in New York, and that the deposit book which they handed him contained the following, in pursuance of such agreement: "Obligations payable elsewhere than at our bank are received by us subject direct, incidental, and resultant to the party placing the same with us. We do not undertake to be responsible for the laches or acts of agents to whom we send matter for collection. We will simply act in good faith, and endeavor to use diligence and care." That they made the credit upon their books to Simpson when they received the St. Albans bank draft upon New York for convenience, but not for an absolute credit unless such drafts were paid in New York. They admitted that they permitted Simpson to draw at once against such credit, but claimed that it was done because of his impotunity.

The plaintiff swears he never saw the slip pasted in his deposit or pass-book until it was shown him by one of the defendants after they had refused to pay him on account of the drafts claimed by them to have been protested.

The Court, after reviewing the evidence, stated that when the plaintiff proved the payment of his draft by Rixford, and the receipt of a draft from the St. Albans bank for the same by the defendants, it then devolved upon them to show that, through no fault or want of diligence on their part, the draft was not paid; that they completely failed to do this by any competent of legal evidence, and that, therefore, the verdict should have been for the plaintiff. The Court, however, stated that as the main question in the case would of necessity arise again upon another trial it would be now disposed of, and on this question the Court

Held, The question is directly before us: What is the law of the case when a person steps into a bank, in the ordinary course of business dealing, and intrusts to it the collection of a draft drawn upon some person residing at a distance in case the home bank, through the failure or dishonesty of another bank, selected by itself, never receives the money upon such drafts, though the same is paid by the drawee? In the absence of any agreement in regard to the matter, who must bear the loss in case the home bank has not been at fault in the selection of its agent or agents?

There is a conflict of authority upon this proposition, and, as it has never been settled in this State, we must be guided and governed in our action by what seems to us the most correct view in justice and on principle.

It is held in New York, Indiana, Ohio and New Jersey that the home bank must be the loser upon the principle that such bank undertakes the collection of a draft or bill and selects its agent or agents, and must be responsible for their default or neglect as it would be for the default or neglect of its officers or clerks in the collection of a home bill, or as a contractor would be bound to answer for any negligence or default of his sub-contractors or workmen in the performance of his contract. (*Allen vs. Merchants' Bank of New York*, 22 Wend., 215; *Reeves vs. State Bank of Ohio*, 8 Ohio St., 460;

Titus *vs.* Merchants' National Bank, 35 N. J. Law, 588 ; Ayrault *vs.* Pacific Bank, 47 N. Y., 570 ; Abbott *vs.* Smith, 4 Ind., 452 ; Tyson *vs.* State Bank, 6 Blackf., 225.)

In other States it is adjudged that the customer depositing the draft for collection must be presumed to know, and contract upon the knowledge, that in the ordinary course of business the home bank must employ correspondents or agents abroad to make the collection and transmit the money collected. The holder or maker of the draft, having full notice of the usual course of business, must be held to assent thereto. "He therefore authorizes the bank with whom he deals to do the work of collection through another bank." "The bank receiving the paper becomes an agent of the depositor with authority to employ another bank to collect it. The second bank becomes the sub-agent of the customer of the first, for the reason that the customer authorizes the employment of such agent to make the collection." If, therefore, there is no want of ordinary care and prudence in the selection of the sub-agent, and no negligence or fault on the part of the home bank, the customer must be the loser for the default or negligence of such sub-agent who is regarded as his agent. (56 Iowa, 434 ; 1 Cush., 177 ; 12 Conn., 303 ; 17 La., 560 ; 25 Ill., 243 ; 12 Wis., 702 ; 34 Miss., 41 ; 8 Md., 530 ; 1 Pet., 25 ; 56 Mo., 93 ; 6 Har. & J., 146 ; 8 Baxt., 101 ; "Morse on Banking," 347-356.)

Nearly all the cases cited above, in support of both sides of the question, relate to transactions by which the draft or bill failed of collection by neglect of the notary to make demand in time, or proper protest or default of the agent in not moving quick enough to make the money.

In the case at bar the draft was collected of the drawee, and the loss of the money resulted from the failure of the St. Albans bank before the collection of its draft transmitting such money to the defendants. If defendants were negligent or in fault in not immediately forwarding such draft to New York, upon its reception by them, or in its presentation there, they are in my opinion liable to plaintiff for the money ; but, if there was no negligence in either of these respects, the question arises, Who must bear the loss on account of the inability of the St. Albans bank to meet its draft transmitting the money ?

In *Reeves vs. State Bank of Ohio*, *supra*, it is held, that when a bank in Ohio received for collection a draft payable in New York and for that purpose forwarded the same to its correspondent in New York, such Ohio bank was responsible to the owner of the draft for the conduct of such correspondent, and for the proceeds of the draft immediately upon its collection by such correspondent ; that such correspondent was the agent of the Ohio bank, and not the sub-agent of the owner of the draft ; and payment to the agent was payment to the bank, unless there was some agreement or authority between the owner and the bank beyond the mere fact of the draft being received for collection.

In *Mackersy vs. Ramsays* (in the House of Lords), 9 Clark & F., 818, the same doctrine is maintained. Mackersy employed bankers in Edinburgh to obtain for him payment of a bill drawn upon a person in Calcutta. The bankers accepted the employment, and wrote him, promising to credit him with the money when received. They transmitted the bill in the usual course of business to bankers in London, and by them it was forwarded to India, where it was duly paid. The bank in India that collected the money failed, and the Edinburgh bankers did not receive it. They, however, wrote to the drawer of the bill, announcing the fact of its payment, but never actually credited him with the amount thereof on their books. *Held*, That the Edinburgh bankers were the agents of the drawer to obtain payment of the bill ; that, payment having been actually made, they became *ipso facto* liable to him for the amount received, and that he could not be called upon to suffer any loss occasioned by the conduct of their sub-agent, between whom and himself there existed no privity. In 56 Iowa, 434, *supra*, an attempt is made to distinguish this case on the ground that the decision was based upon the fact that the Edinburgh bank expressly undertook to forward the paper, and upon its payment to place the amount thereof to the credit of the depositor, and for the performance of its undertaking it was to receive a commission, and that upon such a contract the bank would be bound to give him credit when it was

paid to its correspondent, and therefore became directly liable to the customer. But the commission charged was only the usual one among bankers, and banks generally have a commission on collections, in the case at bar it being 35 cents on each \$100, which was divided between defendants and the St. Albans bank. Besides, the opinions, both of Lord Campbell and Lord Cottenham, delivered in the House of Lords, were placed upon the broad ground that the Edinburgh bank was liable for the conduct of the bank in India, the same as it would have been for the default or neglect of one of its own officers or clerks in the collection of a home bill, and that its correspondents were its agents and not the agents of the drawer of the bill, who had no privity with such correspondents, and the correspondence between the Edinburgh bankers and such drawer, if it proved any special contract, established only such an agreement as the law would have inferred from the dealings between the parties.

The ruling in that case squarely covers the point in issue here, and to my mind is the better doctrine, and most in accord with principle. The learned jurists holding otherwise all admit that, if a person entrusts a home draft or bill to a bank for collection, such bank is responsible to the customer for any negligence or default of its agents, officers or employees. I cannot see why any different rule should prevail in the collection of a foreign bill. It is in every case that I have examined sought to be maintained upon the theory that the customer knows the bank must act through some other person or persons at a distance, and therefore impliedly, from the very nature of the course of business, assents to the employment of such persons and makes them his agents. This reasoning does not strike me as sound. If I leave an indorsed note against persons in my own town for collection, and consequent demand and protest, I know that some agent or employee of the bank will do the work, or some part of it, and I do not know or inquire who will do it. I contract, however, with the bank that suitable agents will be employed, and hold it responsible for their acts. The law authorizes me to do this. If I intrust the same bank with the collection of a foreign draft I also know that they will employ some agents or correspondents abroad of their selection, not mine, of whom I know nothing, and with whom they are supposed to have business relations. I do not inquire whom they are to select. I presume, and have a right to presume, that they have business knowledge of such agent or agents which I do not and cannot possess by the very course of their dealings as bankers. In each case the bank holds itself out, for a consideration, to collect my paper, and it can make no difference whether the compensation is great or small. In each case it selects its own agents in the premises. In each case I have no part in or control over such selection. In each case there is no privity between the party selected and myself. I fail to perceive why, in the one case more than the other, I adopt the immediate party collecting or protesting the bill as my agent. I cannot find any good reason for making this particular case of the collection of a foreign bill an exception to the general rule of agency. The law in general "is clear that, by the employment of under agents or servants for his own convenience, or to perform part of what he has contracted to do, the employer becomes civilly responsible to those with whom he contracts or deals in his business."

Judge Story, in his work on "Agency," announces the doctrine thus: "It is a general doctrine of law that the principal is held liable to third persons, in a civil suit, for the frauds, deceits, misrepresentations, torts, negligence and other malfeasances, misfeasances or omissions of duty of his agent in the course of his employment, although the principal did not authorize or justify or indeed know of such misconduct."

In no other case that I can recall is a person presumed, by implication of law, without any agreement to do so, to adopt the sub-agent of a person with whom he deals as his own. The carrier is responsible for the negligence of his agents and employees, as is also the ship-owner and the contractor. Why this distinction in the case of a banker or bankers? If in their case, why should it not also be made in the case of collecting agents and attorneys? But collecting agents and attorneys have been held to the general rule. (2 Blackf., 22; 91 U. S., 308; 72 Pa., 124; 10 Ala., 142.)

It has been said by some of the Courts that the holding of banks liable for the default and neglect of their correspondents in a case like the present would render the collection of bills and drafts of this nature extremely difficult, and that it would tend very much to destroy the facilities which at present exist, and subject the holders of bills to inconvenience and expense, and probably in many cases to serious loss. But as long as banks and bankers or other persons hold themselves out to collect such bills or drafts for a compensation, or their advantage, they ought to be governed by the same rules of law that apply to other persons, and, if they wish to avoid such responsibility, it is very easy for them to accept such business only upon a special agreement as to their duties and liabilities. Failing to do this, I think they must, in taking such bills or drafts, be responsible, as other business men are, for the misconduct of their selected agents at home or abroad.

In this case it may be remarked that the crediting of these drafts, from the very beginning of the business, to the plaintiff, when the New York draft of the St. Albans bank was received by them, and the payment, at the last, of the Wisconsin draft against the plaintiff, after it would appear that they knew the St. Albans bank had failed, was strong presumptive evidence, not conclusive, however, and open to explanation, that they understood their liability to the plaintiff to commence when Rixford paid the drafts. Judgment reversed.

Simpson vs. Waldby, Supreme Court of Michigan, November 4, 1886.

PROMISSORY NOTE—JOINT MAKER OR INDORSER—WAIVER OF PROTEST BY AGENT.

This was an action brought by Johnson against L. Zeckendorf & Co. upon a promissory note made by Tully, Ochoa & Co., and purporting to be indorsed by L. Zeckendorf & Co. The note read as follows:

2,800.	TUCSON, A. T., September, 17, 1881.
Three months after date we promise to pay to the order L. Zeckendorf & Co. twenty-eight hundred dollars, at two per cent. interest per month, value received.	
(Signed)	TULLY, OCHOA & CO.

Indorsed: "L. ZECKENDORF & Co."

After the indorsement of L. Zeckendorf & Co., and upon the back of the note, these words were written:

"We hereby waive protest. Tucson, A. T., December 17, 1881. L. Zeckendorf & Co. J. Wittleshoefer."

It appears from the evidence in this case that the defendants Tully, Ochoa & Co. and L. Zeckendorf & Co. were separate mercantile houses doing business at Tucson; that the former were indebted to the latter, who were pressing for a reduction of the balance due. The plaintiff had made known to a broker by the name of Fried that he had \$2,800 to loan. Zeckendorf & Co. went to the broker and told him Tully, Ochoa & Co. were indebted to them and that they were trying to get payment. Fried said he had a customer for whom he would loan \$2,800, with Zeckendorf & Co.'s indorsement. The note was handed to him, and plaintiff handed him the money, and he delivered the note to the plaintiff. Zeckendorf & Co. paid him \$42 for ninety days brokerage for negotiating this loan. The money went to Zeckendorf & Co., and on that day Tully, Ochoa & Co. were credited with \$2,800 on the books of Zeckendorf & Co. The plaintiff left the note in the safe of Mr. Etchells for safe-keeping. When the note was due, viz., December 17th, Etchells took the note to Zeckendorf & Co.'s place of business, and handed it to the person in charge of the main office. The person to whom it was handed directed him to Mr. Wittleshoefer, who was the book-keeper. The latter took the note and wrote the indorsement of December 17th. At that time the members of the firm of Zeckendorf & Co. were absent, as well as their general financial manager, and Wittleshoefer

was left in charge of the business. The Court below found the above facts substantially, and as a matter of law concluded that Zeckendorf & Co. were joint makers of the note and so liable without notice of non-payment by Tully, Ochoa & Co. The Court also found that Wittleshoefer was an agent authorized to waive protest and bind the firm. The appellants L. Zeckendorf & Co. seek to reverse the judgment on the ground that they were indorsers and not joint makers and that Wittleshoefer was not authorized to waive protest.

Held, If Zeckendorf & Co. are joint makers no notice and protest was necessary; but, if they are indorsers, notice, demand and protest was necessary; and it then becomes important to inquire whether notice, demand and protest were waived. Upon its face this is no other than a contract of indorsement. Tully, Ochoa & Co. are the makers. Zeckendorf & Co. are the payees. Zeckendorf & Co. wrote their name on the back of the note, and so are indorsers in blank. This was done on the date of the note. The evidence in this case confirms that. Plaintiff was willing to loan on Zeckendorf & Co.'s indorsement and not otherwise. Zeckendorf & Co. negotiated this loan—that is, discounted the note—and paid the brokerage therefor. The proceeds of the note went to them, and they, on the same day, gave Tully, Ochoa & Co. credit for the same. The transaction was no other than the ordinary discount by the payee of a note by indorsement. Tully, Ochoa & Co. owed Zeckendorf & Co., and gave their note to them, who indorsed it to plaintiff. It was not accommodation paper, nor an accommodation indorsement by a stranger to the note, and hence does not come within *Rey vs. Simpson*, 22 How., 341, or *Good vs. Martin*, 95 U. S., 90, and that class of cases. These cases hold that a stranger to a note, who indorses the same before delivery, is a joint maker of the note. While this is sustained by the weight of authority, and, as we think, by the better reason, it has met strong opposition. (See note to *Burton vs. Hansford*, 27 Amer. Rep., 580—10 W. Va., 470; note to *Jones vs. Goodwin*, 2 Amer. Rep., 475—39 Cal., 498; note to *Fitzhugh vs. Love*, 3 Amer. Dec., 571; and note to *Moies vs. Bird*, 6 Amer. Dec., 182—11 Mass., 436.) The Court below erred in holding that Zeckendorf & Co. were joint makers of the note with Tully, Ochoa & Co., and therefore liable as a principal.

Further *Held*. As first indorsers, Zeckendorf & Co. were entitled to notice of demand upon and non-payment by the makers, Tully, Ochoa & Co., unless the evidence shows that this was waived. On the back of the note in evidence, on the day of the maturity of the note, was indorsed the words, "We hereby waive protest. Signed, Zeckendorf & Co. by J. Wittleshoefer." It could not be contended that this would not be a waiver if signed by one of the firm of Zeckendorf & Co.; but it is insisted that Wittleshoefer, who wrote "L. Zeckendorf & Co." on the note, had no authority to do so. This was one of the issues of fact on the trial, and the Court found that he had authority to waive protest and bind the firm. We cannot say that this finding is erroneous. There is evidence to sustain it. The evidence was better presented before the trial Court than it can be here, and that Court can better determine disputed questions of fact. Etchells, with whom the note was left for safe-keeping, testified that he told plaintiff when the note was due to remind him and he would go and have them waive protest or pay the money; that plaintiff did remind him, and on the day the note was due he took it to Tully, Ochoa & Co. first and demanded payment, and they wrote their name on the back of it. He then took it to Zeckendorf & Co. and presented it to some one at the table in the front or main office, and he, whoever he was, directed him to Wittleshoefer, who was in the inner office. Wittleshoefer took the note and wrote the waiver of protest on the back, and handed it back to him. Nothing was said. He did not say he had no authority to do it. Wittleshoefer testified that he was the book-keeper of Zeckendorf & Co., and had been for five years; that the waiver of protest was in his handwriting; it was done in the office of Zeckendorf & Co.; Steinfeld & Strauss were out of town; in their absence he had drawn checks; that his signature was placed in the bank by Mr. Steinfeld, and in the absence of Steinfeld & Strauss he drew checks for the interest of the business. We think Zeckendorf & Co. were clearly bound by the waiver

of protest by Wittleshoefer. Had he, in the absence of the members of the firm, been found in the general office of Zeckendorf & Co. on the day the note was due, and then and there he had been served with notice of demand upon the makers and non-payment of the note, such service would have been good. (15 La. Ann., 115; 4 Duer, 212; 2 La. Ann., 964; 20 La. Ann., 377; Daniel on Neg. Instr., §1,017.) Notice served upon Wittleshoefer would have been good service; but when the service was made he waived protest and all further steps in the matter. If he were not specially authorized to do this, who should lose—his employer, or the person who found him ostensibly in charge of the business in the absence of the employer, and towards whom he demeans himself as general agent in charge, and assumes to act as such? We think the former. This disposes of all the questions in the case.

Judgment affirmed.

Johnson vs. Zeckendorf, Supreme Court of Arizona, November 5, 1886.

PURCHASE OF NOTE BY BANK—ULTRA VIRES.

The charter of plaintiff, a Wisconsin banking corporation, conferred the following powers: "Such association shall have power to carry on the business of banking by discounting bills, notes, and other evidences of debt; by receiving deposits; by buying and selling gold and silver bullion, foreign coin, and foreign and inland bills of exchange; by loaning money on real and personal securities, and by exercising such incidental powers as may be necessary to carry on such business." Plaintiff brought suit on a promissory note, which the complaint alleged had been "sold and delivered" to it by the indorser, and plaintiff's Cashier also testified that he purchased the note in question. The suit was against the surviving maker, who contended that he was not liable on the grounds: first, that the power of the bank, under its charter, in the acquisition of promissory notes, was limited to "discounts," and did not extend to the buying or purchasing of notes; and, second, that the transaction in question was a purchase as distinguished from a discount. The note in suit was for \$3,000, dated January 1, 1884, payable July 1, 1884, with interest at 8 per cent., and was transferred to the plaintiff on January 31, 1884, who gave \$3,010 for it.

Held, The transaction in question, by whatever name it may have been designated by the parties or witnesses, was a "discount" within the usual and legal acceptance of the term. But, if this were not so, the objection derives what force it possesses from the assumption that, because the bank had no right conferred upon it by its charter to purchase notes, therefore no title could be acquired by it to any notes by purchase. This proposition is not correct. In either aspect of the transaction the title to the note in question passed to the bank, and the defendant could not avail himself of any supposed want of authority to purchase this note as a defense to the action unless the transaction was absolutely void, which it certainly was not.

Judgment for plaintiff.

Neillsville Bank vs Tuthill, Supreme Court of Dakota, October 4, 1886.

LIABILITY OF ATTORNEYS FOR MONEY DEPOSITED IN BANK BELONGING TO THEIR CLIENTS.

The appellants, who were attorneys at law and partners, represented clients holding a large number of claims against the Indiana, Bloomington & Western Railway, and in payment of these claims they received checks from the Clerk of the United States District Court for the District of Indiana for something over \$80,000. These checks they immediately deposited with the Indiana Banking Company, which was then in good standing, the deposit being to the credit of themselves, in their firm name. The money thus received belonged to some hundreds of their clients, and the computation of interest and the dividend to each of his share required several days of continuous work before distribution could be made. The appellants had an account at the bank in question, in which all money collected for and belonging to their various clients

was deposited and checked out in the firm name, but such moneys were not mingled with their own. The money in controversy in the present case was the sum of \$600, which they had collected and deposited, as above, on behalf of one of their clients named Dolan, the respondent herein. Before they had time or opportunity to pay out this money it was garnished at the suit of a creditor of Dolan, and pending the determination of the suit, and while the money still remained on deposit with the Indiana Banking Company, the latter failed and a Receiver was appointed.

The Supreme Court of Indiana states the question for decision thus:

Money belonging to a client, having been received by the attorneys in payment of a claim left with them for collection, the transmission of such money having been arrested by garnishee process before an opportunity for transmitting it occurred, the question is, having acted in the utmost good faith, and without any suggestion of fault or neglect, are the attorneys responsible for the continued solvency of the bank in which such funds were deposited in their own name, but not mingled with their own funds, notwithstanding the bank was in good credit when the deposit was made?

The Court states that the receipt of money by an attorney under the circumstances disclosed in this case does not *pro facto* create the technical relation of debtor and creditor between the attorney and client. It is because it does not that a suit cannot be maintained by the latter against the former without first making a demand. Money so collected belongs to the client. The attorney occupies toward it the relation of a trustee, so long as he chooses to treat and preserve the fund as a trust fund. The circumstances under which he will be liable for its loss are precisely those which govern in the case of any other trustee. While it is preserved in its trust character, if he exercises the same caution in respect to depositing it, if a deposit becomes necessary or proper, as a prudent man would in regard to his own money, and a loss happens, he will be excused (98 Ind., 134). But the authorities agree that a trustee who either invests or deposits trust money in his own name, without in some way designating it as trust property, will be responsible for any loss that may occur to the fund while so invested or deposited (75 Ind., 557; 2 Lead. Cas. Eq., 1805). Having put the owner of the fund to the hazard of losing it, or of maintaining its trust character by such proof *aliunde* as may be available to him, the trustee thereby gives the former the privilege of treating the latter as his debtor, or of supplying the proof or accepting his admission of the facts, at his option. The Court then holds that the appellants assumed the risk that the bank in which the fund was deposited in their name, and from which it could only have been drawn by their check, would be able to respond with the money when their check for it should be presented. The fact that none but money belonging to clients was deposited in the account in which the fund in question was placed does not alter the case. The controlling consideration is that it was deposited to the credit of the firm, without anything to designate or preserve its trust character. They took and retained the legal title to the deposit in themselves. In the event of a controversy the character of the fund would have depended wholly on extraneous proof. This being so, the owner had the right to elect to stand upon the title to the deposit as he found it. Having so elected, there is no rule of law which authorizes any inquiry into the motives for so taking the title short of an express or implied direction from the owner of the fund.

Judgment holding appellants liable. affirmed.

Naltner and others vs. Dolan, Supreme Court of Indiana, September 23, 1886.

DISCOUNT OF NOTE—ASSIGNMENT—FAILURE OF CONSIDERATION.

On March 30, 1885, one S had his note for \$250 discounted by the Lancaster County National Bank. The proceeds, \$248.58, were placed to his credit on the books of the bank, and no check was drawn against that sum. On the following day S made an assignment for the benefit of his creditors, and the bank thereupon immediately credited him with the discount, \$1.42, charged him with \$250, the amount of the note, and tendered the note to S and his assignee. This tender was refused, and the assignee brought this suit against the bank for \$248.58. Judgment was rendered for plaintiff, and

defendant appealed. Plaintiff claimed that at the time of the assignment the bank owed S \$248.58, and the assignment fixed the rights of the parties. That the note was not due when the suit was brought, and there could, therefore, be no set-off.

Held, This case is ruled by *Dougherty vs. Bank*, 93 Pa. State, 227. The facts of that case are upon all fours with this. There is no substantial difference between them. It is true, in the case in hand, there was an assignment for the benefit of creditors after the discount, and before the withdrawal of the credit. But the assignee has no higher standing than his assignor. Had a check been drawn against the fund produced by the discount prior to the withdrawal of the credit such check would have been good in the hands of a *bona fide* holder for value. But there was nothing of the kind here. The rights of third parties have not intervened. We have the case of a man who procured a discount at a bank one day and made an assignment for the benefit of his creditors the next morning. He was insolvent when he procured the discount. The note which he gave the bank was a worthless thing, and he knew it when he offered it to the bank. There was an utter failure of the consideration. The bank received nothing for the credit which it gave him. When it learned next morning of his insolvency the bank withdrew the credit and tendered him back the note. It is conceded that if the rights of third parties had intervened the case would have been different. So it would have been if the bank had paid over the money to S or upon his order. But, as between the parties, the bank had the right to withdraw the credit to S.

Judgment reversed.

Lancaster County National Bank vs. Huver, Assignee, Supreme Court of Pennsylvania, October 4, 1886.

ACCEPTANCE OF DRAFT BY AGENT—WHEN PERSONALLY LIABLE.

A bill of exchange was drawn on "John A. Robinson, Agt.," by the Kanawha & Ohio Coal Co., and was accepted by the drawee as "John A. Robinson, Agent K. & O. C. Co." Suit was brought by the indorsee against Robinson personally to charge him as acceptor of the draft, and he defended on the ground that the acceptance was made by him as agent so as to bind the company and not himself individually, and that the payee knew that he was agent and accepted it for said company, as did also the plaintiff.

Held, That the acceptance was the personal obligation of the defendant, and he is personally liable thereon, and parol evidence is inadmissible, in the absence of fraud, accident or mistake, to show that the defendant accepted the bill intending to bind the drawer as his principal, and that this fact was known to the plaintiff when it became the owner thereof.

Further *Held*, The law as to notes and bills executed by persons acting as agents of other persons is not uniform; but, as a rule, where one acting as agent uses words that import a personal agreement on his part, and signs his own name, it is held to be his individual obligation, although he describe himself as agent, the added words being simply regarded as a description of his person. The rule is in conformity to precision in the use of language and secures that certainty in negotiable paper so necessary to commercial transactions. (2 *Strange*, 955; 3 *Wend.* 94.) The question has been presented and so ruled in a number of the reported decisions of this Court. (10 *Ohio*, 445; 17 *Ohio*, 215.) We fail to see how it can make any difference, in this respect, whether the party signing describes himself as agent simply or adds the name of his principal. In either case the principle upon which his liability is established, and parol testimony excluded, must be the same. The instrument upon its face is his own, and not the promise of his principal. To this rule usage has established an apparent exception, in the instance where a bill is drawn or accepted by the Cashier of a bank. But it is rather apparent than real, since the custom by which a Cashier represents his bank in such matters, by simply signing his own name, is so general that the practice has reduced the custom to the certainty of a law, as it is everywhere understood that in such cases, whether he describes himself as Cashier or not, he is an *alter ego*.

of the bank. His signature is a recognized mode in which a bank may become a party to commercial paper; and the obligation so created is that of the bank and not of the Cashier.

Kanawha Valley Bank *vs.* Robinson, Supreme Court of Ohio, October 19, 1886.

COLLECTING BANK—RECOVERY OF PAPER SENT FOR COLLECTION AFTER FAILURE OF CORRESPONDENT.

Plaintiff, a Chicago bank, received for collection from the drawers a draft drawn on one Brown, payable to the order of the plaintiff, which was accepted payable at the Middletown National Bank, of Middletown, N. Y. The draft was forwarded to the latter-named bank with collaterals attached for collection, but it was not paid. Defendant was appointed Receiver of the Middletown bank, which suspended on the 28th of November, 1884, and thereafter found the collaterals among the securities of such bank. Plaintiff, after demand, brought suit against defendant as Receiver of the Middletown bank, to recover the property entrusted to the care of its agent.

Held, The draft having been sent to the Middletown bank for collection, with the collaterals attached, it was the duty of that bank to hold them until the draft was paid, as it was equally its duty to surrender them when the draft was paid. The latter bank had at no time on this transaction abstractly considered any right, title or property in the collaterals except as the bailee of the plaintiff, and held them subject to its order. Plaintiff, having assumed the collection of the draft, was responsible to the drawers for the faithful discharge of its duties, and the Middletown bank was equally bound to the plaintiff, the latter having received the draft and collaterals charged with duties in regard to them. Nor is there any doubt that the plaintiff, having a special interest in the draft and collaterals arising from its relation to the drawers, can maintain an action against its agent, the Middletown bank, to recover the property entrusted to its care after a proper demand made for it. (Luckey *vs.* Gannon, 6 Abb. U. S., 209; Barrett *vs.* Warren, 3 Hill, 348; Campbell *vs.* Parker, 9 Bos., 322; Frost *vs.* Mott, 34 N. Y., 253; Baker *vs.* Hoag, 7 N. Y., 355; Wheeler *vs.* MacFarland, 10 Wend., 818.) Plaintiff now seeks to obtain this property from its agent, the Middletown bank, and it is quite apparent the latter had no right to detain it, and that the defendant is not justified in refusing to give it up. It did not become a part of the assets of the Middletown bank to be distributed to its creditors, and would not except upon the payment of the lien of the drawers, who could sell it and apply the proceeds to meet the draft. It went into its possession charged with a trust which has not been performed, and never became its property.

Further *Held*, That the suggestion of want of jurisdiction in the State Court in an action of this kind against the Receiver of a National bank, predicated on some of the provisions of the Revised Statutes of the United States in relation to National banks (Sections 5,234 and 5,242), is answered by the case of *Cragie et al. vs. Hadley*, 99 N. Y., 136, if any authority be necessary.

Judgment for plaintiff.

Corn Exchange Bank of Chicago *vs.* Blye, Receiver, N. Y. Supreme Court, General Term, First Department, June 1, 1886.

TAXATION OF BANK CAPITAL—IOWA.

The Board for the equalization of taxes for the city of Centerville, in proper proceedings, increased the assessment of plaintiff from \$5,000 to \$15,000. Upon an appeal to the Circuit Court his assessment was fixed at \$9,750, and a judgment rendered to that effect. Defendant appealed.

Held, The plaintiff is a banker, and the contention in the case involves the assessment of plaintiff's property employed in the banking business. He shows by his own testimony, and there is nothing contradicting his statement, that his capital employed in banking amounts to \$50,000. This sum was made up of \$25,000 in the bonds of the United States, \$10,000 in United States treasury notes, and \$2,000 in real estate, taxed as such. From the \$50,000 these other sums must be deducted, as the bonds and treasury notes are not taxable,

leaving \$18,000 taxable capital. His deposits and bills payable seem to have exceeded his cash and bills receivable in a sum exceeding \$3,000, which should be deducted from the moneys and credit, leaving something less than \$10,000 for which he was taxable in connection with the banking business. The Circuit Court found this sum to be \$9,750. The evidence sufficiently supports the conclusion of the Court. At least, it is not so without the support of the evidence that we are required to interfere, the case not being triable here *de novo*.

Judgment of Circuit Court affirmed.

Campbell *vs.* City of Centerville, Supreme Court of Iowa, October 7, 1886.

PROMISSORY NOTE—CONSTRUCTION—ESTOPPEL.

Action was brought on the following note :

HALLOWELL, January 1, 1881.

On demand after date we promise to pay to the order of John C. McClure three hundred and fifty dollars, at Hallowell, with interest. Value received.

(Sg.) D. P. LIVERMORE, *Treas'r Hallowell Gas Light Co.*

The defendant claimed: first, that the note was that of the corporation; and, second, that if it was the individual note of the defendant, the plaintiff was estopped from maintaining this action because he had previously brought suit against the corporation on the same note, and had obtained a default in the same, though not a judgment.

Held, The note must be construed to be the note of the defendant and not of the corporation. It contains no apt words showing that the parties understood it to be the contract of the corporation and not of the defendant. It nowhere appears that the defendant made the promise for the corporation. The language used expresses his own promise, and what is added after the signature is descriptive of the person. The following cases are directly in point: *Sturdivant vs. Hull*, 59 Me., 172; *Mellen vs. Moore*, 68 Me., 390; *Davis vs. England*, 141 Mass., 590.

Further *Held*, It is claimed that the plaintiff is estopped from maintaining this action by commencing an action against the corporation on the same note, and prosecuting it to a default. That action has not gone to judgment; and, to create an estoppel, it must appear that the acts of the plaintiff, relied on, caused the defendant to change his position, or take some action in regard to the note which will be injurious to him if the plaintiff shall be permitted to charge him as the maker of the note. But the case is entirely barren of any such element. It does not appear that the defendant was in any way misled, or induced to change his position to his injury, by the suit against the corporation. There is no estoppel.

Defendant defaulted.

McClure *vs.* Livermore, Supreme Judicial Court of Maine, October 1, 1886.

PRINCIPAL AND SURETY—DISCHARGE OF SURETY.

In an action against a surety on a promissory note, it was shown that after its maturity the defendant wrote a letter to the plaintiff, using this language: "You had better collect the same from F, the principal. I don't know how he is fixed now to pay, but he has been considered solvent until post-office matters came up, which I presume you have heard all about ere this." And, in response to the question, "You never gave him notice to see F, did you?" he answered: "Only in the letter after he wrote me in 1878, I told him F had some property here; that he should have collected it from him. I told him he had better get it from F if he wanted anything." The question presented for decision was whether such a notice to the holder of a note to proceed against the principal was sufficient, upon the refusal or neglect of the creditor to act, to affect or release the surety?

Held, The most advanced doctrine in this direction to be found in this country has been enunciated by the Courts of New York, Pennsylvania, Alabama, Arkansas, and perhaps Ohio; and it may be conceded that, so far

as these Courts are concerned, the rule seems settled that it is the surety's right and a part of his equity to see that the creditor makes prompt use of the remedies in his hands, and that nothing should be lost by reason of the creditor's supineness or negligence; and those Courts may be said to have established the rule that equity will compel the creditor to sue at the request of the surety, and will hold the surety discharged if the request be not complied with, subject to two very important qualifications. To invoke this rule, even in equity, it must be shown: *first*, that such failure to proceed has resulted in actual injury to the surety, which must be shown by proving that the principal was solvent when the request was made, and became insolvent subsequently; and, *second*, that accompanying the request there be an explicit notice that in case the creditor should fail to sue, the surety will thereupon hold himself discharged. (Bispham's Eq., § 339.) It may be questioned, however, if this, as an equity rule even, is not doubted as unsound by most of the Courts of this country. Giving, then, the utmost weight to the language of the surety, its weakness and insufficiency is apparent, even when tested by rules applicable in a Court of equity. The authorities substantially agree that, in the absence of a statute, the unheeded request by a surety that the creditor proceed against the principal, after the maturity of the note, and while the solvency of the principal is not questioned, will not operate to discharge the surety, although the principal afterwards became insolvent. As has just been stated, the equity rule requires that, accompanying the request to proceed, there be an explicit notice that, in case the creditor should fail to sue, the surety will hold himself discharged. No liability of the surety was released even when considered from an equitable stand-point and weighed in the balances of judicial determination of the most advanced Courts.

Further *Held*, This conclusion has been reached without the aid of a statute. Section 1681 of the Civil Code provides that a surety "may require his creditor to proceed against the principal, or to pursue any other remedy in his power which the surety cannot himself pursue, and which would lighten his burden; and if, in such case, the creditor neglects to do so, the surety is exonerated to the extent to which he is thereby prejudiced." No change is wrought affecting the liability of the surety to the creditor unless the surety "requires the creditor to proceed against the principal." The language used in the case at bar falls far short of such a requirement as is contemplated by the statute.

Kennedy vs. Martin, Supreme Court of Dakota, October 6, 1886.

PRINCIPAL AND SURETY—DISCHARGE OF SURETY—EXTENSION.

Action was brought against the principal and surety on a promissory note, and judgment was rendered for the plaintiffs. The defendant Wagner appealed, and averred that he signed the note as surety for the defendant McCallen, and that the plaintiffs extended the time of payment of the note without his consent, by reason whereof he became released. The facts proven showed that plaintiffs were the proprietors of the Lyon County Bank; that McCallen borrowed money at the bank and gave the note in question, with Wagner as surety; that some time after the note fell due he went into the bank and paid the accrued interest on the note, and also signed another note, which it was expected Wagner would sign, as a renewal note, and at the same time he paid a certain amount as discount on the renewal note; but the old note was not surrendered and was not to be surrendered unless Wagner signed the renewal note, which he never did. One of the plaintiffs testified that there was no agreement or conversation in regard to the extension of the note in suit, and nothing appeared to contradict his testimony on this point.

Held, What was done was inconsistent with the idea of the extension of the note; it was for the purpose of a renewal which would have been entirely unnecessary if there had been an agreement for an extension of the original note. Defendant contends that the payment of discount on the renewal note shows an extension of the original note, but he wholly misconceives the situation. Renewal did not take place, and for the reason that the renewal note was not fully executed. If renewal had taken place, the old note, of course, would have

been discharged, and Wagner would have had no occasion to plead a release of himself by extension. The payment of discount on the renewal note was in anticipation that it would be fully executed and accepted in renewal. But it was not fully executed nor accepted, and the discount, as the evidence shows, was applied upon the note in suit.

Judgment affirmed.

Miller vs. McCallen, Supreme Court of Iowa, October 23, 1886.

ACTION ON PROMISSORY NOTE—AVERMENT OF NON-PAYMENT NECESSARY.

In an action on a promissory note the complainant averred that the defendant "has refused and still refuses to pay" the principal or interest of the note, or any part thereof, and "that there is now due" the sum, etc. The complaint was demurred to on the ground that there was no allegation of non-payment. The demurrer was overruled. On appeal,

Held, We are of opinion the demurrer should have been sustained. The averments of the complaint are not equivalent to an averment of non-payment. The failure to pay constitutes the breach, and must be alleged (21 Cal., 71; 43 Cal., 395).

Judgment reversed.

Scroufe vs. Clay, Supreme Court of California, September 23, 1886.

PAYMENT—PRIMA FACIE EVIDENCE OF.

Possession of a promissory note by the maker is presumptive evidence of its payment. The reason that lies at the bottom of this rule is that it is the common practice of men owning notes not to deliver them to the obligor except on payment. The presumption is not simply that the debt has been released or discharged, as by accord and satisfaction, but that the money due on the note has been paid according to its tenor (13 Ark., 63; 1 Greenl. Ev., § 38).

Hollenburg vs. Lane, Supreme Court of Kansas, October 23, 1886.

PROMISSORY NOTE—PAYMENT BY JOINT MAKER—CONTRIBUTION.

It is a well-established rule, that where one of two joint makers pays a note, he may have his action for the amount which his co-obligor ought in law and equity to have paid.

Judd vs. Small, Supreme Court of Indiana, September 18, 1886.

POWER OF PRESIDENT TO BIND BANK BY ACCEPTANCE OF OVERDRAFT—CANADIAN RULE.

Plaintiff sued for the amount of \$66,011, with interest, being the amount of four checks made by one Gilman, payable at future dates. These checks were accepted by Thomas Craig, the President and Manager of the defendant, the Exchange Bank, and were subsequently discounted by the Banque du Peuple. On maturity they were presented for payment, and, being dishonored, were protested. On suit being brought the defendant met the action by setting up:

First—A general denial. Second—That if the said Craig did sign and accept the said checks he did so unlawfully and not in discharge of his duty as an officer of the bank; and, moreover, the said Craig took advantage of the position of confidence which he occupied and appropriated large sums of money, exceeding \$240,000, the property of the bank, and shortly after its suspension absconded from Canada, and is now an absconder therefrom. Third—That Craig had no authority to sign the checks, and if they were ever signed by him it was without the knowledge and consent of the Directors, and it was not for the purposes of the bank, and was beyond the scope of his powers, and was contrary to the practice and custom of banks in Canada; that the trans-

action was not in fact entered into on behalf of the bank, but was part of a fraudulent conspiracy on the part of Craig and others to obtain funds in order to acquire control over the assets of the Royal Canadian Insurance Co. Fourth—That Craig had no power to accept checks or orders for money payable at any date subsequent to the date of presentation, checks or orders being only marked good and accepted when the drawer has money or credit at the bank. Fifth—That the pretended acceptance was not an acceptance of the bank. Sixth—That the drawer of the checks had no money or credit at the bank against which the same could be drawn. Seventh—That the Banque du Peuple was aware of all the circumstances, and that Craig had no authority to accept the same, etc.

In the course of the trial it was shown that in 1881 Gilman had large transactions with the Exchange Bank. On the 19th of October of that year his account was overdrawn to the extent of \$25,000 to \$30,000. Gilman, to whom the bank had promised to make advances, exceeding that overdrawn, called upon the Manager, Craig, for fresh supplies. The latter informed him that the bank had not sufficient funds at the time to make him the promised advances, and that he must wait awhile. He then proposed to the Manager that the latter accept his check for \$30,000 payable at a further date, sufficiently distant to permit the bank to obtain the necessary funds to honor this check. The Manager acquiesced. The check was then drawn, dated October 19, 1881, and Craig, as Manager of the bank, accepted it, payable at four months—that is, on the 19th of February following. The same day Gilman discounted the check at the Banque du Peuple, and deposited the proceeds (\$29,412.23) to his credit in the Exchange Bank. When the check for \$30,000 became due renewals were made up to the 23d of May, 1883, amounting, with the addition of interest to that date, to \$31,000. This check was presented at the date mentioned to the Exchange Bank, and was paid by order of Craig. On the same day Craig procured from Gilman a new check for the same amount, and, having accepted it, Gilman took it to the Banque du Peuple, which, with the the experience it had had of the payment of the first check, did not hesitate to discount it. Three other checks, for \$20,000, \$5,000 and \$10,000 respectively, were similarly made and discounted. The Superior Court of Montreal gave judgment against the Exchange Bank for the full amount with interest and costs, including costs of protesting. From this judgment the Exchange Bank appealed, and the former judgment was confirmed.

The Chief Justice remarked that Directors were bound to know and be responsible for every act of their executive officers. The Court was unanimously of opinion that the bank was responsible for the amount, the President acting within the scope of his authority, and the bank having previously cashed a check accepted in a similar manner.

La Banque du Peuple vs. The Exchange Bank, Court of Queen's Bench (Appeal side), Canada, November 27, 1886.

OBTAINING ACCEPTANCE OF CHECKS—NOT A FRAUDULENT PREFERENCE.

This action arose out of the following circumstances: The defendant, Hall, at the date of the suspension of the plaintiff bank, on the 15th day of September, 1883, had standing to his credit on the books of the bank \$1,985. Five days afterwards he drew five checks, the aggregate of which covered this amount, and presented them for acceptance. The regular book-keeper of the bank accepted and certified them and closed up the account. These checks were then disposed of at from 93 to 97 cents on the dollar, and were subsequently presented at and deposited with the bank by parties who were its debtors in reduction of the amounts due by them. This suit was instituted to recover from the maker the amounts of the checks on the ground of fraudulent preference, to which the defendant answered that the checks were not presented for payment by him, and that he did not receive any payment for the same from the bank.

The action was dismissed, the Superior Court holding that, in view of the notorious insolvency of the bank from the 15th of September, 1883, all its accepted checks were only negotiable after that date at the risk of the purchasers

and below their nominal value; that there was a reasonable doubt respecting the bank's resumption of payment within the eighty days allowed by law; that this doubt opened the door to speculation as to the value of the checks; and that it was in the way of this speculation that third parties obtained them. The fraudulent preference was not in the accepting of the checks, but in crediting the purchasers with the amounts by which the defendant was not benefited, the purchasers having bought them with all the risks attached.

The Court of Appeal confirms this judgment.

Exchange Bank vs. Hall, Court of Queen's Bench (Appeal side), Canada, Nov. 27, 1886.

EMBEZZLEMENT BY BANK CLERK—EXTRADITION DECISION BY THE UNITED STATES SUPREME COURT.

In 1883, Ker, the plaintiff in error, who was a clerk in the employ of Preston, Kean & Co., of Chicago, embezzled a large sum of money belonging to that firm and fled to Peru, South America. Upon application from the Governor of Illinois, the President of the United States, on the 1st of March, 1883, issued a warrant for the extradition of Ker and sent it to Peru by Henry G. Julian, who was authorized to receive the accused from the Peruvian authorities and bring him to the United States to answer the charge of larceny. Ker alleges that Julian, without presenting the extradition papers to any officer of the Peruvian Government, and without making any demand upon that Government for his surrender, forcibly kidnapped him and placed him on board the United States vessel *Essex*, by which he was brought to Honolulu. There he was transferred, he alleges, to the steamer *City of Sydney* and brought to San Francisco, and then surrendered by the Government of California to the authorities of the State of Illinois as a fugitive from justice. Upon his arrival in Chicago, Ker was put on trial and duly convicted of larceny and embezzlement. He alleged that this whole proceeding was a violation of the provisions of the treaty between the United States and Peru, ratified July 27, 1874, and appealed to the Supreme Court upon the ground that the case calls in question the validity or the proper construction of a treaty. Following is the opinion of the Court:

"This Court is of opinion that if Ker had been brought to this country by proceedings under the treaty of 1874 with Peru, it is probable from the statement of the case in the record that he might have successfully pleaded that he was extradited for larceny and convicted by the verdict of a jury of embezzlement. But it is quite a different case when he comes to this country in the manner in which he was brought here, clothed with no rights which a proceeding under the treaty would have given him, and no duty which the country owes to Peru or to him under the treaty. The Court thinks it very clear that in invoking its jurisdiction upon the ground that he was denied a right conferred upon him by a treaty of the United States the prisoner has failed to establish the existence of any such right. The question of how far his forcible seizure in another country and transfer by violence could be made available to resist trial in the State Court for the offense now charged upon him is one which this Court does not feel called upon to decide, since in that transaction the Court does not see that the Constitution or laws or treaties of the United States guarantee him any protection. The Court holds, however, that this decision does not leave the prisoner or the Government of Peru without remedy for his unauthorized seizure within its territory. Even the existing treaty with that country provides for the extradition of persons charged with kidnaping, and on demand from Peru, Julian, the party guilty of it, could be surrendered and tried in its courts for violation of its law. Ker himself would probably not be without redress, for he could sue Julian in an action of trespass and false imprisonment, and the facts set forth in the plea would, without doubt, sustain the action. Whether he could recover a sum sufficient to justify the action would probably depend upon the moral aspects of the case, which we cannot here consider. The judgment of the Supreme Court of Illinois, sustaining the decision of the Criminal Court of Cook County against the prisoner, is affirmed."

Opinion by Justice Miller.

Frederick M. Ker vs. The People of the State of Illinois, Supreme Court of the United States, December, 1886.

POWERS OF BANK CASHIERS.

Continued from page 978, December, 1886, number of the JOURNAL.

XII. Power to Borrow Money on Behalf of the Bank.—The law is well settled that every banking corporation, unless prohibited by law, can incur obligations, as a borrower of money, to carry on the legitimate business for which it was incorporated, although not specially authorized to borrow by its charter or organic law. (12 S. & R., 256; 16 Mass., 94; 7 Wend., 31; 6 Humph., 515; 1 Sandf. Ch. Rep., 283; 1 Seld., 647; 2 Id., 412; 3 W. & Minot, 105; 1 Smedes & M. Ch. R., 207; 4 Hill, 442; 1 Cow., 518; 3 Wend., 94; 15 N. Y., 9.)

This rule applies as well to National banking associations as to others. This power being undoubted, the question arises as to how far the Cashier has authority to exercise it. Is it a power inherent in his office to be exercised by him without any special delegation of authority from the Board of Directors, or must such authority be conferred either by express authorization or impliedly from acquiescence in previous acts?

Although it has been frequently claimed that the Cashier of a bank, as such, has no power to borrow money for the bank; that this is a power intrusted exclusively to the Board of Directors, and that a Cashier, or any other agent, undertaking to exercise such a power, must produce a special authority from the Board of Directors for that purpose, still there is very good authority which holds that this power may be exercised by a Cashier in behalf of a bank without being specially conferred, and that it is one of those powers which fall within the ordinary duties of his office.

In the case of the City Bank of New Haven *vs.* Perkins, 4 Bosw. (New York Superior Court), 420, it was shown that the Cashier had almost the exclusive management of the business of a bank—so absolutely so that his operations and mode of doing business had not been examined into by the Directors for years. Among other things he had borrowed money for the bank, and a suit having arisen on a loan thus made his authority so to do was then denied. The Court held, however, that under such circumstances the plaintiffs were entitled to have the controversy determined on the principle that, as between them and the bank, the Cashier of the latter was fully authorized to borrow money for it and in its name, and that any loan made by the plaintiffs in good faith on an application of the Cashier of the bank, as such Cashier, to borrow for it, was a loan to the bank, and the bank was primarily liable as the party borrowing.

In the case of Barnes *vs.* The Ontario Bank, decided by the New York Court of Appeals, 19 N. Y., 152, among the questions presented was whether the bank had power to borrow the money in suit, and whether the Cashier was a proper agent to execute that power without any special delegation of power thus to act. The Court stated that it had been previously determined by the Court, upon the fullest examination, in the case of Curtis *vs.* Leavitt, (15 N. Y., 9), that the power to borrow existed, and held that the question as to whether "the Cashier, in virtue of his general employment, can exercise the power does not admit of a reasonable doubt."

In Ballston Spa Bank *vs.* Marine Bank, 16 Wis., 120, where money had been borrowed on a note executed for a bank by its Cashier to use in its business, and the bank, being sued, claimed that the Cashier had no authority to borrow the money and execute the note, the Court held that it was competent for the Cashier, as agent of the Board of Directors, to execute the promissory note in question and bind the bank by such execution. The Court did not determine the question whether the Cashier had absolute or *prima facie* authority by virtue of his office to borrow the money, or whether it was necessary for the plaintiff to give evidence that he was expressly authorized by the Board of Directors, holding that the transaction had been subsequently ratified by the bank, and that this was equivalent to a previous express authority.

In Ringling *vs.* Kohn, 6 Mo. App., 333 (decided in 1878), the Court affirmed the power of a Cashier to borrow money on behalf of the bank, saying: "We find no judicial authority for the proposition that, when a

Cashier borrows for his bank, the lender will be imperilled unless a special power has been given. The case will be different, of course, if it appear that the lender has notice that the Cashier is acting contrary to orders." The Court, in reaching its conclusion that the Cashier has such power, states that cases are numerous in which it is held that the Cashier of a bank may, by virtue of the general nature of his employment, transfer to outside parties any of the notes, bills, or other securities belonging to the bank, and the transferees need look no further for his authority so to do than to the fact of his being Cashier (citing 4 Mich., 606; 4 McLean, 208; 21 Ind., 90; 41 Barb., 586; 3 Mason, 505), and that surely these acts imply a far higher degree of authority than does that of borrowing; for, in the first case, the bank parts with its property, while, in the second, there is a present swelling of the assets.

Also, in the late case of *Donnell vs. Lewis Co. Savings Bank*, 80 Mo., 165, it is held that the power of a Cashier to borrow money on behalf of the bank need not be specially conferred, and that, if done in the ordinary course of his business, it is presumably done within the scope of his duty; and in another late case—*Peters, Receiver, vs. Brown and others*, in the United States Circuit Court for the District of Maryland, decided in July, 1886 (reported in RHODES' JOURNAL OF BANKING for 1886, at page 871)—the rule is laid down, not only that a National bank has the power, under its charter, to borrow money, but that a Cashier of such bank, who has long conducted and managed its affairs, can bind the bank by such a contract, holding that any want of specially delegated authority by the Board of Directors was supplied by the acquiescence on their part, to be presumed from a long continued course of borrowing by the Cashier.

As to the matter of borrowing, therefore, it may be said that not only does this power undoubtedly exist in banking corporations, whether specially conferred or not, but the rule is also fairly well settled that the Cashier has power to borrow money on behalf of the bank, either by virtue of his office or from previous exercise and acquiescence. This power would seem to carry with it, also, the power to pledge the assets of the bank for the payment of the money borrowed.

Ordinarily the power to pledge the assets of the bank for any past indebtedness does not exist among the inherent powers of the Cashier. Thus, it has been held that although a Cashier and President of a bank may, in the ordinary course of business, without the action of the Board of Directors, dispose of the negotiable securities of a bank, yet they have not the power to pledge its assets for the payment of an antecedent debt. This is entirely beyond the scope of the duties of a Cashier, as he might, by this means, dispose of all the assets of the corporation, thus usurping powers which the Board of Directors alone can exercise.

State of Tennessee vs. Davis, 50 How. Pr. (N. Y.), 447.

And in an early case in the equity Courts of New Jersey, where the President and Cashier of a bank executed a mortgage of the banking house and property for an indebtedness of the bank, and it was shown that the whole management of the bank's affairs was committed to the President and Cashier, and the bond and mortgage were executed and the corporate seal affixed by them without the concurrence of the Board of Directors after an attempt had been made to get a meeting of the Directors, which had failed, the Court held that the transaction was one of rare occurrence, that the conveyance of its real estate was one of the most solemn acts which the bank could perform, and that the President and Cashier had no power to execute the bond and mortgage.

Leggett vs. New Jersey Manufacturing and Banking Co., 1 N. J. Eq., 541.

But, in a case where money has been borrowed for the purposes of the bank, the Courts seem to regard the power to pledge the assets as included in the power to borrow. Thus, in *Peters vs. Brown*, *supra*, the Court not only asserts the power to exist in a National bank, under its charter, to borrow money, but also to "pledge its assets as collateral to secure repayment thereof," and the Cashier is declared to have such power in this case by

the acquiescence of the Board of Directors in past transactions of a similar nature.

So, in *City Bank of New Haven vs. Perkins, supra*, the Cashier not only borrowed money for his bank, but pledged certain bills, the property of the bank, as collateral, and the transaction was upheld.

As a general rule it may be, therefore, said that the Cashier of a bank has power, unless specially restricted, to borrow money on behalf of the bank, and to secure its repayment by a pledge of its assets as collateral.

LAW NOTES AND COMMENTS.

We can review with satisfaction the work of the Law Department for the past twelve months. Our object has been to keep the JOURNAL's subscribers fully informed through the medium of this Department of all legal questions arising in the various Courts affecting their interests, as well as in other ways to furnish legal advice and assistance in matters arising in banking law and banking practice.

The law relating to banking and negotiable paper is constantly undergoing changes and modifications, as well as a considerable degree of expansion, at the hands of the various Legislatures and Courts, and it is of great necessity that the banker in active practice should be kept fully posted upon all such matters. In no other department of business is a knowledge of the law so important or a mistake so likely to be followed with disaster and loss.

Questions of when paper falls due, of the proper mode of presentment, protest, and notice of dishonor, of liability for collections, and a hundred others of similar import, are frequently, in new and unexpected cases, puzzlers even to experienced bankers, and it needs no argument to show how important it is for the banker to keep fully advised of everything that the Courts and Legislatures are doing in these and all other matters affecting his business.

During the year 1886 we have published a very large number of current legal decisions on questions affecting bankers. To attempt to enumerate all the different subjects which have been handled and determined by the Courts, or to adequately describe all the different cases which have been reported in our pages, would be impossible in any brief statement, and we would simply state that we believe the importance and value of such a full record of cases has been fully appreciated.

Another branch of the work of the Law Department which we are justified by numerous letters of approval in stating has been valuable and beneficial to our subscribers has been that devoted to the replies to questions of bankers and others. Many of these replies have involved considerable labor and research into the laws of different States, and in all cases we have endeavored to give complete and satisfactory answers to the inquiries of subscribers.

The Law Department will be continued, as heretofore, except that it will be enlarged in scope, and some additional features introduced. We shall publish a full record of current legal decisions affecting bankers, and our pages will be open, as in the past, to the publication of questions and replies on matters of general interest. With reference to these replies, no effort will be spared to make them full and satisfactory; and, to enable their preparation in time to appear in any given number of the JOURNAL, questions should be sent in as early in the preceding month as possible. The series of articles on the important topic of the "Powers of Bank Cashiers" will be continued until the subject is exhausted. Under the head of "Law Notes and Comments" there will appear, at different times throughout the year, in addition to current legal news and comments upon decisions, short articles on important legal questions of interest to bankers wherein the law is unsettled or conflicting.

Space will also be given in the Law Department for the publication of a digest of current mercantile decisions, which we hope will prove valuable to all the JOURNAL's readers.

BANKING AND POLITICS.—A curious and novel method of what might be termed political banking has just been disclosed by the recent decision of Judge Morse, of the Supreme Court of Michigan, in the case of *The People against Wadsworth*, decided by that Court on November 4, 1886. The action was

against the defendant Wadsworth, as the managing member of the banking house of D. F. Wadsworth & Co., private bankers, and charged him with the embezzlement of the money of the city of Ishpeming, by reason of city taxes having been deposited in the bank, which were partly lost when the bank made a general assignment for the benefit of its creditors. These moneys had not been kept or deposited as a separate fund, but were treated as other cash deposits, and were paid or loaned out the same as other moneys. The Court found the defendant not guilty of any embezzlement, holding that the moneys so deposited were loaned to the bank, that the relation of debtor and creditor was created, that there was no intent to defraud, and that Wadsworth was not obligated to return the identical money deposited, but the bank was simply liable for that amount of money to the city.

The political part of the case, however, to which we call attention, not because it is in any way criminal, but by reason of its novelty, may be best stated in the language of Judge Morse. He says:

"The undisputed facts will be found to disprove any embezzlement under the law. John Dillon was elected City Treasurer of Ishpeming for the year 1883. He had held the office two terms immediately previous thereto. It seems that a peculiar method of electing this officer prevails in Ishpeming. The candidate is nominated and elected upon his running qualities—his capacity to get votes—but the money to secure such nomination and election is put up by some bank, which also furnishes the bonds. After the election the candidate elected qualifies, and there his duties begin and end. The taxes are paid into the bank, and collected and disbursed by it. The Treasurer has no further concern about the matter, and is, of course, entirely ignorant of the duties of his office. The bank pays to him the fees allowed by law, and the profits made by the use of the money thus necessarily deposited in the bank seems to be a sufficient remuneration to the bank for its trouble and expense in the matter. Nobody can suffer any material loss under this arrangement except the public. While it may seem a novel method, it certainly relieves the Treasurer of a great responsibility, and renders his administration of the office an easy one, with the same pay as if he performed the duties himself; and the bank fortunate enough to elect its candidate presumably has the means thereby at hand to repay its election expenses and make a handsome profit besides."

In this case, Dillon testified that he knew absolutely nothing of the duties of his office, although he had been Treasurer for nearly three years. The first two terms of his office he was elected and served the people in the manner above indicated, and all seemed to go well. Wadsworth collected the money and kept the books. He stated:

"I suppose Wadsworth was to account to other people who were entitled to the tax money. I was not to do anything myself. I did not know anything about the duties of the City Treasurer. I was elected. Mr. Wadsworth got my bond. I did not do anything there about assuming the office. I did not receive any books or any money. I suppose Mr. Wadsworth received them."

This is the most novel enterprise in banking of which we have heard. The bank in this case was the *de facto* Treasurer of the city of Ishpeming. It gave bonds, it received payment of the taxes, it kept the books pertaining to the office, and paid out the money. The nominal Treasurer elected by the people was a mere dummy, knew nothing of the duties of the office, and did nothing as Treasurer except to receive the fees allowed by law. There is only one improvement which we might suggest, and that is the enactment of a law permitting banking corporations to hold public office and making them capable of election to such positions. If this were done the fees which would otherwise be payable to the dummy would be saved.

LIABILITY OF COLLECTING BANK.—Another case has been added to the list of those which hold that a collecting bank is liable for the acts or defaults of the correspondent to whom it transmits paper for collection which it has itself received for that purpose. This decision is by the Supreme Court of Michigan, and sets at rest the law in that State. We publish a full abstract of it in this number, as the question is of great importance, and is one upon

which the Courts of different States hold directly opposite views. In some of the States a bank that receives paper for collection is bound only to use proper care in the selection of a suitable agent, and, when it has done this, its liability ends for the acts or defaults of the correspondent to whom it forwards the paper, while in others the rule is upheld, as in the present case, that a bank which takes paper for collection payable at a distant place is directly liable to the owner for any neglect or default of any of the subsequent banks through whom the paper is transmitted. The theory of this latter rule is that the bank taking the bill or note for collection contracts to collect it, or to take the necessary steps to preserve the liability of all parties should it be dishonored, and that the instrumentalities through which it carries out its contract are a matter of no concern to its customer, but the parties it employs are its own agents, selected by and amenable to it for any negligence or omission.

In the present case a Michigan bank had received paper for collection payable in Vermont, and had transmitted it to a bank in that State for that purpose. The paper had been paid to the Vermont bank, and the latter remitted its draft on New York for the proceeds. Shortly thereafter it failed and its draft was not paid, and the question to be decided was whether the bank, or the customer, in such case, should bear the loss.

The opinion of the Court discusses and determines the law of the State as to the liability of the bank in such a case; but, as the facts were not fully brought out in the suit, it was sent back for a second trial.

One of the questions presented by the facts of the case, which the Court did not discuss, probably reserving it for a second trial, was as to how far the defendants were released from liability by a notice which was printed in plaintiff's pass-book, stating that they would not be liable for the laches or acts of agents to whom they sent drafts for collection, and as to which the plaintiff testified he had not seen until the transaction was ended. Conceding that, if no such agreement existed, defendants would be absolutely liable to their customer for the amount collected by their agent, did not this notice, existing in his pass-book, bind him to its terms? This is a very important question for bankers to have definitely settled. In view of the law of many States, holding banks actually liable for the acts of their correspondents, the practice has become frequent for banks to insert on their letter-heads, or in their customers' pass-books, notices that they will not hold themselves liable for anything more than due care in the selection of suitable sub-agents. Such a notice appeared to have existed in the plaintiff's pass-book in the present case; but it will be observed that the Court, in discussing the main question as to defendants' liability, simply holds that a bank taking a draft for collection is responsible for the acts of its correspondents, and does not consider whether a notice, such as was testified to, is sufficient to relieve the bank from such liability. This seems to us to be a very important element in the case, and will probably be considered when the case again comes before the Court.

REPLIES TO LAW AND BANKING QUESTIONS.

The Editor of the Law Department of RHODES' JOURNAL OF BANKING will answer Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest as to warrant publication in this Department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail—and which are not to be published.

Editor Rhodes' Journal of Banking:

DENVER, Colo., December 13, 1888.

SIR:—Is a note or other negotiable paper payable, say, ninety days after date, bearing interest, due and payable at the end of such time without grace if the payer prefers it, or does he have to wait until the end of the three days grace if the holder of the paper insists? The paper, for instance, matures December 1-4. Can he legally pay the same December 1st, without paying interest for the extra three days?

A DENVER SUBSCRIBER.

Answer.—All paper which, under the law, has three days of grace, does not become due and payable until the last day of grace. If it bears interest, the holder is entitled to the interest for the full period, including grace, and

the payer cannot relieve himself from this obligation by offering to pay principal and interest, at the end of the ninety days, for that period. The obligation is to pay interest till maturity, and the paper does not mature until the third day of grace.

Editor Rhodes' Journal of Banking:

HUDSON, Wis., December 6, 1886.

SIR:—Should we protest the note of a customer of our bank (he having funds sufficient to pay the same in the bank) without special instructions from him to pay; or, in other words, would we be justified in paying the note without notifying him that we had done so, and charged the amount to his account? A. E. J.

Answer.—The weight of authority is to the effect that a bank is justified in applying the funds of a depositor to the payment of his note made payable at such bank without any special instruction from him, although we are not aware of any decision in Wisconsin on the point.

Editor Rhodes' Journal of Banking:

SPARTA, Tenn., December 9, 1886.

SIR:—Is it binding upon the indorsers for us to protest a note (the indorsers and maker each residing in the city where this office is located) by placing notices in the post-office? Would it be if the maker had previously (to maturity) made an assignment? BANKER.

Answer.—In the absence of any statute in Tennessee permitting notice of dishonor to be deposited in the post-office where the parties reside in the same town, the general rule of the law merchant would apply that the indorsers are entitled to personal notice, verbal or written, or written notice delivered at their residences or places of business. We do not think the indorsers would be held in the present case were the notices deposited in the post-office, unless it could be proved that they were delivered within the time required. The fact that the maker had made an assignment would not dispense with the necessity of giving notice (5 Leigh, 522), nor make any difference in the manner of giving notice to the indorsers.

Editor Rhodes' Journal of Banking:

LOUISIANA, MO., December 11, 1886.

SIR:—A, who is a regular customer of this bank, but not financially responsible, comes in after banking hours, presents the check of a well-known, responsible and honorable business man on a local bank, endorses the same, asks for the cash, and is paid. The following day, when the check is presented at the bank on which it is drawn, payment is refused, the drawer having stopped payment. The check was given for the purchase price of a stock of merchandise—which was attached the evening following the giving of the check—in the hands of the drawer, who chose to stop payment of his check rather than fight an attaching creditor. The check was of such a character that it would be taken in the course of business by any one acquainted with the responsibility of the drawer. Had not the check all the attributes of negotiable paper, and cannot the bank recover from the drawer of the check? If not (as held by good lawyers) what protection have banks? Why are not all checks drawn "For value received," and made negotiable? CASHIER.

Answer.—Generally, we believe the rule to be that (as well in the case of a check as an inland bill of exchange) a *bona fide* indorser for value, before maturity, without notice of any want of consideration, takes the same free from the equities existing between the drawer and payee, or other prior parties, and can enforce its payment from the drawer or prior indorsers. (Keene *vs.* Beard, 8 C. B. U. S., 372; Fuller *vs.* Hutchins, 10 Cal., 523.) And ordinarily, in a case like the present, we think the holder could recover the amount from the drawer. But the difficulty in the present case is that, under the decisions and statutes in Missouri, no instrument, except a bill of exchange, is negotiable unless it contains the words "For value received." Thus, in the case of Lowenstein *vs.* Knopf, 2 Mo. Appeal Reports, 159 (decided in 1876), it is stated that the Missouri statute defines negotiable paper and ascertains its qualities, and the provisions of this statute (and not the provisions of the Statute of Anne), must be looked to to determine whether

paper is negotiable or not; and it is held that no other instrument except a bill of exchange wanting the words "value received" can be negotiable in Missouri, and this for the sufficient reason that no other instrument is, by the statutes of that State, declared to be negotiable without this express feature.

Also, in *International Bank vs. German Bank*, 3 Mo. App., 362, where a certificate of deposit did not contain the words "for value received," it was held that these words were essential to impart the quality of negotiability to mercantile paper in this State (citing 61 Mo., 219); that title to the certificate might be passed by indorsement and delivery, or by delivery alone in case of an indorsement in blank, but the transferee would take subject to all equities.

Under these decisions, therefore, the check could not be considered as negotiable so as to hold the drawer liable to a *bona fide* indorsee for value, as it did not contain the words "for value received," unless the claim could be successfully made that the check was in effect an inland bill of exchange and as such did not require these words to be negotiable.

Editor of Rhodes' Journal of Banking:

WILLOUGHBY, O., December 21, 1886.

SIR:—In the December, 1886, JOURNAL, at page 981, in your reply to a subscriber signing himself "Discount Clerk," you state in answer to his first question that, "It has been held that the indorsement of a note to A. B., Cashier, is sufficient to vest the title thereto in the bank of which he is Cashier." Will you kindly refer me to the decisions wherein it has been so held?

S. H. SMART, Cashier.

Answer.—The decisions holding that the indorsement to a party as Cashier is sufficient to vest the title to the paper in the bank of which such party is Cashier are collected in the article on "Powers of Bank Cashiers," (XI. *Manner of Indorsing the Negotiable Paper of the Bank.*) in the October number of RHODES' JOURNAL OF BANKING, at page 802. Among the decisions there given are *Baldwin vs. Bank of Newbury*, 1 Wall., 234; *Pratt vs. Topeka Bank*, 12 Kan., 570; *Robb vs. Ross Co. Bank*, 41 Barb., 591.

Editor Rhodes' Journal of Banking:

SHELDON, Iowa, December 6, 1886.

SIR:—Will you be kind enough to enlighten us upon the following, and oblige one of your Iowa subscribers:

\$100.00.	SEATON, Iowa, November 10, 1886.
BANK OF SEATON.	
Pay	John Smith or order
One hundred	Dollars
in Chicago exchange.	
GEORGE L. SMITH.	

The above is an exact copy of the check I wish to know about. The check came to the Eagle Bank, of Seaton, from a National bank in Chicago, and was properly endorsed. The Eagle Bank took the above check to the Seaton Bank (within same town), and the Cashier of the Seaton Bank refused to pay the exchange to us, but offered one of their Chicago drafts for the amount, viz., \$100. Now, I particularly wish to know whether I could not compel the Seaton Bank to pay the exchange, together with the \$100; or, if I am forced to take his paper and thus pay him the exchange. Can't I take the cash and deal at another bank if I so desire?

The Cashier of the Seaton Bank said it rested with the word "in" Chicago exchange. Had it been "with" Chicago exchange he would have paid us. By ventilating this in your next issue you will greatly oblige

SUBSCRIBER B.

Answer.—It is held by writers of accepted authority that where a draft is made payable "in exchange" on a given place it is payable in a bill of exchange on that place, and not in money. The drawee can tender the bill of any banker of good credit, or may settle for cash on terms satisfactory to the holder. He cannot, however, tender his own draft, as that would not be a payment but a mere substitution of his own obligation for the draft presented. If the draft had been payable "with exchange on Chicago," cash could have been demanded by the holder, but, being payable "in exchange,"

we are of opinion that the drawee would sufficiently comply with its terms by tendering any reputable banker's bill on Chicago, other than his own, for the amount of the draft.

Editor Rhodes' Journal of Banking: GRAND RAPIDS, Mich., December 20, 1886.

SIR:—On December 9th we received for collection from our correspondent in Chicago a check dated December 2d, payable to order, drawn by Jno. Brown on a local bank, given to Wm. Smith, who had it cashed at a New York bank. This bank turned it over to our correspondent. We passed the check, regularly endorsed by us, through the Clearing-House. The check was returned to us by a messenger, who stated that the reason of refusal was the non-indorsement of payee. Our correspondent's instructions are to protest all paper unless otherwise ordered. We protested the check for non-payment. The bank here claims we should not have protested, as it was not customary, and asked us to refund fees. I claim, inasmuch as we were the last holders of the check, with above instructions from our correspondent, that it was our only recourse for safety, for, in case the payee's indorsement could not have been procured, we would have been held.

Will you please inform us through the JOURNAL what the proper proceeding will be in such cases. KENT COUNTY.

Answer.—A check payable to order, but undorsed by the payee, passes through the hands of subsequent parties, who transfer it by their indorsements, and is received by our correspondent for collection. When presenting it to the bank upon which it is drawn that bank properly refuses payment on the ground that the payee has not indorsed it, and the question arises whether any necessity exists for protesting the check and giving notice to the indorsers? Of course, if the subsequent indorsers would be released if protest was not made, and notice given, the protest would be properly made; but, in this case, was protest and notice necessary to hold them?

An indorser of a bill or note engages by his indorsement, among other things, that it is genuine and valid, that the ostensible parties are competent, and that he has lawful title to it and the right to indorse it, and it is well settled by the authorities that, if it turns out that any of these engagements are not fulfilled, the indorser may be sued for the recovery of the original consideration which has failed, or be held liable as a party without proof of demand and notice. (Daniel on Neg. Instr. § 664a and cases cited; Cochran vs. Atchison, 27 Kansas, 728 [1882]).

In the present case, as the payee did not indorse the check, none of the subsequent parties through whose hands it passed acquired or gave any title to it; and it would seem, therefore, that a failure to protest and give them notice of the non-payment of an instrument to which they never had or gave any valid title would not release them from liability for any consideration which they may have received in exchange therefor, and protest would not be necessary.

Editor Rhodes' Journal of Banking:

PORTSMOUTH, O., December 14, 1886.

SIR:—Will you please give us through your valued magazine your opinion as to the proper time for protesting the following note:

\$279.86.

WINFIELD, Ky., October 1, 1886.

Ninety days after date I promise to pay R. B. Lloyd or order two hundred and seventy-nine dollars and eighty-six cents for value received. To be run sixty days after due at 8 per cent. Negotiable and payable at the Deposit Bank of Winslow, Ky.

B. F. VINCENT.

Indorsed:

R. B. LLOYD,

O. O. SCHLEIFER.

By giving this question your attention you will greatly oblige

L. & V.

Answer.—The above note, being made and payable in Kentucky, is governed by the laws of that State. The question is as to when the note matures. Although there is no statute in Kentucky providing for grace on promissory notes, three days are probably allowed by custom. The note is, by its terms, payable ninety days after date, with an extension of sixty days after due. Bills

and notes falling due on a Sunday or holiday are payable on the day preceding. Without the extension, the day of maturity (93 days from October 1, 1886) would fall on Sunday, January 2, 1887. The day preceding, January 1, 1887, is a holiday, and it would be payable on Friday, December 31, 1886. Now, should the extension of sixty days run from this latter date or from January 2, 1887? This is a difficult question to answer authoritatively, and if the liability of any indorser depends upon its proper presentment we would advise our correspondent to consult Kentucky counsel as to any local custom regulating the maturity of this peculiar form of note. It might be argued in support of the claim that the note matured sixty days after December 31, 1886, that that date would be its day of maturity did it contain no extension, and that the words "to be run sixty days after due" implied sixty days from the time it would become actually due and payable were no extension inserted. On the other hand it might be claimed that the note promised to pay 93 days after date, with an extension of 60 days from the expiration of the first period, and as by its terms payment was not contemplated until the period of 60 days had elapsed, the sixty days should be counted from January 2d and not from December 31st. In support of this argument the matter of the payment of any promissory note entitled to grace might be cited in a case like the following: A promissory note is made payable 90 days from date in a State where the law provides that paper maturing on a Sunday shall be payable on the day preceding. The ninetieth day falls on Sunday. Were no grace allowed it would then fall due and become payable on the 89th day. But the law steps in and says that the maker shall have extension of three days to pay the note. Now these three days are reckoned from the 90th day, notwithstanding it falls on Sunday, and not from the 89th day; and likewise, in the present case, the extension of 60 days from the period when it would otherwise become due should be taken from the actual date, though it happens to be Sunday, and not from the date on which it would be payable were there no extension. In other words that, although a note payable 90 and 3 days from date by reason of a holiday and Sunday occurring at the end of that period would be payable on the 91st day, yet, where the note provides that it is to be run 60 days after due, the 60 days should be counted from the 93d and not the 91st day, because in reality it is not due till the expiration of the whole period. On this theory the note would fall due 60 days from January 2d, viz., Thursday, March 3, 1887.

We would like very much to get the views of any of our Kentucky subscribers as to the date when the above note should be presented for payment, and protested if not paid.

DIGEST OF RECENT DECISIONS IN COMMERCIAL LAW.

ASSIGNMENT FOR BENEFIT OF CREDITORS—DUTY OF ASSIGNEE.—An assignee for the benefit of creditors is not authorized to pay out from the trust funds in his hands money for the conduct of a farm belonging to the estate. Cases might arise in which it would be proper for an assignee to expend trust funds in his hands, even in conducting the business of a farm—as where there was a growing crop at the time the assignment was made, which ordinary prudence would dictate to him should be preserved; but no such facts appear in this case. It is the duty of such an assignee to convert the assigned property into money at the earliest practicable period and not to carry on the business in which his assignor may have been engaged; and if he fails to do this, and takes the responsibility of expending money in the conduct of the business, he must be prepared to show that in this he exercised that ordinary prudence and care incumbent on such a trustee; otherwise he must be held responsible for the expenditure improperly made. [*Wynne vs. Simmons Hardware Co., Supreme Court of Texas, October 22, 1886.*]

FRAUDULENT RESERVATION.—Where an assignment for the benefit of the creditors of an insolvent debtor, after providing for the payment of the creditors who should assent thereto, made provision for the payment to the assignor of any surplus, *Held*, The reservation of the surplus to the grantor stamps the deed as constructively fraudulent. The grantor prefers himself to a dissenting creditor.

An insolvent debtor can reserve no use or benefit to himself out of the property assigned. He may stipulate for a release, but he must dedicate all his property not exempt by law to the payment of all his creditors; not necessarily to the payment of all in equal proportions, for he may prefer such as will execute releases, but the deed must provide for the distribution of any surplus that may remain in the hands of the trustee after the payment of the preferred creditors among the other creditors whether they assent or not. If the assignment is valid its provisions, including the return of the surplus to the maker, ought to be enforced in a Court of equity; yet this might prevent the Court from letting in the non-assenting creditors on the surplus. The deed being fraudulent on its face was a sufficient ground for an attachment. [*McReynolds vs. Dedman, Supreme Court of Arkansas, October 9, 1886.*]

PARTNERSHIP—SALE OF REAL ESTATE—RIGHT OF DOWER.—Where partnership real estate was sold to enforce the payment of the vendor's lien for the purchase money and to coerce the payment of the partnership liabilities, and the widow of one of the deceased partners claimed dower in the property, *Held*, That the sale passed the title; that the lien of the vendor existed and was enforced by the sale; and, besides, the other debts being partnership liabilities, no right to dower attached; that on both or either of these grounds the wife is barred of dower. [*Sherley vs. Thomasson's Ex'r, Court of Appeals of Kentucky, September 25, 1886.*]

VERBAL CONTRACT FOR SALE OF LAND—STATUTE OF FRAUDS.—Where a sale of land was by verbal contract, and no written evidence of the sale had ever been executed by the vendors, *Held*, That such sale, being within the Statute of Frauds, bound neither the vendor nor vendee; that the vendor could not be compelled to complete the contract by making a deed, nor could the vendee, although put in possession of the land by the vendor, be compelled to accept a deed to the land and pay the purchase price for it; that the contract of purchase, to be binding on either party, must be mutually binding on both. [*Fite vs. Orr, Court of Appeal, Kentucky, October 15, 1886.*]

TELEGRAPH COMPANY—NEGLIGENT DELIVERY OF MESSAGE—STATUTORY PENALTY.—Action to recover the statutory penalty of \$100 for negligent delivery of telegram. The defense was that the plaintiff had not exhibited his demand within 60 days from the time he sent the message. The message was received for transmission subject to the following condition: "The company will not be liable for damages in any case where the claim is not presented in writing within 60 days after sending the message." *Held*, The notice of which the company stipulated was of a claim for damages. The only claim to notice to which the company was entitled under the clause in question was of a cause of action sounding in damages—not debt for a penalty. The condition that the company should receive notice of a "claim for damages" did not include the statutory penalty. The case of the *Western Union Telegraph Co. vs. Jones*, 95 Ind., 228, where the contrary is held, disapproved. [*Western Union Telegraph Co. vs. Cobbs, Supreme Court of Arkansas, October 9, 1886.*]

CONDITIONAL SALE—PASSING TITLE.—In the absence of fraud, an agreement for a conditional sale is good and valid, as well against third persons as against the parties to the transaction; and a bailee of personal property cannot convey the title, or subject it to execution for his own debt, until the condition on which the agreement to sell was made has been performed. [*Harkners vs. Russell & Co. United States Supreme Court, November 8, 1886.*]

FRAUDULENT CONVEYANCE—PREFERENCE—"BOOMING" AN INSOLVENT CONCERN.—Where a creditor of an insolvent firm, whose insolvency was known to him, but not to the public generally, made frequent loans to the firm to keep them going, and "to boom" their business, under promise of preference in case of ultimate failure, and thus enabled them to extend their business and obtain large quantities of goods on credit, and the condition of the business was such that the creditor must have known to a certainty that failure was inevitable, and that, by continuing, the firm would inflict losses upon others of whom they should obtain credit, and where the firm, having obtained goods on credit, turned them over to

this creditor in payment of his demands, leaving nothing for the other creditors, *Held*, The transfer of the goods will be deemed fraudulent and the preference was unlawful. One may give aid and credit to an embarrassed person, firm or company for the honest purpose of helping over difficulties *reasonably supposed to be not insuperable*, and yet be entitled, in case of disaster, to receive a preference in respect to the credit so extended. But this plainly was not such a case. If it can be believed that the creditor looked for a successful outcome of the firm's business, or had any faith in them, beyond a reliance on their promised fidelity to him, it was an excuseless trust against which his own intelligence ought to have warned him at every step. He cannot, therefore, be permitted to divert the consequences from himself to others whom his conduct contributed so directly to injure whether the part which he played was one of perfidy or folly. [*Kreppendorf vs. Hyde, United States Circuit Court, District of Indiana, October 4, 1886.*]

STATE STATUTE—CONSTRUCTION OF BY STATE COURT—WHEN BINDING ON FEDERAL COURT.—The construction of a State statute by the Supreme Court of the State, where the question is one of local statute and not of general commercial law, is binding upon the Federal Court. [*Raymond vs. Parish of Terrebonne, United States Circuit Court, Eastern District of Louisiana, 1886.*]

INSOLVENT DEBTOR—CARRYING ON BUSINESS IN WIFE'S NAME—FRAUD.—Under statutes which permit a married woman to have a separate property, to make contracts and to do business as a *femme sole*, she may avail herself of the services and agency of her husband in the conduct of her business, or in the management of her property, without necessarily subjecting it, or the profits arising from his management, to the claims of his creditors. But an insolvent debtor cannot use his wife's name as a mere device to cover and keep from his creditors the assets and profits of a mercantile business which is in truth his own. [*Hyde vs. Frey, United States Circuit Court, District of Indiana, October 4, 1886.*]

DEBTOR AND CREDITOR—ASSUMPTION OF DEBT BY PURCHASER.—An agreement between the purchaser and the seller of a stock of goods that the former would assume and pay the latter's debts inures to the benefit of a creditor of the seller and authorizes him to enforce his claim against the party so agreeing. [*Redelsheimer vs. Miller, Supreme Court of Indiana, September 24, 1886.*]

PRINCIPAL AND AGENT—COMMISSION MERCHANT—EXPENSES OF PRINTING GOODS.—In an action by plaintiff, a commission merchant, against defendant, a manufacturer of cloth, who consigned goods to plaintiff, to recover a balance of account, *Held*, The expenses of printing a part of the goods was properly chargeable to the defendant, it being shown that this was done under the usage of commission merchants in like cases, which usage must be presumed to have entered into and been made part of the contract between the parties. [*Talcott vs. Smith, Supreme Court of Massachusetts, Worcester, October 22, 1886.*]

FRAUDULENT CONVEYANCE—ACTION BY CREDITOR TO SET ASIDE AFTER DECEASE OF GRANTOR.—In an action by a creditor of a deceased grantor, to set aside an alleged fraudulent conveyance of real estate by the grantor in his lifetime, *Held*, The action cannot be maintained. If the facts stated in the complaint are true, it is the duty of the executors to pursue the real estate and reclaim it for the benefit of the persons interested in the estate of the testator, and no one creditor can appropriate it for his sole benefit. The fact that the fraudulent grantee is one of the executors furnishes no insurmountable obstacle. If she should refuse to restore the lands to the estate she would be removed from her office of executrix, and then the two remaining executors could, under the Act of 1858, disaffirm the conveyances of the real estate and bring an action to set them aside; or the two executors could commence the action, making the executrix a defendant, and in such action obtain for the estate the relief demanded. If the two executors refused to commence the action upon the application of the creditors, or some of them, they could be compelled to commence it by an order of the Surrogate. [*Lichtenberg vs. Herdtfelder, New York Court of Appeals, October 5, 1886.*]

REPORT OF THE COMPTROLLER OF THE CURRENCY.

TREASURY DEPARTMENT,
OFFICE OF THE COMPTROLLER OF THE CURRENCY,
WASHINGTON, December 4, 1886. }

Sir:—In obedience to law, I have the honor to submit a report for the year ending November 1, 1886, exhibiting:

First—A summary of the state and condition of every association from which reports have been received the preceding year, at the several dates to which such reports refer, with an abstract of the whole amount of banking capital returned by them, of the whole amount of their debts and liabilities, the amount of circulating notes outstanding, and the total amount of means and resources, specifying the amount of lawful money held by them at the time of their several returns.

Second—A statement of the associations whose business has been closed during the year, with the amount of their circulation redeemed and the amount outstanding.

Third—Suggestions as to amendments to the laws relative to banking by which it is thought the system may be improved.

Fourth—A statement exhibiting under appropriate heads the resources and liabilities and condition of the banks, banking companies and savings banks, organized under the laws of the several States and Territories, such information being obtained by the Comptroller from the reports made by such banks, banking companies and savings banks, to the Legislatures or officers of the different States and Territories; and where such reports could not be obtained the deficiency has been supplied from such other authentic sources as were available.

Fifth—The names and compensation of the clerks employed in the office of the Comptroller of the Currency, and the whole amount of the expenses of the banking department during the year.

This is the twenty-fourth annual report of the Comptroller of the Currency.

[The first summary gives the resources and liabilities of all the banks in the United States at the different dates reports were made during the year. The second summary contains a list of 33 banks which were closed during the year. Their aggregate capital was \$2,301,100, and circulation outstanding \$1,052,041. Of the 33 banks, 24 went into voluntary liquidation, 1 ceased to exist by expiration of charter, and 8 failed.—*Editor RHODES' JOURNAL OF BANKING.*]

SUGGESTIONS AS TO AMENDMENTS TO THE LAWS RELATING TO BANKING BY WHICH THE SYSTEM MAY BE IMPROVED AND THE SECURITY OF THE HOLDERS OF ITS NOTES, AND OTHER CREDITORS, MAY BE INCREASED.

The security now afforded to the holders of National bank notes by the deposit of bonds in trust with the Treasurer seems to be complete, and, as long as the bonds of the United States remain (as they now are and have been for some years) readily salable at above ninety cents on the dollar, the National bank currency will continue to enjoy the confidence of the public.

It must not be lost sight of, however, that there are conceivable contingencies in which the salability of these bonds would be impaired and the security of the notes correspondingly affected; but the probability of any such contingency is too remote for present consideration, while the provision of law giving to the United States a first lien upon all the assets of the bank for the amount of any deficiency in the proceeds of the bonds would seem to be a sufficient factor of safety in any case.

The security of other creditors depends upon two conditions: first, the proportion of assets to liabilities; and, second, the solid value of the assets. Both proportion and value, in any given case, will depend upon the management of the business of the bank; hence the supervision of the business and management of every bank by the Comptroller of the Currency has now become the most important feature of the National banking system.

The laws providing for this supervision and those which prescribe and limit the character of the business that may be done by the National banks should be frequently revised in order that the light of experience may be utilized to their constant improvement. To this end I respectfully submit the following suggestions:

First—That Section 5,137 of the Revised Statutes should be so amended as to express more clearly and definitely the limitation put upon National banks with respect to their dealings in real estate and in mortgages, and to provide a penalty for violation of the law.

Second—That Section 5,145 be amended by adding the following clause: Whenever the Vice-President and the Cashier, or either of them, is a Director, the Board of Directors must consist of at least five members besides such officers.

Third—That Section 5,151 be so amended as to exempt from further liability the shareholders of National banks of which the surplus shall exceed by 20 per cent. the amount of the capital stock of the bank, and that they shall be partially relieved from such responsibility in proportion as the surplus shall exceed the 20 per cent. now required by law. Provision, however, should be made that such exemption cannot be obtained through any process by which capital becomes converted into surplus, and also that such exemption is not to be enjoyed until after the Comptroller of the Currency is satisfied that the entire capital and surplus are represented by good assets.

Fourth—That Section 5,160, as modified by the Act of July 12, 1882, be so amended as to require that the bonds which every association must at all times have on deposit with the Treasurer shall be registered United States bonds bearing interest.

Fifth—That Section 5,192, as modified by the Act of June 20, 1874, be so amended as to require all banks to keep on hand, or at some centre near their location, a larger proportion of their reserve than that now specified in the law. The present provision allowing a part of the reserve to be kept in a distant city appears to be a survival from the system of redemption formerly existing which was repealed by the Act of June 20, 1874, and its maintenance seems inconsistent with the general policy of the laws as they exist.

Sixth—That the Act of June 20, 1874, be so amended as to make it evident whether banks need keep a reserve on Government deposits secured by bonds.

Seventh—That Section 5,200 be so amended as to render its application practicable in all cases.

It would appear that when in 1864* a limit was placed upon the accommodation which a National bank might extend to any person, company, corporation or firm, for money borrowed, Congress had in view the then existing limit as to the number of National banks and as to the formation of new banks arising out of the limitation upon the total volume of National bank currency.

At that time the privilege of issuing currency was the most valued of all the privileges conferred by the National Bank Act, and the limit upon this restricted the number of banks in each community; hence it was logical and consistent for the law to provide that this limited bank accommodation should not be monopolized by any small group of persons.

Now, however, all limitations upon the total volume of National bank currency have been removed, and to all intents and purposes the system has become one of free banking, open to citizens of the entire country to any extent to which they may desire to avail themselves of its privileges; hence there does not appear to be any longer the same reason that there was formerly for the law to enforce a general distribution through the community of the amount of accommodation at the disposal of a National bank.

As a matter of fact, with the growth and extension of the system, banks, especially in the large cities, have had their business very much specialized, and such banks cannot continue to exist or remain in the system if they should now be held to a strict conformity with Section 5,200.

The specialization of the business of the banks means, of course, their becoming identified with special lines in trade, manufacturing, farming, etc., and, as in all such industries there has long been a tendency towards concentration in the hands of a comparatively small number of large houses, it follows that banks so situated must lend largely to particular firms or else lose their most important customers. Thus, business necessity on the one hand and the limitations of law on the other have produced, in many cases, habitual disregard of the law, and in other cases evasions of the law, all of which must be ignored or tolerated by the Comptroller of the Currency

* The limitation in the original Act of 1863 was different and complicated.

because the only penalty now provided is forfeiture of the corporate existence of the offending bank.

While these reasons exist for modifying the law, at the same time it is of course important that some limitation should be imposed upon the amount that any bank should hold in the paper of any person, company, corporation or firm, and that the limit should be such as can be effectively enforced by the Comptroller.

To this end I respectfully suggest the following:

(1) That the limit of 10 per cent. of the capital, in loans to one party, be extended so as to be computed upon capital and whatever surplus may be held in excess of the legal requirement of 20 per cent. of capital.

(2) That this limit may be exceeded only in cases where a bank holds security of undoubted value, and which is not in any way dependent for its ready convertibility upon the borrower.

(3) That the penalty for violation of this restriction be such, in the discretion of Congress, as shall appear to be proportionate to the nature of the offence, and such as may be readily enforced by the Comptroller of the Currency.

Eighth—That Section 5,209 be so amended as to extend the penalties therein, specified for making false entries, reports or statements, so as to make them apply to Bank Examiners or other persons in the employment of the Comptroller of the Currency, and also to all such acts done with intent to deceive the Comptroller of the Currency or any person in his employment.

The protection of banks and of those whose interests are in the keeping of the banks against fraud on the part of the bank officers invites the attention of Congress both in the interest of general order and for the improvement of the banking system. In order that legislation deemed advisable may be framed with reference to past experience, I have given in the Appendix to this report extracts from records in this office showing the causes of National bank failures in all cases in respect to which such information is accessible.

Ninth—That Section 5,219 be so amended as to enable the National banks to obtain that practical protection against unequal State taxation which it was manifestly the intention of Congress to secure to them in this Section.

Tenth—That Section 5,240 be so amended as to apportion the compensation for examination of National banks according to the aggregate investments in each case rather than according to the amount of capital, and that provision be made for more frequent examinations than are now possible by adding to the amount paid by the banks a suitable amount to be paid out of the Treasury in order that supervising Examiners may be employed.

Eleventh—That a law be enacted to the effect that any oath required of the officers or Directors of a National banking association may be taken before any Commissioner of a Circuit Court, or before a Notary Public having an official seal, or before any other officer using a seal, where such a notary officer is qualified by the law of any State or Territory to administer oaths.

There is a practical necessity for such an enactment; for, upon an examination of the statutes, in the light of the decision of the Supreme Court in the case of the United States vs. Curtis (107 U. S., 671), it appears that no provision has been made for giving legal effect to the oaths required of bank officers and Directors except in the one case to which the Act of February 26, 1881, specially applies.

This Act evidently aimed to supply an omission in the law; but, inasmuch as it applies to only one case out of several, other omissions seem by implication to have the sanction of Congress, which I am sure they have not, because, as the law now stands, a Director who swears falsely as to his qualifications for such position, or a President or Cashier who makes oath to a false statement of the dividends and earnings of his association, cannot be convicted of perjury.

Twelfth—That, in the absence or disability of the Cashier, all certificates required by law to be made by him may be made, with the authority of the Board of Directors, by the Assistant Cashier, if the bank has such an officer, and, if it has no such officer, then by some one appointed by the Directors to perform the duties of the Cashier; provided, however, that no assistant or acting Cashier shall be authorized to sign circulating notes. The want of such a provision in the banking law is the cause of considerable inconvenience and annoyance to the banks.

Thirteenth—I renew the recommendation of my predecessor for further legislation

to ascertain and protect the rights of shareholders desiring to withdraw from National banks which are extending their corporate existence.

My attention has been called to several cases of apparent violation of Section 5,243 of the Revised Statutes of the United States, but there does not appear to be in the law any direction or authority to the Comptroller of the Currency to take action in such cases. The instances reported are the following: National Savings Bank, of New Haven, Conn.; National Savings Bank, of Albany, N. Y.; National Savings Bank, of Buffalo, N. Y.; National Bank of Honduras, Washington, D. C.

The only bank in the District of Columbia to which Section 332 of the Revised Statutes applies is the National Savings Bank of the District of Columbia. This institution was chartered May 24, 1870, never had any capital stock, and appears, from such examinations as are reported, never to have accumulated a surplus fund. The charter required the bank to file in the office of the Clerk of the Supreme Court of the District of Columbia a bond, with security for \$200,000, to be approved by one of the Judges of the Court, and the Court was given authority to require a new bond and additional security whenever the interests of the depositors might seem to render it proper to do so. Upon examination I find that there is a bond on file in the Clerk's office for \$200,000, binding the bank and sixteen persons "jointly *but not severally*" to pay and satisfy creditors, etc. This bond is under the seal of the bank and the respective seals of the other obligors, but it is not dated. The approval of Mr. Justice Olin is affixed to it, dated October 30, 1870.

By the records of this office it appears that at various times communications have been addressed by my predecessors to the Chief Justice of the Supreme Court of the District of Columbia, calling attention to the impairment of this security by the death of some of the obligors and the departure of others from Washington. By the records of that Court it appears that on February 13, 1884, an order was made reciting certain of these communications and requiring the bank to file a new bond on or before February 25, 1884, or to show cause to the contrary.

The answer of the bank to this rule sets forth substantially:

1. That the Comptroller of the Currency had no authority to inquire into the sufficiency of the bond.
2. That the bond was still sufficient because of the wealth of four of the obligors out of the original sixteen.

No further proceedings are on file, and no new bond has been executed.

The charter of this bank required annual reports to be made to Congress by its officers, but no such reports have been lately made: and, upon inquiry, the Examiner from this office was informed that it was considered by the bank that the reports sent in to the Comptroller of the Currency, under the Act of June 30, 1876, operated to discharge the bank from the duty of reporting to Congress.

According to Section 332, the Comptroller may, in his discretion, report to Congress the results of such examinations as he may see proper to make of the banks in the District of Columbia, and if this bank were now reporting directly to Congress there would be no occasion, in my opinion, for me to make a report on it also; but, since it appears that, between the charter and the Act of 1876, both providing for reports, no report at all reaches Congress, I respectfully submit in the Appendix a copy of the report made by the bank on October 7, 1886, which agrees substantially with the report made to me by a special Examiner November 15, 1886.

* * * * *

STATE TAXATION OF NATIONAL BANKS.

There has been for some years more or less friction arising out of the mode of assessing and collecting taxes on National bank shares in some of the States.

The subject has been frequently and fully treated by my predecessors, and therefore, in renewing it, I need say only that, as Congress obviously intended to protect the National banks from discriminative taxation, it would seem proper that force be given to this purpose by its more definite expression in the law.

In consequence of different constructions placed by taxing officers upon the existing statute, litigation of a costly and more or less irritating character has arisen in States which together contain nearly one-half of all the National bank capital in the Union.

INFORMATION.

Section 333 of the Revised Statutes of the United States, in prescribing the scope of the annual report to be made by the Comptroller of the Currency, imposes upon

that officer the further duty of submitting to Congress such other information in relation to the banks as in his judgment may be useful. The following information is accordingly submitted:

The following table gives the number of National banks organized in each State and Territory during the year ending November 1, 1888, with their aggregate capital, bonds and circulation:

<i>States and Territories.</i>	<i>No. of Banks.</i>	<i>Capital.</i>	<i>Bonds.</i>	<i>Circulation.</i>
Vermont.....	2	\$150,000	\$37,500	\$33,740
Massachusetts.....	3	350,000	87,500	78,740
Division No. 1.....	5	\$500,000	\$125,000	\$112,480
New York.....	2	600,000	75,000	67,500
New Jersey.....	3	200,000	50,000	22,480
Pennsylvania.....	10	3,200,000	400,000	315,000
Division No. 2.....	15	\$4,000,000	\$525,000	\$404,980
Maryland.....	1	100,000	25,000	22,500
District of Columbia.....	1	200,000	50,000	.....
Virginia.....	2	150,000	37,500	22,500
Division No. 3.....	4	\$450,000	\$112,500	\$45,000
North Carolina.....	2	150,000	37,500	33,740
South Carolina.....	2	113,000	32,500	29,250
Florida.....	4	210,000	50,500	45,420
Alabama.....	2	150,000	38,000	34,200
Mississippi.....	2	150,000	25,000	11,250
Texas.....	8	700,000	175,000	146,250
Tennessee.....	3	185,000	46,250	24,740
Division No. 4.....	23	\$1,658,000	\$404,750	\$324,850
Ohio.....	8	1,975,000	306,250	251,000
Indiana.....	3	205,000	53,000	47,690
Illinois.....	7	2,375,000	243,750	202,500
Michigan.....	7	780,000	202,500	182,240
Wisconsin.....	2	150,000	37,500	33,740
Division No. 5.....	27	\$5,465,000	\$843,000	\$717,170
Iowa.....	4	250,000	62,500	56,230
Minnesota.....	6	475,000	118,750	73,090
Missouri.....	3	2,500,000	150,000	135,000
Kansas.....	28	1,595,000	398,750	280,000
Nebraska.....	17	1,010,000	252,500	182,170
Division No. 6.....	58	\$5,830,000	\$982,500	\$726,490
Colorado.....	2	100,000	42,500	38,000
Nevada.....	1	50,000	12,500	.....
California.....	9	1,550,000	187,500	123,740
Oregon.....	6	400,000	125,000	112,490
Division No. 7.....	18	\$2,100,000	\$397,500	\$274,230
Dakota.....	12	655,000	164,500	136,780
Idaho.....	2	100,000	37,500	33,750
Montana.....	1	50,000	12,500	11,240
New Mexico.....	2	100,000	25,000	11,240
Utah.....	1	50,000	12,500	11,240
Washington.....	4	225,000	57,500	51,730
Wyoming.....	2	175,000	43,750	39,370
Division No. 8.....	24	\$1,355,000	\$353,250	\$295,350
Grand total.....	174	\$21,358,000	\$3,713,500	\$2,900,550

Eight National banks with an aggregate capital of \$650,000 failed and were placed in the hands of Receivers during the year, as shown in the following tabulated

statement, to which is appended a brief account of the chief cause of failure in each case, and the amount of their capital, surplus, and liabilities according to last report of condition.

Name and location of bank.	Date of organization.	Date of Failure.	Receiver appointed.	Capital.	As shown at date of last report in each case.		
					Surplus and undiv'd profits.	Other liabilities.*	Date of last report.
1. First Nat. Bank, of Lake City, Minn.	Nov. 20, 1870	1885. Dec. 29	1886. Jan. 4	\$50,000	\$22,082	\$129,635	1885. Oct. 1
2. Lancaster Nat. B'k, of Clinton, Mass.	Nov. 22, 1864	1886. Jan. 1	Jan. 20	100,000	82,156	287,997	Oct. 1
3. First Nat. Bank, of Sioux Falls, Dak.	Mar. 15, 1880	Mar. 1	Mar. 11	50,000	55,288	170,083	Dec. 24
4. First Nat. Bank, of Wahpeton, Dak.	Feb. 2, 1882	Mar. 27	Apr. 8	50,000	7,987	100,306	Dec. 24
5. First Nat. Bank, of Angelica, N. Y.	Nov. 3, 1864	Apr. 16	Apr. 19	100,000	23,285	48,203	Dec. 24
6. City Nat. Bank, of Williamsport, Pa.	Mar. 17, 1874	Apr. 20	May 4	100,000	20,560	162,897	Dec. 24
7. Abington Nat. B'k, of Ab'gton, Mass.	July 1, 1885	July 1	Aug. 2	150,000	30,518	167,572	1886. June 3
8. First Nat. Bank, of Blair, Neb.	June 7, 1882	Aug. 25	Sept. 8	50,000	12,394	279,669	June 3
Total				\$650,000	\$204,195	\$1,296,312	

* Total, as per statement, except capital, surplus, circulation and undivided profits.

1. The First National Bank, of Lake City, Minn., failed in consequence of heavy losses, having its funds locked up in inconvertible paper. The stockholders, believing that the assets would prove valuable, bought nearly all the claims against the bank and then deposited a sum that enabled the Comptroller to pay all debts, principal and interest. After this was done the remaining assets were turned over to an agent of the stockholders in accordance with the provisions of Section 3 of the Act of June 30, 1876.

2. The Lancaster National Bank, of Clinton, Mass., was wrecked by its President, who absconded to Canada. Money and securities of the bank and of others were taken bodily away, but a large amount was subsequently recovered, which had been buried on a mountain in Vermont.

3. The First National Bank, of Sioux Falls, Dak., had its assets seized on writ of attachment in a suit on its Cashier's check for upward of \$16,000, which was claimed to have been fraudulently obtained. This caused the bank to fail; but it had been badly managed for some time previous, and had suffered large losses on overdue paper and mortgages.

4. The First National Bank, of Wahpeton, Dak., appears to have failed through reckless management, which locked up its funds in speculative enterprises.

5. The failure of the First National Bank, of Angelica, N. Y., was due to the embezzlement by its Cashier of an amount nearly equal to half its capital stock. He lost the money in grain and pork speculations, and concealed the defalcation by false entries on the books. The President and Directors of the bank were the victims of over-confidence in this man, and seemed blind to signs of his irregularities up to the hour of his flight.

6. The City National Bank, of Williamsport, Pa., was closed in consequence of a run upon it. Subsequent examination of the books revealed embezzlement by a former Assistant Cashier and by the Cashier at the date of suspension. Suit has been brought to recover on the bond of the late Cashier, and criminal proceedings against him have also been instituted.

7. The failure of the Abington National Bank, of Abington, Mass., was due to over-loans to its President, both directly and as indorser for irresponsible parties. In this case the creditors were paid in full, principal and interest, within sixty days after the Receiver was appointed.

8. The First National Bank, of Blair, Neb., failed through trying to do too much

business for its means. The assets, as at present estimated, should pay the creditors in full.

Lists will be found in the Appendix, showing the amount of capital, nominal assets amounts collected, claims proved and dividends paid in each of these cases.

ORGANIZATION, CIRCULATION, AND DISSOLUTION.

As the law now stands a National banking association may be formed by any number (not less than five) of natural persons. The conditions are simple and reasonable, the only one appearing onerous being that which requires the bank to deposit in the Treasury United States registered bonds bearing interest.

Before 1882 every bank was required to place and keep on deposit with the Treasurer such bonds to the amount of at least one-third of its capital, but the Act of July 12, 1882, reduced this minimum requirement to one-fourth the capital of banks having not more than \$150,000 capital, and to \$50,000 of bonds in all other cases, however large the capital may be.

Every bank, before beginning business, is also required to deposit with the Comptroller a copy of its articles of association, a complete list of shareholders, Directors and principal officers, all duly authenticated, and evidence that at least 50 per cent. of the capital is actually paid in. The Comptroller may, in his discretion, cause a special examination to be made in order to satisfy himself on any of these points, and he may refuse to authorize any bank to begin business if he has reason to believe that the purposes of its promoters are not in accord with those of the National banking laws. When the Comptroller issues his certificate of authority to begin business the bank is established, and is thenceforward bound to conform to all the requirements of the law governing its business, while, on the other hand, it is entitled to exercise the rights, privileges and franchises secured to it by the statutes.

EXTENSION OF THE CORPORATE EXISTENCE OF NATIONAL BANKS.

Under the provisions of the original Currency Act of February 25, 1863, 488 banks were organized, of which 88 had ceased to exist when the Act of July 12, 1882, went into effect, leaving 400 still in operation at that date. Of these 400 banks 72 were succeeded by other associations with the same or different names, 12 went out by voluntary liquidation or expiration of corporate existence, 2 were placed in the hands of Receivers, and 314 were extended under the Act. The Act of June 8, 1864, is designated the "National Bank Act" in the Act approved June 20, 1874. Up to July 12, 1882, there had been organized under this Act 2,286 banks, of which 450 had been closed, leaving 1,816 in operation at that date.

The following table shows how many of these surviving banks will reach the term of their corporate existence during each year from 1886 to 1902, inclusive, with their capital and circulation:

<i>Years.</i>	<i>No. of banks.</i>	<i>Capital.</i>	<i>Circulation.</i>	<i>Years.</i>	<i>No. of banks.</i>	<i>Capital.</i>	<i>Circulation.</i>
1887...	5	\$1,050,000	\$495,000	1896...	23	\$2,218,800	\$1,322,550
1888...	10	1,364,900	421,200	1897...	26	3,324,000	1,391,545
1889...	3	600,000	184,500	1898...	24	2,354,000	1,397,100
1890...	80	9,235,500	4,626,200	1899...	40	5,080,000	2,552,950
1891...	99	13,483,900	4,742,535	1900...	50	7,582,100	3,257,990
1892...	102	13,190,150	5,285,225	1901...	110	15,156,150	4,546,985
1893...	38	4,516,000	2,275,700	1902...	231	37,697,300	10,461,450
1894...	64	7,353,000	3,484,750				
1895...	77	11,159,000	5,391,450	Total.	962	\$135,394,800	\$51,807,080

NATIONAL BANK SHAREHOLDERS.

With a view to ascertaining how the stock of the National banks is distributed, a laborious examination has been made of the official lists of shareholders, deposited in this office in accordance with Section 5210, Revised Statutes of the United States.

The results of this examination, carefully compiled, are exhibited in the following tables, and, for purposes of comparison, similar tables contained in the report of the Comptroller of the Currency for the year 1876 are here reproduced.

Upon an examination it will be seen that the capital stock of the 2,888 National banks now existing is represented by 7,116,994 shares, and that of these 6,426,320, or over

90 per cent., are held by residents of the State in which the bank is located, and 690,574, or less than 10 per cent., by non-residents. In 1876 less than 90 per cent. of the stock was held by residents.

The number of shares held by natural persons is 6,524,143, or over 91 per cent., while the remainder are held as follows: 82,604 shares by religious, charitable and educational institutions; 6,188 by municipal corporations; 490,993 by savings banks, trust companies and insurance companies, and 12,897 by all other corporations.

The number of shareholders in National banks is 223,583, of which number 215,876, or over 96 per cent., are natural persons, while more than 38½ per cent. of all the stockholders are residents of the State in which the bank is located.

Of the 223,583 shareholders, 117,974, being more than half, hold ten shares or less, 78,781, or about a third, hold over ten shares but less than fifty, while those holding over fifty shares number only 26,828, or but little more than one-ninth of the whole.

The details as to State and geographical divisions will doubtless be found interesting and suggestive.

Among other things it will be perceived that, out of 82,000 shares held by religious, charitable and educational institutions, upward of 40,000 are held in New England and 40,000 more in the Middle States. In the same way, out of 490,993 shares held by savings banks, trust companies and insurance companies, nearly 478 000 shares are held north and east of the District of Columbia.

Geographical divisions Nos. 3, 4, 5, 6, 7 and 8 contain 1,600 banks, with \$225,000,000 capital, and in all this great area the National bank stock is held almost exclusively by natural persons.

Out of 7,704 corporations of all kinds appearing as National bank shareholders only 602 hold stock in banks anywhere in these six divisions.

Another observation to be drawn from these tables is that in those States in which the older banks are situated the stock is more largely held by residents, and is more widely distributed, while in the same area in which nearly all the banks are of recent organization the proportion of non-resident shareholders is larger and the amount of stock held in large amounts is greater. This shows the very important and significant fact that the National bank system is serving to bring capital into those new districts from the older States, and in this way it is a constant and valuable factor in the process by which American industry and enterprise are being extended all over the Continent, and by which the ties of a common citizenship are being daily strengthened by the bonds of commercial intercourse and of interdependent interests.

The total number of shares exceeds one for every \$100 capital, which is accounted for by the fact that a large number of the banks converted from State institutions have availed themselves of the privilege of retaining their shares at their original par value. (See Section 5,154, Revised Statutes.)

* * * * *

CIRCULATING NOTES.

Upon the security of its bonds deposited with the Treasurer each bank is entitled to receive, and the Comptroller of the Currency is by law required to issue to it, circulating notes to the amount of 90 per cent. of the market value and not more than 90 per cent. of the par value of the bonds. Any bank may deposit more than the minimum of bonds, and may take out circulating notes for 90 per cent. of its deposit, provided its entire outstanding circulation against bonds does not exceed 90 per cent. of its capital stock actually paid in. The circulating notes when issued by the Comptroller are in sheets, and are not valid until signed by the bank officers designated by the statute.

Under the present law the minimum deposit of bonds required to be made by the 2,852 National banks in operation in the United States on October 7, 1886, in order to continue as National banking associations, would be but \$84,365,312.

Tables in the Appendix show by States and geographical divisions the National banks in operation on October 7, 1886, separated into two classes, namely, banks of which the capital does not exceed, and banks of which the capital exceeds, \$150,000. The first class contains 2,001 banks, with an aggregate capital of \$167,261,245; the second 851, with an aggregate capital of \$380,979,485. The minimum of bonds required to be kept on deposit by the entire body of banks in the first class is \$41,815,312; the minimum for the 851 banks of the second class is \$42,550,000. If all banks held only the minimum of bonds, the total National bank circulation would be \$75,928,781, while the possible

maximum of circulation, being 90 per cent. of the aggregate of the National bank capital, would be \$496,416,657. The actual circulation on October 7, 1886, was \$308,176,776, inclusive of \$71,963,145 still outstanding, but which is no longer represented by bonds, but by that amount of lawful money deposited with the Treasurer of the United States to redeem it. The \$231,223,631 of circulation for which the banks are responsible is composed of \$96,517,585, secured by the bonds deposited by the 2,001 banks having \$150,000 capital and less, and \$144,706,046 secured by the bonds belonging to the 851 banks of which the capital exceeds \$150,000. The first class of banks have, therefore, \$48,883,805 more than their minimum and \$64,017,586 less than their possible maximum circulation, while the larger banks have \$106,411,046 more than their minimum and \$198,175,491 less than their maximum.

The following table shows the number of banks organized from July 1, 1882, to July 1, 1886, their capital stock, amount of bonds deposited, and the circulation issued thereon:

<i>Fiscal Year.</i>	<i>Number of banks.</i>	<i>Capital.</i>	<i>Minimum bonds required.</i>	<i>Bonds actually deposited.</i>	<i>Per cent. of excess.</i>	<i>Circulation issued.</i>
1882-83	251	\$26,552,300	\$5,155,500	\$7,116,400	28	\$6,404,780
1883-84	218	19,944,000	4,016,000	4,676,100	14	4,206,490
1884-85	142	15,206,000	3,061,250	3,332,800	8	2,990,520
1885-86	163	17,553,000	3,404,500	3,715,500	8	3,342,950

From the foregoing table it appears that 774 banks have been organized between the dates given, with a capital of \$79,254,300; that they have deposited \$18,810,800 bonds, upon which circulation to the amount of \$16,966,730 has been issued. The minimum deposit of bonds as required by law for such banks is \$15,697,250, and it will be observed that, while the actual deposit has in the aggregate exceeded the minimum absolutely required, yet this excess steadily decreased during the first three years covered by the table, and during the years ending July 1, 1885, and July 1, 1886, the percentage of excess remained the same, namely, 8 per cent. Of the 163 National banks organized during the past fiscal year, 96 have a capital of \$50,000 each, amounting to \$4,800,000; 44 have a capital of over \$50,000 and not exceeding \$150,000, amounting to \$4,218,000, and 23 have a capital of \$3,535,000. The latter class of banks deposited only \$100,000 of bonds in excess of the minimum required by law.

Tables have been prepared, and will be found in the Appendix, showing for the National banks in each State, Territory and reserve city the minimum amount of bonds required by law, the bonds actually held, and the circulation issued thereon and outstanding October 7, 1886; also all other information deemed useful as to circulation.

Banks are privileged to change their deposited bonds from time to time, to increase and reduce the amount, within limits, and are required to inspect once a year the bonds held for them in trust by the Treasurer. The Comptroller of the Currency is the agent and medium of all such changes; his indorsement on the bonds establishes their ownership and alone validates their transfer. Section 5,168 of the Revised Statutes requires him to record every act of deposit, transfer and withdrawal, and to keep a set of books for the purpose.

TAXES UPON NATIONAL BANKS.

National banks are subject to a semi-annual duty of one-half of 1 per cent. upon the average amount of their notes in circulation during the preceding six months. They are also required, by the Act of June 20, 1874, to pay the cost of the redemption of their notes at the office of the Treasurer of the United States at Washington and the cost of the plates from which their notes are printed. Banks extending their corporate existence have to pay for new plates. Previously to the Act of June 20, 1874, the expense of the plates had been paid out of the tax on the banks, which at that time attached to capital and deposits as well as to circulation.

The banks are further required to pay the fees of the Examiners employed to ascertain their condition, as set forth under Section 5,240, Revised Statutes of the United States.

The total amount of taxes and assessments collected during the past year were as follows:

Semi-annual duty on circulation	\$2,562,021 33
Cost of redemption of notes by United States Treasurer	168,243 35
Assessments for cost of plates, new banks	14,810 00
Assessments for cost of plates, extended banks	24,825 00
Assessments for Examiners' fees, Section 5,240, R. S.	107,272 83

Total \$2,907,172 51

It has not been customary heretofore to include assessments with taxes, but it seems proper to do so.

The following tables are brought forward from previous reports. For uniformity's sake the only addition made is the semi-annual duty on circulation during the past year:

Years.	On circulation.	On deposits.	On capital.	Total.
1864	\$53,193 32	\$85,911 87	\$18,432 07	\$167,537 26
1865	733,247 59	1,087,530 86	133,251 15	1,954,029 60
1866	2,106,785 30	2,633,102 77	406,947 74	5,146,835 81
1867	2,868,636 78	2,650,180 09	321,881 36	5,840,698 23
1868	2,046,343 07	2,564,143 44	306,781 67	5,817,268 18
1869	2,857,416 73	2,614,553 58	312,918 08	5,884,888 39
1870	2,949,744 13	2,614,767 61	375,962 26	5,940,474 00
1871	2,987,021 69	2,802,840 85	385,292 13	6,175,154 67
1872	3,193,570 03	3,120,984 37	339,350 27	6,703,910 67
1873	3,353,186 13	3,186,569 29	454,891 51	7,004,646 93
1874	3,404,483 11	3,209,967 72	469,048 02	7,083,498 85
1875	3,335,450 89	3,514,265 39	507,417 76	7,356,134 04
1876	3,091,795 76	3,505,129 64	632,296 16	7,229,221 56
1877	2,900,967 53	3,451,965 38	690,784 90	7,043,717 81
1878	2,948,047 08	3,273,111 74	500,296 83	6,721,455 65
1879	3,009,647 16	3,309,668 90	401,920 61	6,721,236 67
1880	3,153,635 63	4,053,710 61	379,424 19	7,586,770 43
1881	3,121,374 33	4,940,945 12	431,233 10	8,493,552 55
1882	3,190,981 98	5,521,827 47	437,774 90	9,150,584 35
1883	3,132,006 73	*2,773,790 46	*239,976 43	6,145,773 62
1884	3,024,698 24	.....	.....	3,024,698 24
1885	2,794,584 01	.....	.....	2,794,584 01
1886	2,562,021 33	.....	.....	2,562,021 33
Aggregate	\$63,796,798 55	\$60,940,067 16	\$7,855,897 74	\$132,592,753 45

* Six months to June 1, 1883.

The following table exhibits the taxes upon the circulation, deposits and capital of banks, other than National, collected by the Commissioner of Internal Revenue, from 1864 to November 1, 1882, the date upon which the taxation of capital and deposits ceased:

Years.	On circulation.	On deposits.	On capital.	Total.
1864	\$2,056,998 30	\$780,723 52	.....	\$2,837,719 82
1865	1,993,661 84	2,043,841 08	\$903,367 98	4,940,870 90
1866	990,278 11	2,009,636 83	374,074 11	3,493,988 05
1867	214,296 75	1,855,396 98	476,867 73	2,046,562 46
1868	28,669 88	1,438,512 77	399,562 90	1,866,745 55
1869	16,565 05	1,734,417 63	445,071 49	2,196,054 17
1870	15,419 94	2,177,576 48	827,087 21	3,020,083 61
1871	22,781 92	2,702,196 84	919,262 77	3,644,241 53
1872	8,919 82	3,643,251 71	976,067 61	4,628,229 14
1873	24,778 62	3,009,302 79	736,950 05	3,771,031 46
1874	16,788 26	2,453,644 26	916,978 15	3,887,160 67
1875	22,746 27	2,972,260 27	1,102,241 53	4,097,248 12
1876	17,947 67	2,969,530 75	889,219 61	4,006,698 03
1877	5,490 16	2,896,637 93	827,661 24	3,829,729 33
1878	1,118 72	2,593,687 29	897,225 84	3,492,431 85
1879	13,903 29	2,354,911 74	830,068 56	3,198,883 59
1880	28,773 37	2,510,775 43	811,436 48	3,850,985 28
1881	4,265 08	2,940,906 64	811,006 35	3,762,208 07
1882	4,265 77	4,086,102 45	1,153,070 25	5,263,458 47
1882* .....	.....	1,993,026 02	489,036 53	2,482,062 55
Aggregate	\$5,487,608 82	\$48,802,237 30	\$14,986,143 44	\$69,275,989 65

* Six months to November 30, 1882.

ISSUES AND REDEMPTIONS.

The following table exhibits the number and amount of National bank notes of each denomination which have been issued and redeemed since the organization of the system, and the number and amount outstanding on November 1, 1886:

<i>Denominations.</i>	<i>Number of Notes.</i>			<i>Amount.</i>		
	<i>Issued.</i>	<i>Redeemed.</i>	<i>Out-standing.</i>	<i>Issued.</i>	<i>Redeemed.</i>	<i>Outstanding.</i>
Ones	27,167,677	22,757,987	4,409,690	\$23,167,677	\$22,757,987	\$409,690.00
Twos	7,747,519	7,639,806	107,713	15,495,038	15,279,612	215,426.00
Fives	97,667,360	81,109,272	16,558,088	488,336,800	405,546,360	82,790,440.00
Tens	41,695,970	31,767,278	9,928,692	416,959,700	317,672,780	99,286,920.00
Twenties	12,945,618	9,397,854	3,547,764	258,912,360	187,957,080	70,955,280.00
Fifties	1,815,174	1,451,301	363,873	90,758,700	72,565,060	18,193,650.00
One hundreds	1,342,001	1,065,330	276,671	134,200,100	106,533,000	27,667,100.00
Five hundreds	23,924	23,138	786	11,962,000	11,569,000	393,000.00
One thousands	7,369	7,290	79	7,369,000	7,290,000	79,000.00
Fractions out-standing .....	.....	.....	.....	.....	.....	22,715.60
Total	186,412,612	155,209,256	31,203,356	\$1,447,161,375	\$1,146,170,869	\$301,013,221.60

* * * * *
DIAGRAM.

The diagram accompanying this report—reproduced especially for the JOURNAL from the original plates—exhibits in a very striking manner the main features of the National banking system, and how each has varied during the twenty-one years since the peace of the country has been re-established.

On the 1st of January, 1866, there were 1,582 National banks; on the 7th of October, 1886, there were 2,362 banks—a net increase in number alone of 1,270.

The following table groups in a compendious form the most important facts shown in the diagram:

	<i>January 1, 1866.</i>	<i>October 7, 1886.</i>	<i>Highest point touched.</i>	<i>Lowest point touched.</i>
Capital.....	\$403,000,000	\$543,000,000	{ \$543,000,000 Oct. 7, 1886.	{ \$403,000,000 Jan. 1, 1866.
Capital, surplus, and undivided profits.....	475,000,000	772,000,000	{ 772,000,000 Oct. 7, 1886.	{ 475,000,000 Jan. 1, 1866.
Circulation.....	213,000,000	228,000,000	{ 841,000,000 Dec. 26, 1873.	{ 213,000,000 Jan. 1, 1866.
Total investments in United States bonds.....	440,000,000	291,000,000	{ 712,000,000 April 4, 1879.	{ 291,000,000 Oct. 7, 1886.
Deposits.....	522,000,000	1,173,000,000	{ 1,173,000,000 Oct. 7, 1886.	{ 501,000,000 Oct. 8, 1870.
Loans and discounts.....	500,000,000	1,443,000,000	{ 1,443,000,000 Oct. 7, 1886.	{ 500,000,000 Jan. 1, 1866.
Cash—National bank notes....	20,000,000	23,000,000	{ 23,000,000 Dec. 31, 1883.	{ 11,000,000 Oct. 7, 1867.
Cash—Legal tender notes.....	187,000,000	63,000,000	{ 205,000,000 Oct. 1, 1886.	{ 50,000,000 Mar. 11, 1862.
Cash—Specie.....	19,000,000	156,000,000	{ 177,000,000 July 5, 1885.	{ 8,000,000 Oct. 1, 1876.

An examination of this table shows that the aggregate capital, surplus, undivided profits, circulation and deposits have increased from \$1,210,000,000 in January, 1866, to \$2,173,000,000 in October, 1886, which is less than double, while the loans and discounts have gone up from \$500,000,000 to \$1,443,000,000, which is nearly treble, showing how much more widely the banks are now identified with the general business of the country than they were twenty-one years ago.

The investments in bonds have taken an opposite course. Amounting to \$440,000,000 in 1866, increasing to \$712,000,000 in April, 1879, they had subsided by October 7th last to

\$291,000,000, but little more than half what they were in 1866, and scarcely over a third of what they momentarily amounted to in 1879.

The specie, which at the beginning of the period was but \$19,000,000, had got down in October, 1875, to \$8,000,000, is now \$156,000,000, and in July, 1885, was \$177,000,000.

It is interesting to see how these changes appear when reduced to percentages.

The capital, surplus, undivided profits, circulation and deposits constitute together the fund upon which a bank does its business.

Loans and discounts, United States bonds, specie, etc., are different forms in which this fund is invested. Taking the fund at \$1,210,000,000 in 1866 and at \$2,173,000,000 in 1886, these investments represent the following proportions of those amounts, viz.:

	1866.	1886.
Loans and discounts.	41.32	66.40
United States bonds.	36.36	13.39
Specie.	1.57	7.18
Total.	79.25	86.97

Another striking fact is that in 1866 the circulation was \$213,000,000 and in 1886 it is only \$228,000,000. At the former period, therefore, the circulation was nearly 45 per cent. of the capital, surplus and undivided profits, while now it is only about 29 per cent.

CONCLUSION.

In selecting the information presented in this report I have endeavored to exhibit the practical working of the present National currency and bank laws, and I have also had in view the importance of supplying material for a full understanding of the relations between the National banks and the general business of the country. In order to explain the widely prevalent desire among business men for some legislation directed to the establishment of these banks upon a more permanent basis.

The National banking system had its origin during the war, and it will always stand splendid in history as an example of financial skill successful under very difficult circumstances.

The problem in 1863 was how to bring the banking capital of the country to the support of the Treasury, and it cannot be doubted that the banks then had it in their power to exact from the Government concessions far more valuable than those granted them. Even these moderate concessions have long since lost all the elements of monopoly, and the Act of June 20, 1874, actually took away \$55,000,000 of circulation, partly from banks organized during the war, in order to give the privilege of issuing that sum to banks in States that were cut off by the war from access to the National banking system—a measure entitled to honorable consideration, because at that time those States were without sufficient political influence to exact a share in this valuable privilege, and the then existing banks were strong enough to have made a successful resistance if they had been selfishly inclined.

The last vestige of monopoly was swept away by the Act of January 14, 1875, which created a free banking system throughout the United States, and, supplemented by the Act of July 12, 1882, brought its benefits within reach of even small communities.

Under the sanction of these laws the National banks have become numerous, widely distributed, and intimately identified with the varied industries by which our entire population literally obtain their daily bread, but during the same time the rapid reduction of the funded debt of the Government has been introducing into the very basis of the system an element of instability which now hampers its extension, impairs its usefulness, and even threatens its continued existence, while there are still great areas of our country in which the natural resources are awaiting development by just such means as these banks might be made to supply.

The present financial prospects of the country induce the expectation that the funded debt will be paid off as fast as the bonds mature, and, in consequence, a question has arisen as to what changes should be made in the National bank system in order that it shall not suffer deterioration or destruction upon the withdrawal of the support upon which it is based by the present laws, which require every bank before beginning business to deposit a certain amount in United States bonds.

The payment of the 3 per cent. bonds, the maturity in 1891 of the $4\frac{1}{2}$ per cent. bonds, amounting to \$250,000,000, and in 1897 of the 4 per cent. bonds, amounting to nearly \$738,000,000, have combined to produce a prospective scarcity in the securities available to the banks as a basis for their corporate existence, and this is reflected in the advance of these bonds to a premium so high that every day their enforced purchase becomes more and more onerous.

Banks now holding only 3 per cent. bonds, and newly organized National banking associations, are forced into the market as purchasers of the 4 per cent. or the $4\frac{1}{2}$ per cent. bonds, and this constant demand, in connection with the prospective scarcity already referred to, sustains and tends still further to elevate the premium on these bonds.

As the time approaches for the payment of the $4\frac{1}{2}$ per cent. bonds, it is reasonable to expect a still greater demand for the 4 per cents, and it is a question of serious importance whether the banks can afford to hold or buy 4 per cent. bonds after 1891.

In the present age all business men try to anticipate future conditions and to provide well in advance against foreseen contingencies; hence it is to be expected that the banks will not wait until the approach of 1891 to shape their policy with reference to the continued holding of high-priced bonds. For this reason it is not too early now to consider what legislation may be proper to remove this element of future uncertainty from the National banking system; and, looking to the possible consideration of this subject by Congress, I respectfully submit the following statement of the question as it appears from the point of view officially occupied by the Comptroller of the Currency:

The fundamental postulates underlying every banking system established by law, whatever may be its form, must necessarily be:

First—That banks promote the general welfare of the community; and,

Secondly—That the particular system established by law is the best obtainable under the conditions prevailing at the time and place.

These postulates, therefore, underlie our National banking laws.

The first postulate will not be questioned, since no people in modern times have ever risen to civilization, or maintained their civilization, without banks; and least of all can it be questioned in this country where, besides 2,868 National banks now in operation, we have over 5,000 State banks, savings banks, and private banks and bankers, whose operations extend into the minutest ramifications of the employments and resources of our 60,000,000 of population.

The second postulate involves the question whether the present National bank system should be preserved, and, if so, whether it is good enough as it is or whether it can be improved.

The National Currency Act of February 12, 1863, was controlled as to its purposes by the paramount necessity of inducing the banks and other capitalists to become purchasers of Government bonds under conditions that would give a basis of solid value to the currency then being paid out in immense volume under the pressure of military exigencies, hence the consolidation of these banks into a national banking system adapted to commercial and industrial needs appears only as a subordinate incident in the general scheme. As early, however, as the year 1864, it was perceived that the general welfare of the people would be promoted by giving greater cohesiveness and method to the system, regarded more especially in its banking than in its currency features, and from that time to this the effort of legislation has been to subordinate the issuing of currency to the more important functions performed by the banks as institutions of discount and deposit. The effect of this legislation and its wisdom are exemplified in the present high credit and the consequent wide commercial usefulness of National banks.

If the system could be preserved purely as one of deposit and discount there would probably arise an almost universal sentiment in favor of bestowing upon its preservation immediate and careful attention, but it is doubtful whether the banks would find sufficient inducement to remain in the system without enjoying some privileges as to the issue of currency, and it has been questioned whether there is power under the Constitution for the charter of National banks except as instrumentalities for a money circulation.

It follows, therefore, that any legislation directed to the improvement and permanent establishment of the National banking system must include some

provision for the maintenance of a National bank circulation, while on the other hand it appears that whatever opposition exists to the National banks attaches to them mainly as banks of issue; and under our system of government nothing can be regarded as permanently established until it has obtained the support of a well-settled public opinion; hence it is evident that the problem now to be solved is how to remodel the currency features of the National bank system so as to obtain popular approval of them.

Objections to the present National bank currency appear to be comprised within three classes, namely:

1. A general objection to paper money in any form.
2. An objection to National bank notes, based upon the assumption that they take the place of an equal amount of paper money that might be issued directly upon the credit of the Government.
3. The objection that a currency determined in volume by a definite percentage upon deposited securities of high value can never possess the flexibility and elasticity of volume which are the chief commercial advantages of a bank currency in any form.

Against these objections it has been answered:

1. That the question as to having paper money at all is not at present a practical one, because it is evident that our people will have paper money in one form or another, and that, of all forms of paper money of which we have had any experience, the present National bank currency is the least objectionable, even to those who think that all such money should be avoided.

2. That while a bank currency based on Government bonds and redeemable in greenbacks may be considered as a kind of Government money on which the banks are getting the profit, yet without this privilege, or some other equivalent to it, the National bank system could never have been established, nor can it now be maintained, and that this is the cheapest price at which the people or the Government could have got any banking system so good in all respects and so valuable as this has proved to be.

Another argument is that the Government must pay interest upon its bonds whether these are held by the banks or not; hence the profit to the banks on these bonds has been obtained without charge on the Treasury; while, on the other hand, if the banks had not been offered sufficient inducement to invest in these bonds, many more of them would have gone abroad at low prices, and the country as a whole would now be so much the worse off.

3. That the want of flexibility in the currency and of elasticity of volume are consequences arising from the scarcity of bonds and the high prices to which they have risen, and that this could not have been foreseen nor provided against in the original Acts, but may now be remedied by proper legislation.

These objections and the answers to them are stated without comment. They are gathered from current discussion in the press, and seem worthy of consideration.

Some suggestions have been made to me as to new legislation on this subject, which, together with such conclusions as I have been able to reach, are subject to whatever disposition Congress may be pleased to order.

HON. JOHN G. CARLISLE,

Speaker of the House of Representatives.

W. L. TRENHOLM,

Comptroller of the Currency.

REPORT OF THE SECRETARY OF THE TREASURY.

In the annual report of the Secretary of the Treasury the silver question is exhaustively discussed. The Secretary recommends the suspension of the coinage of the silver dollar and also the reduction of the tariff. The salient points in the report are as follows:

SHALL THE UNITED STATES GIVE FREE COINAGE TO SILVER NOW?

I. The free-silver coinage prescription for the monetary dislocation satisfies but one of the several indispensable conditions which I have set forth above in full detail. While it is an indispensable condition of permanent restoration that the free monetization of silver shall be equally complete as of gold, yet were it now given to silver in this actual moment of dislocation the practical result would be to withdraw the same

from gold. That would be a change without advantage in any respect and in every respect with disadvantage. In the first place it would bring us to the Asiatic silver basis. This has been commended in some quarters. There is, however, no such public desire. The preponderance of public opinion seems overwhelming in favor of the joint use of both metals. No party and no administration could survive or would deserve to survive the deliberate or the unforeseen and unprevented change to a silver basis. But the proof is simple that the free coinage of silver now would at once entail a silver basis. Offered by the open Mint to both metals, free coinage of silver for silver owners into legal-tender dollars would stop the use of the Mint for free coinage of gold by gold owners. It would stop the simultaneous circulation of gold and silver dollars. The gold dollar would be at a premium and be exported. Throughout the United States it would make the use of silver in legal-tender payments exclusive, apart from the greenbacks, which would first be used, if possible, to empty the Treasury of gold, and then would cease to signify by "dollar" anything else than the debt of a silver coin—not at all the monetary unit once embodied in equivalent coins of the two metals.

Thus the free coinage of silver now, or, what is the same thing, the Asiatic silver basis, would but shift our lameness to the other foot. It would neither restore nor tend to restore the world-wide use of the two metals in a rated equivalence, which is the cure for the monetary dislocation, as their disjoined use has been its cause. But the change to the other foot would be disadvantageous, not a matter of indifference. Now we make a limping use of both metals, as is possible since the difficulty is with respect to the less precious metal, which we manage, by the legal-tender power and the receipt for taxes, to hold in some general use along with the other. Then, however, we could keep in use but one, not the two—not even by legal-tender laws or penal laws. Thus the free-silver coinage prescription and the silver-basis prescription are alike—amputation of an uninjured leg to cure temporary lameness in the other.

SHALL THE UNITED STATES PROPOSE MORE CONFERENCES?

II. More conferences and further diplomatic correspondence are proposed. I venture to think, with all due deference to those who are responsible for a decision, that the time for another conference has not arrived, and that the moment for diplomatic interference is not perfectly felicitous. Our information is recent and authentic, and is contained (Senate Ex. Doc. No. 29) in the letters of our Ministers accredited to Great Britain, France, and Germany, there published, and in the correspondence and action of the English Government which are summarized above.

The Continental powers await the action of Great Britain, whose reluctance defeated the object of both conferences called at the instance of the United States, and to whom again, almost within a twelvemonth, she has turned a deaf ear. If it suited the dignity of the United States again to besiege the attention of European States, or again to make advances where they have been so lately repulsed, it would not suit our interests so to do when it is certain that the inquiry upon which Great Britain has suddenly entered at the instance and insistence of her great dependency, India, and of her own accord, is entered upon with an exclusive regard to her own interest. And of Great Britain's interests the United States have no call to become advisers or guardians. * * * In short, it is now for Great Britain to make propositions to other powers. And, as not at the instance of united powers, so not at the instance of any one of them, will she abandon her cherished isolation. It will be abandoned, if ever, solely because it is generally perceived in Great Britain to concern the vital interests of Great Britain so to do. Under no circumstances will Great Britain alone open her Mint to the free coinage of silver. When, if ever, she perceives her interest to lie in retracing the error of 1816, she has the means of apprising other powers of a change in her opinions.

SHALL THE UNITED STATES BUY MORE THAN \$250,000,000 OF SILVER.

III. To go on as we are is the least creditable of all the courses open to our choice. The Treasury silver purchase is defended by nobody, approved by nobody; even every vote for the free coinage of silver is a vote that the Treasury silver purchase shall cease—an assertion that it ought to cease.

It has thrown away the opportunity to let loose abroad the silver we have kept, stamped and stored, and it has discarded the power to reduce by as much the foreign stocks of gold—two arguments that would have had an intelligible cogency.

It is a policy which, if now prolonged by our hopes, may easily be so protracted

thereafter by astute delays and dilatory proceedings, and by the time taken for negotiation itself, as to force an Asiatic silver basis for America.

It is thus, at least, the remission of all control of the silver question to adverse, if not to hostile, interests.

It deprives the United States of perfect equality of position (non-coinage) in negotiation with foreign powers.

It is an expense and a taxation demonstrated by experience to be of no avail for any useful end. Needless as a tax, our silver purchase is also a disturbance in the Treasury, which threatens the currency without relieving the tax-payer. It is heaping up a heavy load of silver coin needing to be kept, but increasingly difficult to keep, in domestic commercial equivalence with our monetary unit. Of that unit the silver coins can never be a true embodiment as the gold coins are by any other means than those which preserve to the gold coin its function as such an embodiment, viz., open Mints to the silver of the world and a full legal-tender quality in the payment of debt, imparted by law to any possible output of silver coin, thus ensuring to the unminted metal an equal value with the monetized coin. It is, therefore, glutting our currency with depreciated metal while also impeding the only means of reversing that depreciation and restoring its value.

SHALL THE UNITED STATES PROMOTE CURE OF MONETARY DISLOCATION ?

IV. To stop the purchase of silver is our only choice, our duty and our interest.

It will stop a wasteful and injurious expense, and the taxation which defrays it.

It will commence and promote reform in the sum and the methods of federal taxation.

It will recover to the United States an equality of position (non-coinage) with foreign powers, which will give us due influence in negotiation.

It will induce negotiation, and negotiation to the end of relief, not for the purpose of delay.

Stopping the purchase and coinage of silver is the first step and the best which the United States can take in doing their great part to repair the monetary dislocation of the world. Its origin was foreign; its remedy is international. The time is ripe for this powerful Commonwealth to enter decisively upon that international transaction. The ripe moment must not be let slip. After becoming entangled in negotiation we should not be free, as now, to act, first for our own advantage, and then for the promoting of our own deliverance and the world's deliverance from this world-wide trouble.

SURPLUS TAXATION \$125,000,000 A YEAR.

Employment for the proceeds of our surplus taxation, reasons for delay in reducing our surplus taxation, can no longer be found in a rapid payment of the funded debt. Setting aside the vanishing three per cents and the unfunded debt of \$346,000,000, the residue of the public debt has been in such wise funded by our predecessors that \$250,000,000 cannot be paid except by purchase at a high premium to the bondholder before September 1, 1891, and that \$737,776,400 cannot be paid except by purchase at a high premium to the bondholder before July 1, 1907. On and after those dates, respectively, but not until then, those loans are payable, at the option of the United States, at their face and without premium. The present premium on the four-and-a-half per cents of 1891 is about 11 per cent. The present premium on the four per cents of 1907 is about 28 per cent. To continue our present surplus taxation, and to employ its proceeds now or for some years to come in giving to the bondholder any such, or still higher, premiums by anticipatory purchase of those bonds before they are due and payable at par, is a fiscal policy so unnecessary, extravagant and merciless to the industrious toilers of our land, from whose earnings, profits or capital are deducted and taken all the revenues of the Treasury, that I cannot presume their representatives in Congress would let stand any law devolving upon the head of this Department such a thriftless task.

SINKING FUND WILL CANCEL FUNDED DEBT WHEN DUE.

The computations of Treasurer Jordan, in his subjoined report, show that the provisions of the Revised Statutes (Sections 3,694 and 3,695) as to the sinking fund and the public debt, and compliance therewith, by their continued operation hereafter, will effect the payment of the whole public debt, greenbacks and bonds, by the year 1908—within a twelvemonth after our last great funded loan becomes due and payable.

In other words, I am advised by that able officer that the whole public debt can be thus duly paid without a continuance of our present surplus taxation, but merely by

conformity to the sinking fund law and the regular annual appropriation therefor from now until 1908—to wit, by “the purchase or payment of *one per cent.* of the entire debt of the United States to be made *within each fiscal year*, which is to be set apart as a sinking fund, and the interest on which shall in like manner be applied to the purchase or payment of the public debt as the Secretary of the Treasury shall from time to time direct.”

REDUCE TAXES—PAY GREENBACK DEBT WITH SURPLUS.

I therefore respectfully recommend:

1. Repeal of the clause in the Act of February 23, 1878, making compulsory Treasury purchases of silver, for the reasons heretofore given and in order to reduce surplus and unnecessary taxation \$24,000,000 a year.

2. Further reduction of surplus taxation, beginning in a manner which will be suggested below, close down to the necessities of the Government economically administered.

3. Repeal of the Act of May 31, 1878, making compulsory post-redemption issues and resales of United States legal-tender notes, thus facilitating—

4. Gradual purchase and payment of \$346,681,016 outstanding promissory notes of the United States with the present and accruing Treasury surplus, issuing silver certificates in their room, and gold certificates if need be, without contraction of the present circulating volume of the currency, these notes (called greenbacks) being now the only debt due and payable before 1891 except the three per cent. bonds, which are probably all to be called and paid early in the ensuing fiscal year.

To reduce taxation the Secretary recommends the repeal of the duties on raw wool, and then says:

But this reduction of unnecessary and injurious taxation is not enough, and will operate slowly in diminishing revenue. Last year's import tax on raw wool is little more than the mere growth last year of our taxes from whiskey, tobacco and beer. To make wool free of tax may finally work a larger loss of revenue by enabling our wool manufacturers to undersell at a profit the foreign importers who brought in last year \$40,596,509 worth of manufactures of wool from which we got a tax of \$27,278,528.

To say nothing of other taxes upon raw materials, there are several hundred articles among the 4,122 articles that we tax which ought at once to be swept off the tax list into the free list—petty, vexatious, needless taxes much enlarging the cost of collecting the revenue from imports.

I shall at an early day prepare and submit to Congress a supplementary report on the collection of duties.

REPORT OF THE UNITED STATES TREASURER.

The annual report of United States Treasurer Jordan gives a complete review of the fiscal operations of the Government for the year. The following extracts are of most interest to our readers:

THE SINKING FUND AND PUBLIC DEBT.

Referring to tables Nos. 46 and 47 in the Appendix to this report, it is suggested that a revision of the method heretofore adopted in making up the sinking fund be made and that the annual payments on account of this fund conform therewith. It will be seen that by the present method the “entire debt” of the United States will be retired by the year 1908. If the method suggested in the report, page 105, be adopted, this debt will be extinguished by the year 1913. Any reduction of the public debt in excess of the annual requirements of the sinking fund will, of course, hasten the period of its total extinction.

Following is a statement showing the former and the proposed manner of estimating the sinking-fund charge for the fiscal year 1887.

According to former method the estimate is made as follows:

<i>First.</i> —1 per cent. of the principal of the debt, including coin and currency certificates outstanding and in the cash of the Treasury on June 30, 1886, and excluding bonds issued to Pacific Railroad Companies		\$17,750,630
<i>Second.</i> —Interest accruing for one year on previous year's retirement of debt, as follows:		
6 per cent. bonds	\$264,805,130	
Matured certificates of indebtedness (4 per cent.)	678,000	

Compound-interest notes and small items (6 per cent.)...	5,660	
United States legal-tender notes, non-interest bearing...	29,060,564	
Fractional currency, non-interest bearing	26,178,715	
Old demand notes, non-interest bearing	505	
	\$320,758,544	
Upon which interest is estimated to be accruing at 6 per cent.		19,245,512
Seven-thirty notes	1,950	142
10-40's of 1864, 5 per cent.	600,300	
Funded loan of 1881, 5 per cent.	68,666,700	
One-year notes, 5 per cent.	1,490	
	\$69,358,490	
Upon which interest is estimated at 5 per cent.		3,467,924
Consols of 1907, interest at 4 per cent.	1,500,000	60,000
Bonds continued at $3\frac{1}{2}$ per cent.	137,466,600	4,811,331
Loan of 1882, interest at 3 per cent.	101,880,950	3,056,428
	\$630,966,534	
Total principal of debt in sinking fund.		
Aggregate of 1 per cent. of debt and one year's interest on securities retired prior to July 1, 1886		48,391,909
<i>Third.</i> —One year's interest at 3 per cent. on this amount..		1,451,759
Total sinking-fund charge.....		\$49,843,728

The proposed manner is as follows:

<i>First.</i> —1 per cent. of the principal of the debt, excluding coin and currency certificates outstanding and in cash of the Treasury, and amount reserved for the redemption of legal-tender notes		\$14,740,346
<i>Second.</i> —Interest for one year on the debt in the sinking fund, at the rates which the bonds would now bear if they had been refunded; and at the present rate (3 per cent.) on debt bearing no interest, as follows: 4 per cent. upon the items above marked. 3 per cent. upon all other items.	\$267,673,400 963,263,134	10,706,936 10,898,794
Making a total of	\$630,966,534	\$36,346,076
<i>Third.</i> —One year's interest at 3 per cent. on \$36,346,076.....		1,000,382
Total sinking fund requirement.....		\$37,436,458
A reduction of		\$12,407,369

UNITED STATES NOTES.

The following table shows the amount of each denomination of United States notes outstanding at the close of the last four fiscal years and on November 30, 1886:

Denomination.	1884.	1885.	1886.	Nov. 30, '86.
Ones	\$26,660,185	\$24,952,061	\$17,603,922	\$14,319,238
Twos	24,897,886	25,295,069	18,204,369	14,938,315
Fives	75,552,915	75,997,805	85,629,219	97,590,310
Tens	69,527,016	64,539,386	66,658,691	71,257,324
Twenties	58,054,629	55,126,569	55,078,379	56,745,463
Fifties	25,208,865	23,459,895	23,291,285	21,688,945
One hundreds	33,640,960	32,896,790	31,359,700	29,232,820
Five hundreds	10,914,000	16,557,000	12,424,000	8,495,500
One thousands	19,634,500	28,716,500	37,361,500	32,942,500
Five thousands	130,000	100,000	60,000	50,000
Ten thousands	60,000	40,000	10,000	10,000
Total	\$347,681,016	\$347,681,016	\$347,681,016	\$347,681,016
Less unknown denominations destroyed in sub-treasury in Chicago fire	1,000,000	1,000,000	1,000,000	1,000,000
Outstanding	\$346,681,016	\$346,681,016	\$346,681,016	\$346,681,016

The present business season, which began much earlier than usual, has absorbed a large amount of currency, and this increased movement has not yet ceased. There

has been shipped from the Treasury at Washington and other points since July 1, 1886, the following amounts and kinds of small currency:

Legal-tender notes, \$5	\$14,055,135	
Legal-tender notes, \$10	6,979,330	
Legal-tender notes, \$20	1,989,940	
Legal-tender notes, \$50	147,500	
Legal-tender notes, \$100	194,300	—\$23,340,205
Various denominations and kinds		152,090
Silver certificates, \$1	4,744,608	
Silver certificates, \$10	6,555,850	
Silver certificates, \$20	2,239,640	—13,540,096
Standard silver dollars:		
Payments during same period, \$24,328,558. Increase of out-		
standing		9,291,728
Fractional silver coin:		
Payments during same period, \$4,177,329. Increase of out-		
standing		3,096,614
Totals of all kinds		\$49,426,733

GOLD CERTIFICATES.

The gold certificates of the old issue, under the Act of March 3, 1863, outstanding at the close of the fiscal year amounted to \$2,427,420, the redemptions during the year having been \$134,200.

Of the new issue under the Act of July 12, 1882, there were nominally outstanding at the close of the fiscal year \$128,746,825; the Treasury offices held \$55,129,870 (compared with \$13,593,410 at the close of 1885), leaving actually in circulation \$73,616,955, a decrease of \$50,550,495 in the year.

On November 30, 1886, the amount of the certificates of the new issue outstanding had decreased to \$122,581,607, but of this amount only \$88,111,913 were actually in circulation, the certificates held in the Treasury offices having decreased to \$34,469,694.

The issues and redemptions during the fiscal year, and the amounts outstanding at its beginning and close, are shown below:

Denominations.	Outstanding June 30, 1885.	Issued during fiscal year.	Redeemed during fiscal year.	Outstanding June 30, 1886.
Twenties.	\$12,343,760	\$640,000	\$1,007,290	\$11,976,470
Fifties.	10,443,800	100,000	828,845	9,717,955
One hundreds.	9,527,800	100,000	693,900	8,943,900
Five hundreds.	14,120,500	200,000	950,000	13,370,500
One thousands.	22,120,000	.....	3,842,000	18,278,000
Five thousands.	14,985,000	.....	655,000	13,430,000
Ten thousands.	55,120,000	.....	2,000,000	53,630,000
Total	\$137,760,860	\$1,040,000	\$10,054,035	\$128,746,825

SILVER CERTIFICATES.

The amount of silver certificates nominally outstanding at the close of the fiscal year was \$115,977,675, of which amount the Treasury held \$27,861,450, leaving \$88,116,225 in actual circulation—a decrease of \$13,414,721 during the year. The table below gives the amount of those redeemed and issued during the year:

Denominations.	Outstanding June 30, 1885.	Issued during fiscal year.	Redeemed dur- ing fiscal year.	Outstanding June 30, 1886.
Ten dollars.	\$51,747,127	\$3,800,000	\$5,277,740	\$50,269,387
Twenty dollars.	52,010,964	800,000	7,853,336	44,957,628
Fifty dollars.	7,654,035	.....	269,195	7,384,840
One hundred dollars.	9,878,520	.....	267,700	9,610,820
Five hundred dollars.	8,910,000	.....	7,075,000	1,835,000
One thousand dollars.	9,701,000	.....	7,781,000	1,920,000
Total	\$139,901,646	\$4,600,000	\$28,523,971	\$115,977,675

The amount nominally outstanding on June 30, 1886, has since been added to by the demands of reviving business to the extent of \$3,679,427, the amount held by the

Treasury decreased to \$84,137,285, and the amount now in circulation, November 30, is \$105,519,817.

STANDARD SILVER DOLLARS.

The table below shows amount of silver dollars coined, on hand, distributed and outstanding at close of each year since the enactment of the law authorizing their coinage.

<i>Fiscal year ending June 30.</i>	<i>Annual coinage.</i>	<i>Total coinage.</i>	<i>On hand at close of year.</i>	<i>Net distribution during year.</i>	<i>Outstanding at close of year.</i>
1878	\$8,573,500	\$8,573,500	\$7,718,357	\$855,143	\$855,143
1879	27,227,500	35,801,000	28,358,589	6,587,238	7,442,411
1880	27,933,750	63,734,750	45,108,236	11,184,043	18,623,454
1881	27,637,955	91,372,705	63,249,300	9,490,951	28,123,405
1882	27,772,075	119,144,780	87,524,182	8,497,186	31,620,586
1883	28,111,119	147,255,899	112,362,510	3,272,791	34,893,389
1884	28,089,930	175,355,829	135,810,868	4,652,072	39,545,461
1885	28,528,552	203,884,381	165,535,854	1,190,804	38,048,557
1886	29,838,905	233,723,286	181,253,506	14,121,193	52,469,720

RETIREMENT OF NATIONAL BANK CIRCULATION.

As there seems to be on the part of the public an idea that the Treasury is locking up money in its vaults on account of this fund, the whole operation of the retirement of the notes of a National bank will be stated here in order to relieve any apprehension which may be felt on this subject. The 3 per cent. bonds of the Washington National Bank, of Westervly, R. I., amounting to \$100,000, were called on the 15th day of September, 1886. On the 12th day of October, 1886, the bank sent its duplicate receipt to this office, the original being held by the Comptroller of the Currency, with the request that a deposit of 90 per cent. of the above amount should be made to retire its circulation with the Treasurer of the United States, as agent for the redemption of the notes of the National banks, and requesting a check for the 10 per cent. difference. Accordingly a credit was placed upon the books of the Treasurer, as agent for the National banks, for \$90,000 and a check for \$10,000, and the amount standing to the credit of the bank in the 5 per cent. redemption fund—in this case \$4,500—returned to the bank. The amount of redeemed notes charged to this account since it was opened is \$1,832. The annual percentage of such redemptions is 25.22, and it will therefore take at least four years before the greater part of the notes of this bank will be redeemed. The amount credited to the general fund thus created stands on the books of the Treasurer, as agent, as a credit for the redemption of the notes of the banks, and as the notes come in for redemption they are charged to this account, and the National bank circulation outstanding is decreased by a corresponding amount. At present, owing to the active business season, none but mutilated notes are sent in for redemption. Persons presenting these notes for redemption are paid either by check on New York or in such form of currency as may be desired by them. The indebtedness on the part of the Treasury, created as above described, is no doubt due in legal-tenders, but is liquidated in the manner stated, and no attempt is made to reserve any specific sum of legal-tenders, or any other form of currency, out of the general Treasury balance in which to pay these constantly-accruing liabilities. There was on November 30th of this kind of liability, adding the 5 per cent. fund (which, theoretically, is also composed of legal-tenders), the sum of \$94,752,389. The total amount of legal-tenders in the Treasury on the same date, exclusive of that held to redeem the legal-tender certificates which are used in the banks as reserve in their stead, was \$29,548,188, thus showing that there must be held in the Treasury in some other forms of money the balance of \$65,204,201. The entire sum of \$94,752,389 may be said to be composed of \$29,548,188 legal-tenders, \$32,602,100 standard silver dollars and \$32,602,100 gold. If the books of the Treasury stated accurately the balances due by it as a depository the amount now reported as a credit balance would be materially decreased. That these balances should not be so reported is, in the opinion of the Treasurer, one of the greatest defects of the present Treasury system.

The Prize Essay on "Domestic Exchanges: How Bankers can handle them to ensure Prompt Returns and Fair Profits" will be published as soon as the Judges are able to render their decision. We expect to make the JOURNAL for 1887 the best in its history; many good things of practical value to bankers will appear in its pages.

BANKING AND FINANCIAL NEWS:

WITH COMMENTS ON THE MORE IMPORTANT MATTERS. THIS DEPARTMENT ALSO INCLUDES: RAILROAD AND INVESTMENT NEWS, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

The Conviction of an Embezzler.—The Supreme Court of the United States have rendered a decision in the important extradition case of Frederick M. Ker, affirming the decision of the Supreme Court of Illinois, a report of which is published in the Law Department of the JOURNAL. The facts of the case are briefly as follows:

In January, 1883, Ker, who was Cashier and confidential man in the banking-house of Preston, Kean & Co., of Chicago, was granted a vacation. At the expiration of ten days the bank received a letter from Ker, stating that he was a defaulter to the extent of \$21,000 in cash and \$35,000 in United States bonds. He intimated that he would take a European tour, and would repay the money if he ever could do so conveniently, but that if the bank troubled him about the matter he would cause a run on it and burst it up. The bank dispatched a Pinkerton man after him. At Aspinwall he found a Chicago overcoat with Ker's name on the lapel. At Lima he found the fugitive himself. War at that time existed between Peru and Chili, and it required much skill to effect his extradition. Through the assistance of Senator Logan a telegraphic order was sent from the Navy Department, and General Lynch, of Peru, assisted in getting the defaulter embarked on board the man-of-war *Eseex*. At Honolulu, after a halt of thirty days, he was sent to the United States via San Francisco. When he had arrived in Chicago a *habeas corpus* was asked of Judge McAllister on the ground that Ker had been kidnapped from Peru, but it was refused. He then appealed to Judge Drummond, but without avail. A special plea was made to Judge Gary, but without success. His trial came off in December, 1883, and he got a sentence of ten years. It was then taken to the Supreme Court of the State on a writ of error, but without relief to Mr. Ker. An appeal was then taken to the Supreme Court of the United States, on the ground that the extradition was defective in not complying with the treaty of Peru and the United States. The regular extradition papers had not been served because the Government of Peru was practically in the hands of the enemy, and there was only a nominal Government at Arizulpa. But the Supreme Court holds that the fugitive could not avail himself of such a plea, that the Government of Peru was the only proper party to complain of any irregularity, and the conviction of the Supreme Court of Illinois is affirmed. The arguments in the case were made at Washington in May last.

The cost of prosecuting this case has amounted to fully \$15,000, which has been borne by the firm's successors—Messrs. S. A. Kean & Co.—and the persistency with which they have pressed this case in the face of such a heavy expense, not to mention the time and trouble given to the matter, is highly commendable. The banks and bankers of the country are to be congratulated that the Supreme Court has decided that this embezzler shall serve out his sentence.

National Banks Without Circulation.—The question whether National banks shall be established or allowed to continue in existence without circulation is now being considered. Yet it is not an entirely new question, having been brought up thirteen years ago, as the following historical statement will show: In the Senate, on December 11, 1873, a bill to authorize the organization of National banks without circulation was taken up on Mr. Sherman's motion. The bill was drawn by Comptroller of the Currency Knox, and required banks to deposit \$10,000 in the Treasury. Mr. Bayard opposed haste in passing it. He declared that "there is a proposition, indefinite, to create a large number of small banks without circulation—banks entirely of deposit. Where comes the power in the Congress of the United States to

charter in this wholesale manner institutions for banking, totally disconnected with your currency?" He was opposed to the extension of the National banking system, and in favor of free banking. Mr. Sherman admitted that a National bank chartered under the bill would have no right conferred upon it except to be called a National bank. Mr. Frelinghuysen objected to the bill because it gave a National bank to every one who could raise \$10,000, so that they "could have one at every corner grocery, and bring the whole name of National bank into disrepute." Mr. Thurman agreed with Mr. Bayard in questioning the power of Congress under the Constitution to charter banks that have no connection with the currency. "If you are to charter all the men who deal in money in the United States," said he, "by a National charter, all the men who secure deposits, buy and sell exchange, discount notes, and do all that bankers do except issue currency, why not upon the same principle pass a National manufacturing incorporation act, supersede the various acts of the States in regard to manufacturing corporations, and provide that they shall be chartered under National authority?" He saw no reason for stopping at one branch of industry. The bill went over, and on January 27, 1874, was up again, when Mr. Bayard, Mr. Thurman, Mr. Boutwell and Mr. Frelinghuysen all opposed it. Mr. Boutwell declared that he could find authority for such banks as those proposed.

New York State Banks.—Following is an abstract of the reports of the banks of discount and deposit operated under the laws of the State of New York, showing their conditions on December 11, 1886, with comparisons with the statement of December 13, 1885:

<i>Resources.</i>	<i>Dec. 11, 1886.</i>	<i>Dec. 13, 1885.</i>	<i>Changes.</i>
Loans and discounts, less due from the Directors.....	\$114,276,709	\$90,765,384	Inc., \$23,511,325
Due from Directors.....	2,788,708	2,909,487	Dec., 20,784
Overdrafts.....	100,914	189,267	Dec., 88,353
Due from Trust Companies, State, National and private banks and brokers....	12,410,597	11,604,212	Inc., 806,385
Real estate.....	2,986,995	2,801,680	Inc., 185,315
Bonds and mortgages.....	481,795	517,755	Dec., 35,960
Stocks and bonds.....	4,266,036	3,959,163	Inc., 306,873
Specie.....	10,782,818	13,013,290	Dec., 2,230,472
United States legal-tender notes and circulating notes of National banks.....	6,704,585	8,782,346	Dec., 2,077,761
Cash items.....	46,018,023	40,026,411	Inc., 5,991,612
Loss and expense account.....	610,181	872,428	Dec., 262,242
Assets not included in either of the above heads.....	253,506	1,503,342	Dec., 1,249,836
Add for cents.....	306	285	Inc., 21
Total resources.....	\$201,681,168	\$177,445,045	Inc., \$24,236,123
<i>Liabilities.</i>			
Capital.....	\$22,195,700	\$21,925,700	Inc., \$270,000
Surplus fund.....	6,738,004	6,625,876	Inc., 107,328
Undivided profits.....	6,821,461	5,887,709	Inc., 1,133,752
Circulation.....	8,075	18,858	Dec., 10,583
Due depositors on demand.....	150,296,171	128,468,685	Inc., 21,826,486
Due to Trust Companies, State, National and private banks and brokers.....	12,257,899	12,534,931	Dec., 277,062
Due individuals and corporations other than banks and depositors.....	1,907,462	1,467,468	Inc., 439,994
Due Treasurer of the State of New York.....	212,563	16,868	Inc., 195,695
Amount due not included in either of the above heads.....	1,249,710	699,205	Inc., 550,505
Add for cents.....	153	145	Inc., 8
Total liabilities.....	\$201,681,168	\$177,445,045	Inc., \$24,236,123

There are 96 banks in operation against 87 a year ago. The increase in capital is \$270,000 and in resources \$24,236,123. The principal changes are an increase in deposits of \$21,826,486 and in loans of \$23,511,325.

Lawful Use of Savings Bank Funds.—The Attorney-General of the State of New York has given an opinion on the question whether a savings bank can pay an assessment for an improvement to benefit the place in which it is located, although not directly benefiting the bank itself. The proposed assessment was for the purchase of

a piece of property to be given to a railroad upon which to build a station. The Attorney-General holds that the Trustees have no right to use the bank funds for any such purpose.

"The purpose of a savings bank," he says, "is to receive funds on deposit and to invest and keep them safely for the benefit of depositors. All other powers exercised by the Trustees are merely incidental to this main feature, and only possessed when actually and absolutely, or in the judgment of the Legislature, necessary to the proper execution of this purpose. The Legislature has specified in what manner savings bank funds may be invested, and ordered that, until they can be safely invested in the manner prescribed, they shall be safely kept.

"I find nothing in the list of authorized investments," the Attorney-General says, "which can, in my opinion, be construed into a direct or implied power to the Trustees to invest the funds of the institution in a scheme having for its purpose the mere convenience of the inhabitants of a particular district, with no expectation of, or stipulation for, the repaying of either the principal or interest, but the same being invested solely upon the idea that some future substantial, although unknown, benefit may possibly arise therefrom, and attach itself to the bank building. I am of the opinion, therefore, that the Trustees have no authority to pay the assessment out of the bank funds; that such a payment would be in excess of their power, and not within the general policy or authority of the banking laws."

Summary of Financial Measures in Congress.—If any significance is to be attached to the introduction of bills and resolutions, in Congress, the prospect is excellent for a very broad discussion of all the financial questions which are of the most pressing interest. Although Congress was in session only about three weeks a score or more of financial measures have been formed into bills or resolutions. These measures relate to the National banks, the application or reduction of surplus revenues, the coinage of silver and the issue of silver certificates, the redemption of the trade dollar, the bonded debt and interest, and the regulation of the railroads.

The only measure thus far acted upon by either House is a bill to retire the trade dollar, which has been passed by the Senate. It provides for the redemption of the coin, if not defaced, mutilated or stamped, in standard silver dollars any time before July 1, 1887, and their recoinage into standard dollars, their bullion value to be deducted from the amount of bullion legally required to be purchased and coined, but not more than \$500,000 to be deducted in any one month.

Other bills introduced pertaining to silver were:

A bill in the House by Mr. White, of Pennsylvania, providing for the free coinage of silver on the same terms as applied to the coinage of gold, the Secretary of the Treasury, instead of coining all the silver bullion presented, to exchange therefor silver dollars or certificates, coining only so much of the bullion as the needs of the country may require.

A bill by Mr. Findlay, of Maryland, to coin silver half-dollars of 208 $\frac{1}{4}$ grains, quarter-dollars of 108 $\frac{1}{4}$ grains and dimes of 41 $\frac{1}{4}$ grains, the half-dollars to be full legal-tender and the quarters and dimes to the amount of \$10. The bill authorizes the issue of silver certificates upon deposits of the half-dollar in sums of \$10 or multiples thereof. Existing coins are to be recoined. The coinage of silver dollars is limited to not less than 20 or more than 70 per cent. of the total silver coinage during the month. The monthly purchases of silver bullion are to be made only until the total silver coin is equivalent to \$7 per capita; but the total investment in silver bullion under the Act of February, 1878, and this Act is limited to \$350,000,000, and the price to be paid for bullion shall not be more than \$1.29 per ounce.

A large number of bills relating to National banks and United States currency have been introduced.

Senator Beck has presented a bill limiting the issue of United States notes to denominations of not less than \$10 nor more than \$500, not more than one-fourth of the total amount of notes outstanding to be of denominations higher than \$50 and not more than one-fourth of the National bank notes to be under \$10. Coin certificates are to be issued instead of gold and silver certificates, those now outstanding to be retired as fast as received and coin certificates issued in their place. It requires the Secretary of the Treasury to issue \$1, \$2 and \$5 coin certificates on all surplus coin and gold bullion held in the Treasury as the property of the United States in excess of \$100,000,000, and pay out the same for all obligations not expressly payable in

gold and silver coin. The coin certificates are also to be issued in denominations of from \$1 to \$500 upon the deposit of gold coin or standard silver dollars in the sum of \$10 or multiples thereof. The coin certificates will be redeemable in gold or silver at the option of the United States, and two-thirds in value of the certificates outstanding at any time shall be in denominations not exceeding \$50.

Senator McPherson introduced a bill reducing the amount of Government bonds required to be kept on deposit by National banks to one-eighth of the capital stock of banks having \$150,000 capital or less and to \$25,000 for banks having over \$150,000 capital, the circulation not to exceed the par value of the bonds deposited.

Senator Bowen, of Colorado, introduced a bill providing for the issue of United States notes in place of bank notes. It authorizes the issue of such notes to National banks upon a deposit of 70 per cent. in gold, silver and Government bonds. The issue of notes is to be made to equal \$30 per capita and to be increased $8\frac{1}{2}$ per cent. per annum. The bill also provides for free coinage upon the same basis as gold.

Senator Aldrich has introduced a bill to exchange the 4 and $4\frac{1}{2}$ per cent. bonds for $2\frac{1}{2}$ per cent. bonds payable in 1901, but not to be subject to call until all higher interest-bearing bonds are retired. The $2\frac{1}{2}$ per cent. bonds are to be available as deposits for circulation to their full par value.

In the House, Mr. Adams, of Illinois, has presented a bill to reduce the deposit of bonds by banks having a capital of \$500,000 or less to one-tenth of their capital.

Mr. Matson, to guard against contraction of the currency, has proposed a bill authorizing the issue of United States notes of like denominations for all National bank notes that are retired.

Mr. Miller, of Texas, proposes a law regulating the deposit of Government bonds by banks as follows: Banks with \$75,000 capital or less, \$6,000 of bonds; banks with \$75,000 to \$150,000 capital, \$10,000 each; and all over \$150,000 capital, \$25,000.

A bill introduced by Mr. Peters, of Kansas, authorizes the banks to deposit coin and bullion in place of Government bonds as the basis of bank circulation.

Mr. Hewitt, of New York, has introduced a bill which authorizes the anticipation of interest on the bonds in excess of the rate of 3 per cent. per annum by paying in a gross sum an amount equal to the aggregate present worth of such excess of interest. In ascertaining the present worth the interest upon the amount paid by the United States in anticipation of the excess of interest is to be computed at the rate of 3 per cent. per annum reinvested quarterly so as to secure the United States the benefit of compound interest thereon. The bill authorizes the bonds, after interest has been reduced, to be deposited as security for bank circulation to their full par value.

Mr. Wilkins, of Ohio, has presented a bill to reduce the compulsory deposit of Government bonds by any National bank to \$1,000, but the voluntary withdrawal of bonds to retire circulation is limited to \$3,000,000 in any one month. It also provides that, instead of the fund of lawful money set apart to retire surrendered bank notes, a reserve fund of not less than 5 nor more than 20 per cent. of the entire sum of surrendered notes shall be held.

Mr. Warner, of Ohio, touches the same point in a bill which he has proposed. It requires the investment in Government bonds of 90 per cent. of the fund to retire bank notes. It also limits the compulsory deposit of Government bonds to one-twentieth of the capital stock of any bank, and in no case to exceed \$20,000.

Mr. Lawler, of Illinois, has introduced resolutions to the effect that the surplus money in the Treasury should be used for equipping the coast defences and construction of ships.

Mr. Weaver introduced a resolution inquiring how many \$1 and \$2 legal-tender notes have been destroyed, and by what authority, also whether notes of large denominations have been substituted for small denominations. The House Committee on Banking and Currency has reported the resolution favorably.

Mr. Taulbee, of Kentucky, wants a resolution passed inquiring by what authority the Secretary of the Treasury offered to anticipate the January interest on the bonded debt.

Mr. Warner introduced a bill, adding Atlanta, Galveston, St. Paul, Minneapolis, Indianapolis, Kansas City and Omaha to the list of bank reserve cities. This bill has passed in the House.

One of the most important measures now under consideration is the Inter-State Commerce bill, which has been agreed upon by a conference committee of both

Houses and has already been partly discussed in the House at the present session. It prohibits pooling by the railroads, the charging a greater aggregate rate for a short than a long haul, prohibits rebates, compels sixty days' notice of an advance of rates to be given, and compels public posting of all rates. A Railroad Commission is called for, which will have supervision of the railroads.

Mr. Townshend, of Illinois, has presented a resolution to investigate the reports that some of the banks of New York city aided speculators to lock up money.

From a survey of the measures now before Congress it is evident that plenty of work has been cut out for it to do between now and March 4, 1887, when the present session will expire by force of law. Some legislation is needed, but the time is too short to allow of much delay in reaching conclusions.

Amendments to the National Banking Law.—Comptroller Trenholm, on the 15th of December, 1886, appeared before the House Committee on Banking and Currency, and presented a draft of a bill amendatory of the laws relating to National Banking Associations. The features of the proposed bill are as follows:

That oaths of bank officers may be administered by United States Commissioners, Notaries Public, and other officers using an official seal.

Authorizing the Assistant Cashier, in the absence of the Cashier, to make certifications and verifications.

Making an Examiner who makes a false entry in any statement to the Comptroller guilty of a misdemeanor.

Compelling banks to replace called bonds with interest-bearing bonds.

Requiring that there shall be not less than five Directors, exclusive of the Vice-President and Cashier.

Preventing the loan of money on mortgages on real estate.

Limiting the total liability of any individual to a bank to 10 per cent. of the capital and surplus, less 20 per cent. of capital required by law to be retained.

All penalties to be withheld by the Treasurer from interest on bonds deposited.

When the surplus exceeds by 20 per cent. the capital, shareholders to be relieved of individual responsibility if the surplus is subsequently reduced, and assessment to be levied on the stockholders to make up the deficit.

Public depositories which have deposited bonds to secure public moneys not to be required to keep any reserve above the amount of the deposits.

Empowering the Deputy Comptroller to perform such duties as the Comptroller may direct.

If the assets of a failed bank are sufficient to pay all creditors in full, holders of two-thirds of the stock may agree to resume.

Real Estate Titles.—The question was presented recently to Bank Superintendent Willis S. Paine, of New York, and by him referred to State Attorney-General O'Brien, whether the savings banks could accept abstracts of title guarantee companies to real estate in lieu of official searches. Both officials have decided that the Trustees of the banks can decide for themselves as to what abstracts they will receive. The Bank Superintendent says:

"The banks under the supervision of this Department are bound to seek the safest methods of investment available, and it is the duty of their Trustees to be alert and watchful. It would, therefore, be inconsistent with the obligations of my office to limit the banks to one particular method of searching when another affords equal security. I believe it wise and expedient to grant the application of the title companies and to allow the banks to accept corporate searches when found to be reliable and secure. It will be the duty of the officers of the banks accepting these searches to investigate the organization and financial responsibility of the corporation they employ, and upon them will rest the responsibility for accepting searches made by a company of doubtful financial ability and integrity."

The Comptroller at Philadelphia.—The Comptroller of the Currency met a number of the Presidents of the Philadelphia banks in Philadelphia on December 23d, and at their invitation gave his views in regard to the National banking system. He said: "The banks of the great cities have functions of their own quite different from those in the country, the former being left to care for the surplus funds and to supply deficiencies when they may arise. Members of Congress entertain the idea that the same law that governs corn in its periodical changes of supply and demand controls money. It is difficult to get them to understand that, whatever the volume of currency, it becomes distributed in such a way as to serve the uses of the country

and that no more will be retained than will suffice for that purpose. However much the volume is increased, it will be distributed in just the same way. For a long time there has been little or no legislation on the National banking system, and I think we should benefit by our twenty years of experience. I maintain that the value of the National banking system is greatest in those parts of the country where its development is the least. In advancing the view that the only way to attract capital is by the improvement of the system, I was met by the view that what is needed is more money; that the cure for all those things that need cure is to be found simply in increasing the volume of circulation in the coinage of silver dollars, in the issue of silver certificates, and in the taking off of the tax on the State bank issue. What is most needed," added the Comptroller, "and what I most desire, is that you gentlemen will educate your representatives in Congress in the elementary principles of finance that govern the National banking system of the country."

New York City Banks.—Following are abstracts from the quarterly report of 28 State banks of discount and deposit in the city of New York, as made to the Bank Superintendent, showing their condition on Saturday, December 11, 1886, with comparisons with those of December 13, 1885:

<i>Resources.</i>	<i>Dec. 11, 1886.</i>	<i>Dec. 13, 1885.</i>	<i>Changes.</i>
Loans and discounts, less due from the Directors.....	\$72,019,135	\$59,023,559	Inc., \$12,995,576
Due from Directors.....	1,773,826	1,740,302	Inc., 33,524
Overdrafts.....	52,064	136,323	Dec., 83,359
Due from Trust Companies, State, National and private banks and brokers.....	6,501,745	5,857,608	Inc., 644,142
Real estate.....	2,215,616	2,111,134	Inc., 104,482
Bonds and mortgages.....	75,915	91,980	Dec., 16,015
Stocks and bonds.....	1,795,117	1,580,732	Inc., 214,385
Specie.....	9,938,636	12,420,722	Dec., 2,482,087
United States legal-tender notes and circulating notes of National banks.....	5,004,276	7,223,462	Dec., 2,219,186
Cash items.....	45,155,768	40,038,447	Inc., 5,117,316
Loss and expense account.....	330,588	595,273	Dec., 214,685
Assets not included in either of the above heads.....	130,405	1,425,755	Dec., 10
Add for cents.....	81	94	Dec., 1,295,353
Total resources.....	\$145,044,066	\$132,245,336	Inc., \$12,798,730
<i>Liabilities.</i>			
Capital.....	\$13,862,700	\$14,187,700	Dec., \$325,000
Surplus fund.....	4,741,125	4,425,602	Inc., 315,523
Undivided profits.....	3,743,807	3,577,985	Inc., 165,822
Circulation.....	2,805	9,100	Dec., 6,495
Due depositors on demand.....	112,743,247	99,394,346	Inc., 13,358,901
Due to Trust Companies, State, National and private banks and brokers.....	8,709,756	10,101,399	Dec., 1,391,613
Due individuals and corporations other than banks and depositors.....	264,442	73,434	Inc., 188,008
Due Treasurer of the State of New York.....	210,563	14,868	Inc., 195,695
Amount due not included in either of the above heads.....	765,785	465,879	Inc., 299,906
Add for cents.....	36	53	Dec., 17
Total liabilities.....	\$145,044,066	\$132,245,336	Inc., \$12,798,730

There was no change in the number of banks during the year, but a decrease in the aggregate capital of \$325,000.

A Peculiar Case.—The Milford (Mass.) *Gazette* relates the particulars of a peculiar pension case, in which D. B. Washburn, of that town, is interested. It seems that, some time since, William McFarland, of Milford, was granted a pension amounting to \$1,193.24. The necessary papers were sent from Washington, and payment made by draft on the Sub-Treasury at Boston. McFarland died before the draft reached Milford, and it was indorsed by D. B. Washburn, administrator of the estate. The draft was cashed through the Manufacturers' National Bank, of Boston, and the Home National Bank, of Milford. Mr. Washburn, as administrator, paid the funeral and other expenses of McFarland, amounting to \$1,055.50. Six or seven months passed, when the banks and Mr. Washburn were notified that the payment could not

be allowed, and the Government called upon Mr. Washburn to refund the money paid him, holding that, unless McFarland left a widow or minor children under sixteen, payment could not be made. The Government did not consider the issuing of the pension draft as payment, as McFarland was dead when it reached Milford. Mr. Washburn was obliged to refund the \$1,055 which he had paid out from his own pocket, which circumstance seems particularly hard. A bill has been introduced in Congress by Congressman Ely to have the \$1,055 paid back to Mr. Washburn.

Insuring Savings Bank Employees.—Bank Superintendent Willis S. Paine, of New York, raised the question whether savings banks could use any portion of their funds for the purpose of paying premiums on policies issued by guarantee companies as surety for the fidelity of the bank's officers or clerks. The Attorney-General has submitted an opinion that they can not. The opinion says:

"Section 251 of the Banking Act (page 263, 'Paine's Banking Laws,') authorizes the Trustees of savings banks to require from the officers security for the faithful performance of their duties, but nowhere do I find in the Act any provision authorizing the Trustees to pay out bank funds for the purpose of getting guarantee corporations to guarantee the fidelity of the officers and employees."

Women as Bank Shareholders.—A published list of the shareholders of eight out of nine of the National banks in Cleveland shows that the total number is 751, of which 221 (or nearly 30 per cent.) are women. The total number of shares is 72,000. The holdings of the women shareholders are smaller in proportion than those of the men, the total being 11,546 shares (or about 16 per cent. of the entire amount). The estimated market value of the shares held by women is \$1,544,870 (or an average of nearly \$7,000 to each woman).

Subsidiary Coinage Laws.—The Secretary of the Treasury has submitted to Congress a communication from the Director of the Mint calling attention to the statutory limit of the subsidiary silver coin in circulation. The Director says that the practice of the Department seems to have been based upon the theory that it is its duty to supply subsidiary coin up to the full requirement of the public demand. Yet this practice does not seem to accord with the joint resolution of 1876, limiting the amount of subsidiary coin outstanding to \$50,000,000. To sustain the Department in its theory and action in this matter the Director submits a draft of a joint resolution providing that so much of the Act of 1876, above referred to, as limits to \$50,000,000 the amount of subsidiary silver coin outstanding, be repealed. It also authorizes the Director to purchase the bullion required for this coinage with the bullion fund.

Decrease in Municipal Debts.—A large number of cities in the United States have reduced their debts in the past few years. There are 120 cities—excluding southern municipalities, but including most of the great commercial centers of the West and Northwest—which owe in the aggregate \$42,000,000 less than they did in 1880. Ninety-six per cent. of the municipal securities held by the Massachusetts savings banks is composed of the bonds of 104 cities and towns which show a net decrease of debt of over 5 per cent. in the past six years. By an Act of Congress passed June 30, 1886, debts of Territories are limited to 1 per cent. of the assessed valuation of property, and debts of counties, cities and towns in Territories are restricted to 4 per cent. of taxable values. From 1870 to 1880 Territorial counties increased their debts over 400 per cent., and this led to the restrictive law passed by Congress.

Bank Examiner Mygatt.—Mr. A. B. Mygatt, of New Haven, who has been a Bank Examiner for nearly twenty-two years, has resigned his position. He received his first commission from Comptroller Freeman Clark and Secretary Hugh McCulloch on June 12, 1865. Ever since that time he has looked after the National banks of Rhode Island and Connecticut. Mr. Mygatt's resignation caused general surprise, although it was known that some time ago he had expressed a purpose to retire whenever such a course would be acceptable to the administration. He was very popular with the banks, and is highly esteemed by every one who knows him. His resignation has caused general expressions of regret on the part of bankers and the public generally.

Maine Savings Banks.—Hon. F. E. Richards, the efficient Bank Examiner in Maine, has made his annual report. There has been an increase during the year of over 5,000 in the number of depositors and over \$2,000,000 in the amount of deposits. Some of the

banks have had their surplus seriously affected by the depreciation of the stock of the First National Bank, of Portland, consequent upon the defalcation of Mr. Gould, and will probably find it prudent to reduce their dividends until the reduction of their surplus is made up. The report places the liabilities of the savings banks of the State at \$39,475,138.43, consisting of deposits, \$37,215,071.40; reserved fund, \$1,558,744.60; special reserve fund, \$70,619.06; undivided profits, \$770,499; other liabilities, \$60,204.37. The Examiner inclines to the opinion that the tax on savings banks can be still further reduced with good results.

The Trade Dollar.—A bill to redeem the trade dollar has passed the Senate, but is yet to be acted upon in the House. The bill as passed reads:

SEC. 1. That until July 1st, 1887, United States trade dollars, if not defaced, mutilated, or stamped, shall be received at the office of the Treasurer or any Assistant Treasurer of the United States, in exchange for a like amount, dollar for dollar, of standard silver dollars of the United States.

SEC. 2. That the trade dollars received by the Treasurer or any Assistant Treasurer of the United States shall not be paid out or in any other manner issued, but at the expense of the United States shall be transmitted to the coinage Mints, and shall be regarded and treated as silver bullion, and, at their bullion value, shall be deducted from the amount of bullion required to be purchased and coined by the Act of February 23, 1878, and shall be recoined into standard silver dollars, according to the provisions of said Act; provided that the amount to be so deducted as provided in this section shall not exceed \$500,000 in any month.

SEC. 3. That all laws and parts of laws authorizing the coinage and issuance of United States trade dollars are hereby repealed.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

- The deficit in the Bolivian Treasury this year will amount to \$800,000.
- The People's Savings Bank, with a capital of \$50,000, will shortly be opened at Saginaw, Mich.
- It is the bull in the stock market who is now most in favor of early rising.—*Philadelphia North American*.
- The capital stock of the Berney National Bank, of Birmingham, Ala., is to be increased from \$100,000 to \$500,000.
- Three more new banks are projected in Chicago, for one of which it is proposed to secure a charter under the National Banking Act.
- Mr. J. W. Kilbreth, President of the State National Bank, of New Orleans, has resigned. It is understood he will organize a new National bank in New York city.
- The Comptroller of the Currency has recommended that an appropriation be made by Congress to pay the \$1,250,000 deficit of the Freedman's Savings Bank to its depositors.
- Mr. Nicholas F. Palmer, after a service of fifty years in the Leather Manufacturers' National Bank, of New York city, fourteen years of which were as President, has resigned his position owing to ill health.
- Application to establish a new bank at Atlantic City, N. J., has been granted. It will be called the Second National Bank and have a capital of \$100,000. It is understood that Mr. George F. Currie will be the President.
- The President has pardoned Obey E. Owens, the Receiving-Teller of the Third National Bank, of St. Louis, who has been serving a sentence in the Chester (Ill.) Penitentiary for embezzling \$200,000 of the bank's funds in 1882.
- The failure of D. M. Tomblin and Burke Colvin, bankers, of Akron, Col., is reported. They were also proprietors of the Benkleman Bank and of the Republican Valley Bank, at Cambridge, Nebraska. Both have been arrested.
- The Comptroller of the Currency has declared a fifth dividend (10 per cent.) in favor of the creditors of the Pacific National Bank, of Boston, Mass. This makes in all 30 per cent. paid on all claims proved, amounting to \$2,299,140.
- The United States Supreme Court granted, on December 20th, a motion to advance the bank-tax case of the Mercantile National Bank against the city of New York, involving the legality of taxes assessed upon the shares of National banks in that city to the amount of \$2,000,000. The case is set for argument on the first day after the February recess. A similar motion has been granted in the case of the

National Newark Banking Company against the city of Newark, N. J., presenting the same questions.

— The private banking house of V. G. Hush, of Minneapolis, Minn., suspended on December 21st. Mr. Hush says that the bank is solvent and will pay depositors in full. The trouble is alleged to be due to indorsements made by Mr. Hush for other people, but for which he holds collateral.

— Mr. William A. Heard, of Sandwich, N. H., has been appointed National Bank Examiner for the States of Maine and New Hampshire. The former Examiners in these States, which are now consolidated into one district, were C. V. Dearborn, deceased, and A. P. Wiswell, resigned.

— The Secretary of the Treasury has advised Congress that the capacity of the vaults for the storage of silver dollars is exhausted. The cost of a double steel-lined vault which will hold \$100,000,000 is estimated at \$106,673, and of a simple vault without steel lining, of like capacity, at \$27,804.

— There is exceeding meanness in counterfeiting the Bland dollars and putting less silver in them than does the Government. The opportunity to dignify and popularize the business of making spurious coin appears to be thrown away on the rascals who are in it.—*Philadelphia Record*.

— Germans are strongly urged to avoid the new Russian loan. The Russian debt is 5,600,000,000 roubles. The interest thereon has risen in a decade from 104,000,000 to 261,000,000 roubles. The paper circulation is 716,000,000 roubles, of which only 171,000,000 roubles are covered by bills convertible into currency.

— President Cleveland has commuted the sentence of William Roath, late Cashier of the Shetucket National Bank, of Norwich, Conn., to two years' imprisonment from the date of conviction. He was convicted on February 25, 1884, of perjury in falsifying his report to the Comptroller of the Currency regarding the assets of the bank.

— Eight of the nine National banks in Cleveland have commenced suit in the United States Circuit Court to restrain the collection of taxes assessed against them, on the ground that the banks are not taxed on the same system as other corporations and individuals. The banks are assessed for \$112,124 and have offered to pay \$43,792.

— The cause of the last rise in silver is now understood to have been the buying of this metal by the French Government for coining into piastres for use in Tonquin and the East. It is ten years since the French Government decided on issuing this coin for Cochinchina, and until recently there has been no demand for the coin. The increased relations of France, however, and the small supply of Mexican coin, have increased the circulation of French piastres.

— The failure of Messrs. Upright & Emy, of Charlevoix, Mich., led to some questions as to the standing of the Charlevoix Savings Bank, which, as results show, was entirely unnecessary. Mr. Upright, who was supposed to be the principal owner of the bank, in fact held only one hundred shares of its stock, and his failure in no way affected the bank, whose stockholders are all responsible and substantial men. The bank itself is in good condition. Since August 1, 1884, its net profits have been \$8,583. Only 60 per cent. of its \$25,000 capital has been assessed, and no dividends are being declared until the entire amount is paid up, which the profits will shortly do.

R. R. AND INVESTMENT NEWS.

New Issues.

NEW YORK STOCK EXCHANGE LIST.—The following securities have been added to the regular list:

Mexican Central Railway Company—Income bonds to the amount of \$8,128,000 and capital stock to the amount of \$33,170,900.

Missouri Pacific Railway Company—An additional \$4,000,000 of capital stock, making the total amount listed up to \$40,000,000.

Chicago, Burlington & Northern Railroad Company—Debenture 6 per cent. bonds, due December 1, 1896, to the amount of \$2,250,000.

Atlantic & Pacific Railroad Company—Guaranteed trust 4 per cent. gold bonds, due January 1, 1897, to the amount of \$17,610,000, issued in exchange for 6 per cent.

bonds upon its Western and Central Division, now outstanding, and Central Division income bonds to the amount of \$2,100,000.

Union Pacific Railway Company—An additional \$900,000 of collateral trust 5 per cent. bonds, making the total now on list \$4,567,000.

St. Paul & Northern Pacific Railway Company—General mortgage 6 per cent. gold bonds, due February 1, 1923, to the amount of \$6,000,000.

St. Paul & Duluth Railroad Company—Duluth Short Line Railway's first mortgage 5 per cent. bonds, due September 1, 1916, to the amount of \$500,000.

East Tennessee, Virginia & Georgia Railway Company—An additional \$22,000 of 5 per cent. divisional bonds, making the total amount listed \$3,106,000.

Missouri, Kansas & Texas Railway Company—An additional \$1,725,000 of general mortgage 6 per cent. bonds, making the total amount listed up to \$33,725,000.

Columbus, Hocking Valley & Toledo Railway Company—An additional \$1,000,000 general mortgage 6 per cent. bonds, making the total amount listed \$2,000,000.

Chicago, Rock Island & Pacific Railway Company—An additional \$900,000 first mortgage extension and collateral bonds, making the total amount listed \$4,860,000.

Gulf, Colorado & Santa Fé Railway Company—An additional \$600,000 of first mortgage bonds, making the total amount listed \$9,600,000 on 800 miles of completed road.

Richmond & West Point Terminal Railway & Warehouse Company—Application was made for the listing of an additional \$9,000,000 common stock and \$5,000,000 preferred stock. The Committee admits \$1,328,200 common stock and \$885,500 preferred stock.

Chicago, Milwaukee & St. Paul Railway Company—An additional \$585,000 of Hastings & Dakota first extension mortgage 5 per cent. bonds and first mortgage 5 per cent. bonds of the Chicago & Missouri River division, the first mortgage 5 per cent. bonds maturing July 1, 1923, to the amount of \$2,049,000.

New York & Perry Coal & Iron Company (the reorganization of the New York & Straitsville Coal & Iron Company)—Capital stock, 15,000 shares of the par value of \$100 per share, \$1,500,000. The company is free from bonded or other indebtedness, and its earnings for the six months ended October 31, 1888, with pig iron at \$16 per ton, were equal to the rate of 6 per cent. per annum on the stock.

PANAMA LOAN.—The Legislative Council of Panama has passed a law sanctioning a loan of \$15,000,000.

WINONA LOAN.—The Winona (Minn.) City Council, at a recent meeting, authorized the finance committee to negotiate a loan of \$10,000.

NEWPORT BONDS.—The City of Newport, R. I., has issued \$51,000 in 4 per cent. bonds for a sewer and new school house. They were awarded to the Savings Bank of Newport at a premium of \$4,500.

BEECH CREEK RAILROAD.—The stockholders have voted to issue \$400,000 car trust bonds to provide for new equipment. Most of the stockholders have agreed to accept car trust securities in lieu of a 5 per cent. cash dividend.

ST. LOUIS & SAN FRANCISCO.—An issue of \$5,000,000 St. Louis & San Francisco general mortgage 5 per cent. gold bonds, due 1931, was offered for subscription in New York, Berlin, Hamburg and Bremen on December 1st. The bonds were all sold at 99½ and accrued interest. They are secured by a first mortgage on 185 miles of road, and are a lien upon all the property of the company.

Railroad Reports.

NEW YORK, LAKE ERIE & WESTERN.—The annual report for the fiscal year ended September 30, 1888, shows earnings as follows:

	1884-5.	1885-6.
Total gross earnings.....	\$18,934,572	\$22,500,046
Operating expenses.....	14,347,516	16,388,638
Net earnings	\$4,587,056	\$6,111,408
Summary of income account:		
Total net income.....	\$5,589,748	\$7,057,689
Total disbursements.....	6,968,691	7,043,258

Balance.....Def., \$1,378,943 Sur., \$14,611

The report states that the holders of \$32,952,500 of the outstanding \$33,857,400 of the second consols accepted the proposition to fund the June and December 1884,

June 1885 and June 1886 coupons into 5 per cent. funded coupon bonds, and \$3,957,900 of the latter were issued.

LONG ISLAND.—The annual report for the year ended September 30, 1886, shows that the earnings and expenditures were as follows:

	1884-5.	1885-6.
Total gross earnings.....	\$2,826,478	\$2,994,772
Operating expenses.....	1,856,351	1,872,325
Net earnings	\$970,127	\$1,122,447
Summary of income account:		
Total net income.....	\$970,127	\$1,122,477
Total disbursements.....	906,482	937,242
Balance, surplus.....	\$64,645	\$185,205

OREGON RAILWAY & NAVIGATION.—The annual report of this company for the year ended June 30, 1886, makes the following showing:

	1884-5.	1885-6.
Total gross earnings.....	\$4,082,118	\$5,546,542
Operating expenses.....	2,569,358	3,066,496
Net earnings.....	\$1,482,760	\$2,460,046
Summary of income account:		
Total net income.....	\$1,621,663	\$2,465,272
Total disbursements.....	1,852,943	2,423,208
Balance	Deficit, \$230,680	Surp., \$42,069

There was \$52,106 spent for betterments, etc., during the year, leaving a deficit of \$10,132. Dividends were increased from 4¼ per cent. in 1884-5 to 6¼ per cent. in 1885-6.

RICHMOND & DANVILLE.—For the fiscal year ended September 30, 1886, the earnings, expenses and income were as follows:

	1884-5.	1885-6.
Total gross earnings.....	\$3,999,147	\$4,012,028
Operating expenses.....	2,231,486	2,121,558
Net earnings.....	\$1,767,661	\$1,890,475
Summary of income account:		
Total net income.....	\$1,767,661	\$1,890,475
Total disbursements.....	1,483,097	1,467,658
Balance, surplus.....	\$284,564	\$422,817
Expended for construction.....	221,047	323,958
Net surplus.....	\$63,517	\$98,859

NEW YORK CENTRAL.—The annual report for the year ended September 30, 1886, shows the following:

	1884-5.	1885-6.
Total gross earnings.....	\$24,429,441	\$30,506,361
Operating expenses.....	16,819,372	18,610,377
Net earnings.....	\$8,110,069	\$11,895,984
Summary of income account:		
Total net income.....	\$8,110,069	\$11,895,984
Total disbursements.....	9,063,717	10,823,017
Balance.....	Def., \$963,648	Surp., \$1,072,967

The company paid 3¼ per cent. in dividends in 1884-5 and 4 per cent. in 1885-6.

OHIO & MISSISSIPPI.—The annual report for the year ended June 30, 1886, shows earnings and expenditures as follows:

	1884-5.	1885-6.
Total gross earnings.....	\$3,645,467	\$3,671,920
Operating expenses.....	2,670,798	2,597,708
Net earnings.....	\$974,731	\$1,074,212
Following is a summary of income account:		
Total net income.....	\$974,731	\$1,074,212
Total disbursements.....	1,073,900	1,079,415
Balance, deficit	\$99,169	\$5,208

The report states the first half of the year was the worst. In the latter half there has been considerable improvement.

NEW YORK & NEW ENGLAND.—The annual report of this company for the year ended September 30, 1886, filed with the Railroad Commissioner of Massachusetts, shows the following:

	1884-5.	1885-6.
Total gross earnings.....	\$3,303,674	\$3,899,405
Operating expenses.....	2,356,450	2,620,605
Net earnings.....	\$947,215	\$1,278,800
Rentals.....	130,132	66,236
Balance.....	\$817,083	\$1,212,565
Interest.....	992,536	1,067,067
Balance.....	Deficit, \$175,453	Surp., \$145,478
Dividend on preferred stock, 7 per cent.....		123,000

Balance..... Deficit, \$175,453 Surp., \$12,478

MANHATTAN ELEVATED.—The report of this company for the year ended September 30, 1886, makes the following showing:

	1884-5.	1885-6.
Total gross earnings.....	\$7,000,567	\$7,426,216
Operating expenses.....	3,967,983	3,980,181
Net earnings.....	\$3,032,584	\$3,466,024
Summary of income account:		
Total net income.....	\$3,032,584	\$3,466,024
Disbursements.....	1,459,043	1,806,308
Balance.....	\$1,573,541	\$1,659,631
Dividends.....	1,560,000	1,560,000

Surplus..... \$13,541 \$99,631

The number of passengers carried during the year was 115,109,591 against 103,354,729 in the previous year.

FOREIGN BANKING AND FINANCIAL NEWS.

[Specially translated for RHODES' JOURNAL.]

Bank of France Notes.—The *Memorial Industriel* gives the following interesting account of how true bills may be recognized. Although it is very hard to counterfeit them at present, still it is done from time to time. The notes have two numbers, which are reproduced twice in diagonal, and one of them is preceded by a letter of the alphabet. Suppose that one of these numbers is 181 and the other G 270; the third number (the notes have three), which is placed between the signature of the principal Cashier and that of the Secretary-General should be 6,731; 181. These figures are obtained by the following calculations: Take the number preceding the letter and multiply it by 100, which will be 27,000. Now divide by 4, which gives 6,750. Then see what rank G holds in the alphabet, beginning with Z, which is considered as two letters, while J is not counted, as doing duty with I. The letter G will be found the 19th. Now deduct 19 from the quotient, 6,750, and we have 6,731, which is followed by the letterless number 181.

No More Counterfeits.—The Paris printing house of Paul Dupont has secured the monopoly of an important discovery. M. Schlumberger, of Paris, has invented a process which he calls the *Cryptographie de Sureté*, which makes the counterfeiting of notes, shares, checks, etc., an impossibility, and which allows a banker to ascertain *instantaneously* whether a security, etc., is genuine or not. It is claimed that the process is infallible, rapid and cheap. This is the description given of it: Hidden on the ground of the note are signs, words or figures that are *invisible*, but these will surely appear when the counterfeiter tries to wash the note. These will also appear by simply rubbing with a brush. The counterfeiters do not know the hidden word or sign, and their products cannot show it. In checks the invisible word will appear under the manuscript words in ordinary ink when an attempt is made to wash them. The secret consists in printing invisible words or signs which become visible by using a brush dipped in a reagent indicated by the inventor.

NEW COUNTERFEITS, SPURIOUS COINS, ETC.

TWO MEN AND TWO WOMEN counterfeiters have been arrested at Wharton, Kansas. A complete outfit for making bogus dollars was captured.

A LARGE QUANTITY OF COUNTERFEIT Mexican silver dollars is reported by the Cienfuegos exchanges to have been put into circulation in that locality.

THERE WAS A SCARE IN BALTIMORE recently over alleged counterfeit \$10 silver notes. Treasury officials say they are not counterfeit, but that the paper is bad.

TWO MEN, NAMED JOHNSON AND BURTON, have been arrested in Camden, N. J., for passing counterfeit \$10 bills. Some of the counterfeits were found in their possession.

GABRIEL VAN ANTWERP AND ELIAS OBERDORF are held in Wilkes-Barre, Penn., on the charge of counterfeiting. They are believed to have a private mint in the wilds of Susquehanna County.

BILLS ARE REPORTED TO HAVE BEEN circulated in Cincinnati which were raised from \$2 to \$10, the figure 10 being cut from an imitation \$10 advertisement and pasted over the figure 2 on the note.

JOSEPH H. WHITE, WHO WAS INDICTED in St. Louis for uttering forged Brazilian Treasury notes, pleaded guilty. His brother, Lucius White, is under indictment in St. Charles, Mo., for the same offence.

OFFICERS OF BALLARD COUNTY, KENTUCKY, accompanied by a posse of citizens, broke into a nest of counterfeiters on December 8th, and arrested four men and two women. On December 4th one of the men went to Wickliffe and bought some solder for which he paid partly with counterfeit nickel five-cent pieces. This led to the movement against them.

A LARGE NUMBER OF COUNTERFEIT \$20 silver certificates are reported in circulation in Western cities. This counterfeit made its appearance first in 1883, and in December, 1884, the counterfeiter was arrested and the plates destroyed. It is believed that a good many counterfeit notes which had been printed from the plates were buried and have recently been unearthed. Some of them have been passed lately. The paper on which the counterfeit is printed is heavy and stiff, and the note is one-eighth of an inch shorter than the genuine bill. In the panel to the left on the counterfeit is the word "certificate." The letters "r," "t" and "f" are engraved wrong side up, and on the back of the note the word "taxes" is printed "tares," and "engraved" is "engroved."

AN IMPORTANT CAPTURE OF A PLANT for manufacturing counterfeit silver dollars was made last month near Pullman, Ill. A large amount of the bogus coin was also secured. The counterfeits are declared to be the most deceptive that have ever been known, and deceive expert numismatists, notwithstanding there is a singular defect upon them, without which they could not be distinguished from genuine dollars. It consists of a peculiar curve to the letter "d" in the motto "In God we trust," the consonant sloping backward almost like an italic letter. The counterfeits correspond in weight exactly with the United States dollar, and have a genuine ring when tested. The metal of which they are made is an entirely new and dangerous composition, whose constituent parts metallurgists cannot determine without a careful analysis.

J. R. T. Brown opened an office at 234 Broadway, New York, about one year ago, and advertised as "J. R. T. Brown & Co., Bankers," soliciting accounts, correspondence, etc. Over six months ago a reputable agent brought an advertisement of the concern to this office with an order to publish it one year in the *JOURNAL*, but it appeared in only one issue, as we soon learned something about the so-called "bankers" and the card was promptly dropped. As a result of their advertisement a number of banks and bankers, mainly in the West, began to report the concern as their New York correspondents to appear in our *BANKERS' DIRECTORY*, etc., but, instead of so doing, we at once notified all of them to have nothing to do with the said J. R. T. Brown. It now appears from a half-column account, published in the New York *Times* of January 6th, that Brown has fled after victimizing a number of people in this city and Brooklyn. Look out for him!

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

BONDS AND NOTES ISSUED IN 1861.

Editor Rhodes' Journal of Banking:

SIR:—Will you kindly favor me with answers to the following questions, as stated below? I don't wish to trouble you much, and the answer in round numbers will be quite satisfactory.

How many dollars in notes did the United States Government issue in 1860 or 1861?
How many dollars in United States bonds?

EDWIN A. RASCH.

DETROIT, Mich., December 6, 1886.

During the fiscal year ended June 30, 1861, there were \$36,194,135 of six per cent. bonds (including six per cent. Treasury notes) issued. Between July 1st and December 1st, 1861, there were issued \$14,019,034 six per cent. two-year notes, \$12,877,750 six per cent. sixty-day notes and \$21,165,220 demand notes (a total of \$48,062,004); also \$100,000,000 three-year 7-30 bonds and \$45,795,478 twenty-year six per cent. bonds—a total of \$145,795,478 bonds and of \$193,857,482 notes and bonds. With the exception of the demand notes all these securities carried interest. We have not the data at hand to show the issues in December, 1861, but for the fiscal year ended June 30, 1862, there were issued \$57,926,116 four per cent. bonds, \$96,354,552 six per cent. bonds and Treasury notes and \$122,582,485 7-30 bonds (a total of \$277,463,153) and \$53,040,000 of old demand notes; making a total issue of \$330,503,153. In this amount is included the issue between July 1st and December 1st mentioned above.

STATE BONDS AS SECURITY FOR NATIONAL BANK CIRCULATION.

Editor Rhodes' Journal of Banking:

SIR:—It occurs to me that bonds of the various States might, under proper regulations as to the absolute certainty of their payment, be deposited with the National Treasurer for the security of National bank circulation.

I am decidedly in favor of the National Government paying all its obligations at the earliest date practicable, which will, of course, displace the present security for the National bank issue; but I believe State bonds might safely be substituted to a considerable extent at least. Certain rules and regulations might be prescribed by Act of Congress under which State bonds would be received for such purpose, and such States as complied with the regulations would reap the benefit of floating their bonds at low rates of interest.

Respectfully,

G. W. THOMPSON,

CHATTANOOGA, Tenn., December 20, 1886.

President City Savings Bank.

THE LONDON PASS-BOOK.

Editor Rhodes' Journal of Banking:

SIR:—In reading the December number of the JOURNAL, it happened that I gave particular attention to the *fac-simile* of an English pass-book given on pages 964 and 965. Never having practiced addition in £ s. d., I began, as a kind of arithmetical experiment, to add the columns, and soon made the startling discovery that on the face of this pass-book "Thos. Cooper, Esq.," is ahead of the "London and Westminster Bank" to the neat little amount of £200 30s. 11d. if not the further amount of £2 10s. In carrying down the balance of March 31, 1882, the error was made of carrying down the total footing, £639 9s. 1d. instead of the balance £439 5s. 2d., so that fortunate "Thomas Cooper" was able to use again the sum of £200 3s. 11d., which he had already checked out once. Also, at the bottom of the credit column, on page 964, there appears the sum of £2 10s. which is not included in the footing, though one cannot know whether it was intended to be so included.

I am aware, of course, that this *fac-simile* is intended to simply illustrate the general form of an English pass-book, and not necessarily to serve as an example of English mathematics or book-keeping, and probably it was reduced from a copy of some kind into which such an error might creep undiscovered. But it seems a kind of grim joke that the admirable series of articles on "Practical Banking," which has contained so much valuable and hitherto almost unattainable information for bank officers of

all grades, should here furnish unconsciously an example of one of the most serious and practical evils and dangers of banking, viz., the errors sometimes made by even the best book-keepers and accountants, and which in the rush and hurry of business go undiscovered, sometimes forever, and sometimes until power to correct them has ceased.

Very truly yours,

A. H. MAGILL.

CLINTON, Ill., December 20, 1886.

[Mr. Magill is correct. The pass-book model was furnished to Mr. Patten while in London, as stated in his text. It was reproduced for the JOURNAL in *fac-simile*, by photo-engraving process, thus giving an exact copy of the original. It was simply intended to illustrate the general form of an English pass-book, but, at the same time, as suggested by Mr. Magill, its inaccuracy teaches a valuable lesson.—Editor JOURNAL.]

A BANKER'S OPINION.

[A western banker, who is spending the winter in Washington, writes as follows about financial legislation before Congress.]

Editor Rhodes' Journal of Banking:

SIR:—Of the six bills introduced thus far to found a National bank system and currency, all are utterly trivial and ineffective. I think that we are in a position, as no other Nation is, to use the very best, cheapest, most easily understood by the people and easiest identifiable currency of all—a metallic one—and when it becomes necessary to extend credit by means of bills (and it can be done profitably) it will be done, but it will be by evolution from the necessities of the situation and not by hap-hazard legislation.

The National bank note and greenback ought to go, as they are similar parts of a grand inconvertible currency scheme and the creatures of an exigency long gone by, and were not the best. The National bank note is in direct violation of common sense as well as of the principles of economic science, in that, like John Lewis' land bank, it provides that the holder of a claim against the United States, *i. e.*, a bond, can sell it back to the United States, and still own it and enjoy its interest.

WESTERN BANKER.

WASHINGTON, D. C., January 1, 1886.

LOSS ON BANK CIRCULATION.

Editor Rhodes' Journal of Banking:

SIR:—I notice in the December JOURNAL, on page 1003, an article stating that the loss by retaining circulation on four per cent. bonds at 128 is 1.88 per cent. per annum. I have figured on this matter considerably and cannot see it that way. I inclose my figures, and would like you to point out an error in them:

\$100,000 in United States bonds at 4 per cent. earn.....	....	\$4,000
\$90,000 in circulation at 6 per cent. earns.....	....	5,400
Less:		\$9,400
Tax (1 per cent.).....	\$900	
Redemption expenses.....	90	
Sinking fund to liquidate premium in 20 years.....	720	1,710
Net earnings.....	....	\$7,690
\$128,000 at 6 per cent.....	....	7,680
Gain by circulation.....	....	\$10

At 5 per cent.—which is, I think, the correct basis for New England banks, taking into consideration losses, etc.—the gain by circulation is \$300.

H. L. SHERMAN,

LAWRENCE, Mass., December 17, 1886.

Assistant Cashier.

The statement to which our correspondent invites attention was in no sense an expression of opinion by the JOURNAL. It appears in an extract published in "The World of Finance" Department, which was established expressly to give our readers a birdseye view of the current thought of the country, without any intention to indorse the opinions quoted unless such intention is expressly declared in connection with the quotation. We do, however, invite criticism of the opinions which appear in that Department, and are pleased that our correspondent has availed himself of the privilege.

The statement to which he refers appeared in the *New York Times*, which we properly credited, and by that paper is credited to the *Financial Record*. The calculation, we believe, is erroneous, and we are at a loss to understand by what method the deduction was reached. Our correspondent comes nearer the correct

result, but we think he is also in error when he charges off the loss of premium through the operation of a sinking fund, although we have frequently seen it done. The payment of the premium for the bonds is an actual disbursement, involving a loss of interest to the bank and not a saving of interest, which would go to reduce the principal amount paid. Taking this view of it, we make the following calculation :

\$100,000 in United States bonds at 4 per cent. earn.....	....	\$4,000
\$90,000 in circulation at 6 per cent. earn.....	....	5,400
Total.....	....	\$9,400
Less:		
Tax on \$90,000 circulation at 1 per cent.....	\$900	
Redemption expenses (estimated)	90	
Annual loss of premium (1-20th of \$28,000).....	1,400—	2,390
Net income from bonds and circulation .....	....	\$7,010
Interest on original investment, \$128,000 at 6 per cent.....	....	7,680
Loss on circulation .....	....	\$670

At 5 per cent., which certainly comes nearer the rate banks actually get, there would be a loss of \$290. This estimate does not take into account the bonds which the banks are required by law to hold whether they take out circulation or not, which would reduce the estimated loss. We think, also, that the estimate of .1 of 1 per cent. on circulation as the annual cost of redemption is larger than the actual figure, which, we believe, is about .05 of 1 per cent.

NATIONAL BANK EXAMINERS.

Editor Rhodes' Journal of Banking:

SIR:—The request of Comptroller Trenholm for the resignation of Bank Examiner Scriba, and the appeal by a number of bank officials for his retention, naturally suggests an enquiry into the character of the relation between a Bank Examiner and the banks which it is his duty to examine. I think that the following, from the *New York Sun*, puts the matter in its true light:

"In the controversy over the appointment of a National Bank Examiner for this city the Comptroller of the Currency seems to us to be in the right. He wants an Examiner of whose fitness he has personal knowledge and with whose qualifications he is satisfied. The banks want him, on the other hand, to retain a man who pleases them because he pleases them. This is very natural, but it is not a good reason for complying with their wishes. We should say that an Examiner who did not please the banks would probably be the more faithful and strict in the discharge of his duty. Any way, Mr. Trenholm has the power to suit himself, and is responsible only to the country."

It seems to me it is not a question of the Examiner pleasing the banks but of pleasing the Comptroller. And I see no more reason why the Comptroller should explain his reasons for changing an Examiner than that he should explain the changing of his private secretary. Both hold confidential positions, and hence absolute liberty in the choice of those who are to fill them must be allowed the one who must extend the confidence. Mr. Scriba is a good man and a faithful official, and it is no reflection upon him that the Comptroller does not feel like entertaining the same confidential relations with him that he might with some one else. AN OLD-FASHIONED BANKER.

NEW YORK, December 13, 1886.

A CRITICISM.

Editor of Rhodes' Journal of Banking:

SIR:—I presume that your subscribers generally are well satisfied with the excellent manner in which the JOURNAL is conducted and with its devotion to the banking interests, but there may be some who, like myself, have fault to find, and I ask space in your Correspondence Department to make our complaint.

We think that the general tendency of the JOURNAL'S articles is to excite a spirit of dissatisfaction with the good old-fashioned ways, and to create in the minds of your readers a foolish desire for new things—seeking to lead them into untrodden paths and untried ways. For example, up to the time that your series of articles on "Practical Banking" began to appear, we had been getting along at our bank in a very comfortable manner. True, the cash did not always balance exactly; sometimes it was over and sometimes short; but we didn't mind it. Occasionally a note, or perhaps a few coupons, were lost; but we managed to get through these little matters some way or other. None of us took vacations; in fact, with the exception of the

younger clerks, we did not want any. But, in an evil hour, I loaned a copy of the JOURNAL to one of our Directors—a leading spirit in the Board—and from that day the whole institution has seemed to be possessed with the spirit of reform. This thing must be done this way and that thing that way. Books deemed indispensable have been pronounced useless and obsolete. Everything has been turned topsy-turvy, until, as our venerable Teller remarked, "There's no longer any pleasure in being in a bank."

One evening we were detained until 7 o'clock looking for \$5 in the cash. Of course we found it; but what was the use of all the trouble about a little thing like that?

Even the waste paper is all gathered up at the end of the day and put in a big paper bag, which is actually dated.

Next year every man, from the Cashier down, will have to take a holiday whether he wants to or not.

Altogether, the influence of the JOURNAL has completely remodeled the bank, and I must say, in all justice, that we do more work and do it better than we used to do in

THE GOOD OLD WAY.

—, December 29, 1886.

[Note.—The above is from an active officer in one of the largest banks in a thriving Southern city.—Editor JOURNAL.]

SENATOR BOWEN'S PONDEROUS POLICY.

Editor Rhodes' Journal of Banking:

SIR:—Senator Bowen, of Colorado, has rushed to the relief of the National banks with a bill which, it seems, should defy any attempt of the Senate to treat it with dignity. Were it not for the fact that Senator Bowen prides himself upon his original discovery that "there is nothing in political economy," a reading of his bill would naturally lead to the conclusion that some waggish individual had made unwarranted use of his name by attaching it surreptitiously to a burlesque measure. Such a practical joke, however, would not be nearly so funny as the real fact that Senator Bowen has really framed the bill, and cherishes the idea that he has acquitted himself most creditably.

The bill provides that silver dollars, gold coin and interest-bearing bonds of the United States, in three equal parts, shall be deposited to an amount equal to 70 per cent. of the circulation desired. That "United States notes," at the rate of \$100 for each \$70 of gold, silver and bonds deposited shall be issued to the banks, but the amount issued to any bank not to exceed its paid-up capital.

The bill further provides "that on and after July 1, 1888, the active circulation of the United States shall be thirty dollars per capita." The population on that date is to be assumed to be 60,000,000, and the currency is to be increased $8\frac{1}{4}$ per cent. per annum; "provided, that the per capita of active circulation shall not be held to include the bank reserves, as fixed by law, or gold and silver which may from time to time be in the Treasury of the United States, or any reserve fund required by law to be kept in the Treasury."

The Secretary of the Treasury is authorized to execute an amount of United States notes of a denomination not less than \$5 sufficient to maintain the per capita of circulation, the notes to be a legal-tender for all payments except for customs and principal and interest on the Government bonds.

The bill creates a first lien upon the entire assets of each bank to secure the notes issued to it, and makes every stockholder liable for twice the par value of his stock.

One year's notice must be given of the intention of a bank to return all or any portion of its notes. When only a portion of the notes are returned all the bonds deposited must first be withdrawn, or so much as will equal 70 per cent. of the notes returned.

The silver and gold coin deposited shall be held as "a general reserve fund applicable to the redemption of all United States notes issued under the provisions of this Act, as well as those heretofore issued.

The tax of one-half per cent. on bank circulation is to be retained and the proceeds are to be held as a reserve fund to provide for loss on account of banks which fail and are unable to return to the United States the full amount of their circulation.

All banks now in existence are required to surrender their notes, or deposit legal-tender notes in lieu thereof, and within one year to deposit gold and silver in the

proportion already mentioned, and withdraw such proportion of their bonds as are in excess of the amount required by the bill.

The bill provides that any one may deposit at any Mint silver bullion in quantities of not less than 100 ounces, and have the same coined into dollars of 412½ grains troy upon the same terms as gold is received and coined.

It calls for the coinage of \$52,000,000 of subsidiary coin in addition to the \$48,000,000 now in circulation.

Lastly, it provides, "That the Secretary of the Treasury be, and with the approval of the President of the United States he is, hereby authorized to suspend and resume specie payment by the Government from time to time, whenever in his opinion the same will be conducive to the safety and to the business interests of the country."

The bill covers pretty nearly everything; but Mr. Bowen overlooked one or two points which, when his attention is called to the omission, he may include in his financial cornucopia.

A provision fixing the rate of foreign exchange, which shall not be changed except upon one year's notice, and a solemn declaration that the Gresham law of currency is hereby repealed, would about fill the Bowen bill.

To discuss the features of the bill seriously would be almost as ludicrous a joke as that which Senator Bowen has perpetrated upon himself. Why he should fix the deposit of gold, silver and bonds at 70 per cent. of the notes to be issued to the banks it is difficult to understand except upon the theory that he had in mind that his beloved silver dollar is based upon 70 per cent. bullion and 30 per cent. nothing.

That the United States should issue its own notes and call upon the banks to secure them by a deposit, and to pay a tax of one-half per cent. on them, is a novelty in finance which could not possibly occur to any one but an anti-political economist.

But the per capita circulation is of the "daisy" order except as regards modesty. What a time the Secretary of the Treasury will have trying to keep the circulation up to the boiling point and to save himself from impeachment.

The first dose is to be \$1,800,000,000, and after that the medicine is to be given annually, but in potions increasing over \$2,000,000 each year—that is, the first year the country is to take \$63,000,000, the next year \$65,000,000, and the tenth year about \$66,000,000, providing the patient lives that long under such treatment.

But bank reserves and money in the Treasury are not to be counted in the circulation, so the Secretary of the Treasury will be kept busy throwing out legal-tender notes as fast as they are poured into the Treasury by the banks because they are not needed.

Mr. Bowen should have provided some means of keeping the notes from getting into the banks, if on no other ground than that of humanity. No Secretary could stand the strain of running such an inflation machine very long.

An amendment should be added to the bill that all notes shall become null and void when deposited in a bank.

To keep the circulation at the regulation heat, also, the bill should provide "that whenever any one secretes any of said notes in stockings, clocks, chests or other hidden place or receptacle, with intent to prevent the same from circulating the said notes shall thereupon become void and cease to be legal-tender." This provision would help to keep the currency in circulation.

Another happy idea of Mr. Bowen's is to make the depositor protect the note-holder. The latter, it being understood, is the holder of a United States note pure and simple. The notes are to be a first lien on all the assets of the bank, and a depositor to-day may have the pleasure to-morrow of seeing somebody else use his money for the redemption of United States notes. This provision should be enacted alone under the title of "An Act to encourage the establishment of State banks."

The banks are allowed a whole year to think about it before they can retire their circulation after expressing a desire to do so. This is generous of Mr. Bowen. Now, if he only would compel the country to give one year's notice of how much currency it would require for the conducting of its business, Mr. Bowen's financial system would be more perfect than a Keeley motor.

There is reason to fear that Mr. Bowen entertains the idea that the law of trusts is a branch of political economy and ought to be abolished with the rest of the system. Else, why should he appropriate the deposits for the notes issued to the banks to the redemption of "all United States notes issued under the provisions of this Act, a

well as those heretofore issued?" That kind of business gets individuals into prison sometimes.

The business end of Mr. Bowen's bill is pretty near the latter end. There he strikes for free coinage of silver and full legal-tender. He demands the coinage of silver on the same terms as gold; but that is not what he wants. He is tired of seeing the Government report a nominal profit of about 30 cents on each silver dollar it coins, and he wants that 30 cents to drop into the pocket of Mr. Bowen and the rest of his silver constituents. He does not want the same privilege as that of the owner of gold—to take 100 cents' worth of bullion and get it coined into a dollar. There would be no profit in that at all. What he really wants is to take 70 cents or, possibly, 10 cents—the less the bigger profit—worth of silver and have it stamped into a dollar which he can force other people to take as and for a dollar.

One section in the bill indicates that Mr. Bowen anticipates lively times to follow the enactment of his proposed law. Hence he bequeaths to the Secretary of the Treasury the power "to suspend and resume specie payment from time to time." The Secretary will probably be allowed to issue hourly bulletins, or oftener as it may seem to him "conducive to the safety and to the business interests of the country," announcing whether specie payments are suspended or resumed.

There is no question that, under the Bowen bill, the Secretary will be able to suspend specie payments; but, notwithstanding the unlimited authority given him to resume them, his ability to do it is another matter. The bill will lead only to the resumption of suspension of specie payments and the permanent suspension of resumption.

A. B.

NEW YORK, December 21, 1886.

CREDIT ASSOCIATIONS.

Editor Rhodes' Journal of Banking:

SIR:—In the last five or ten years the banks have lost so much money on single-name paper and on paper indorsed for accommodation only that the thought is suggested whether some systematic method could not be devised by which such losses might be, not perhaps entirely prevented, for that would seem to be impossible, but at least materially diminished. It was formerly the custom to require satisfactory indorsement on all paper offered for discount. This rule, like many another, works admirably in theory, but the practical application of it soon gave rise to the class of indorsements known as accommodation indorsements. Notes so endorsed are usually made simply for the purpose of raising money, and do not, as a rule, rest upon any actual transfer of merchandise. But of late years, since money has become, if not more plentiful, certainly more obtainable, the situation has changed somewhat, and the borrower is no longer servant to the lender, at least not as much as formerly. The banks are not only willing, but desirous, to lend their money at fair rates wherever there is reasonable certainty of repayment. This state of affairs has caused a gradual relaxation of the rule requiring indorsements, and, consequently, there has grown up a custom for merchants to issue notes drawn to blank and without indorsement; these are offered to the banks for discount either directly, by the maker himself, or indirectly, through a regular note broker. The volume of such paper seems to be increasing.

It is not proposed to discuss the merits and demerits of single-name paper and accommodation indorsements here. It is our object to inquire whether the losses arising therefrom cannot be sensibly reduced.

It may be readily conceded at the outset that by far the larger portion of this class of paper is perfectly good and made for legitimate purposes. The selling of goods on thirty and sixty days and the prevalent practice of discounting time bills has made the old-fashioned four and six months' notes comparatively scarce, and this reason alone would go far to account for, and, indeed, to justify, the existence of the kind of paper to which this article has reference.

But there is one grave evil in single-name paper which shows itself conspicuously on almost every occasion where the maker of it becomes unable to meet his obligations. This evil is the impossibility of knowing how much of it the maker is floating. A borrower in good standing determined to raise all the money he can possibly get can, by skill and systematic method, issue an almost unlimited amount of his own notes, and when at last these come to grief the general feeling is one of surprise that

so much of it could be out and nobody know anything about it. It might be invidious and have a tendency to awaken unpleasant reminiscences to give specific examples of this statement. There are few banks that cannot recall instances within their own experience. If a means could be devised by which an accurate account of this kind of paper could be kept, so that a bank could form some clear idea of the maker's existing liabilities, it would certainly be a great safeguard and protection.

It is to the interest not only of the banks, but of solvent borrowers as well, that bad notes should be kept out of the market, for every successive failure, involving a large amount of such notes, tends to make lenders more unwilling to handle them, and when there is a choice, inclines the scale, even at less rates, to regular paper and collateral loans.

Under existing methods the only feasible plan seems to be for the banks to come together into a credit association, the principal object of which would be to keep each other informed as to the amount of single-name and accommodation paper on the market. The principal objection to such an association would be that it would require the banks to reveal to a certain extent their transactions. This objection would seem, on consideration, to be insufficient to defeat the plan proposed.

In a city where the plan was adopted the system was somewhat as follows: A bank having a note under consideration desires to know how much paper the maker has out. A request to that effect is sent to the Manager of the association, who ascertains by inquiries, from each member of the association, how much of that paper is in the hands of the members. The sum total is reported to the inquiring bank, but the distribution of the paper remains confidential with the Manager.

After all, what harm would it really do if the banks did know this much of each others' business? There might be a slight shading of rates in consequence, but the loss of interest thus brought about would be more than made up by the protection afforded against over-issue.

Apply what has been said to the last half dozen prominent failures. How much would the banks, as a whole body, have saved had each one known what the others were about?

The mutual ignorance of the banks in this respect is the stronghold of those who are borrowing beyond their ability to repay. Yours truly, JOHN H. LOCKE.
CHICAGO, January 3, 1887.

RETURNING CUSTOMER'S CHECKS.

Editor Rhodes' Journal of Banking:

SIR:—It is the custom in some of the banks here to return cancelled checks to customers when they have their pass-books balanced at the end of each month, without getting any receipt for them whatever. Now, if a dishonest customer, after getting his checks returned to him, were to destroy one and then return to the bank, saying that his account had been charged with an amount he never issued a check for, and that such a check had not been given him amongst those returned to him, would the bank be held liable for the amount?

On the other hand, if the bank held the customer's receipt for all checks charged against his account and returned to him when he had his pass-book balanced, would not that be sufficient protection for the bank against any such claim? INQUIRER.

MILWAUKEE, January 4, 1887.

OVER-DRAFTS THROUGH THE CLEARING-HOUSE.

Editor of Rhodes' Journal of Banking:

SIR:—There is an important matter in reference to the Clearing-House which does not appear to have received much attention from the Courts, and, as usage seems to vary in regard to it, I take advantage, with your permission, of your new department for "Open Letters" to bring it to the attention of the banking community. It sometimes happens that several checks of a depositor will come through the Clearing-House exceeding in total the depositor's balance, there being enough to his credit, however, to pay one or perhaps more than one. Should the bank return all the checks as not good or should it pay what it can and send the rest back? If the latter, what checks are to be preferred? Those who prefer the former may contend that the bank has no right to discriminate, and must, therefore, pay the checks—all or none. And so says Morse in his work on "Banks and Banking." The advocates

of the latter plan rest their case on the principle that the bank must honor the drawer's checks so long as he has any funds to his credit. And this seems to me to be the better view. For, if all the checks are returned, the drawer *might* have a right of action against the bank; but, if his balance is exhausted, the drawer can bring no action, and the holder of a check has no action against the bank in any case, but only against the drawer.

In determining which checks to pay and which to return, it would seem to be more equitable to pay in order of dates, so far as that can be done, though I do not understand that a bank is really restricted in its choice. In Baltimore the usage is divided. It would be interesting to know what is done at the other Clearing-Houses as to this question.

Yours respectfully,

Z.

BALTIMORE, January 1, 1887.

THE PROBLEM OF SILVER.

Editor Rhodes' Journal of Banking:

SIR:—In this communication I propose to give the official and most reliable statistics regarding the precious metals as the true basis for the argument that both gold and silver as money are absolutely necessary to restore and maintain the general level of prices and to prevent the impoverishment of whole classes of the people in the commercial world—the most important feature of the whole problem of silver.

I will say first that the only legitimate objection to silver as money is the heaviness and bulkiness of the metal; this objection also appertains in a measure to gold. It can be effectually met by receiving the metals for deposit and issuing therefor notes or certificates for circulating purposes.

The banking, mercantile and industrial classes, or business men proper, want neither gold nor silver coin for use in daily transactions except for subsidiary purposes and for the discharge of adverse balances of international trade. What they do want is good paper money, principally on account of its light weight and great convenience in handling and counting. The people at large, however, have good use for, readily receive, and never object to silver in big and little pieces. For small hoardings and minor transactions they rather like the bright and shining pieces of metal and experience no inconvenience from carrying five dollars, more or less, in their pockets. The owners of and investors in industrial and commercial values, fixtures and commodities, lands, lots and improvements, buildings, mines, manufacturing establishments, transportation lines, railways and shipping, representing about three-fourths of the wealth of modern nations, induced or forced to sell, and the debtor classes, everywhere and always eagerly accept silver so long as it is a legal-tender to discharge debts largely contracted on a silver or gold and silver basis.

A full volume and circulation of money (gold, silver and paper) has a tendency to increase consumption and demand, to raise prices of industrial and commercial values and to make articles salable at profitable rates. Good business again insures employment to workmen and laborers at reasonable wages.

Capitalist and creditor, bond and mortgage-holding and loan-making classes deriving fixed incomes from realized wealth will not suffer by excessive reduction of rates of interest, by depreciation of securities and by losses through failures. This will ultimately outweigh their unearned and undeserved gain from the demonetization of silver and destruction of almost one-half of the money of the world, the doubling of the purchasing power of the remaining money, gold, and proportionate fall of the prices of industrial and commercial values, fixtures and commodities under otherwise normal conditions. Hence the capitalist and creditor-classes, if wise and just, will likewise receive silver, and not knowingly pursue a policy adapted to impoverish investors and bankrupt debtors, lest they might get no money at all.

Thus the broad and sweeping assertion that people do not want silver is ill-founded and untrue in fact, and will certainly prove so when Governments cease to war against that metal, attempt and threaten to destroy its value and use as money instead of devising and carrying out proper measures for the settlement of the silver question without injury to any one and for the benefit of all, as they ought to do.

Before proceeding in my argument for the adoption or re-adoption and maintenance of the bi-metallic monetary system, I propose to give briefly the statistical facts and figures of the production of gold and silver in the United States and in the world; the supplies of gold and silver in past periods; the circulation of the principal

countries of the world; the coinage of the United States and of the various countries of the world; the consumption of gold and silver in the arts and manufactures in the United States and in the world; the loss of precious metals by abrasion of coin in circulation, and loss by casualties, as fire and shipwreck; also loss by wear and tear on precious metals used in the arts and manufactures; and the shipments of silver and gold to India and other Oriental nations. The respective full statistical tables, based on official and reliable reports up to 1882, are published in the pamphlet, "The Silver Question," Louisville, Ky., 1883.

The annual product of the silver and gold mines and placers of the United States of America since 1876, according to the reports of the Directors of the Mint, is in round numbers as follows.

	Gold.	Silver.		Gold.	Silver.
1876.....	\$39,900,000	\$38,800,000	1881.....	\$36,500,000	\$42,100,000
1877.....	46,900,000	39,800,000	1882.....	32,500,000	46,800,000
1878.....	51,200,000	45,300,000	1883.....	30,000,000	46,200,000
1879.....	38,900,000	40,800,000	1884.....	30,800,000	48,800,000
1880.....	36,000,000	39,200,000	1885.....	.....	.....

The product in the world in several years since 1849 is estimated by various authorities as follows:

	Gold.	Silver.	Total bullion product.
1849 to 1877 (29 years).....	\$3,190,125,000	\$1,362,200,000	.....
1853.....	.....	.....	\$235,000,000
1863.....	.....	.....	271,000,000
1867.....	116,000,000	54,000,000	.....
1875.....	97,500,000	62,000,000	.....
1876.....	103,236,588	99,305,538	.....
The above figures are taken from the report of the Director of the Mint of the United States for 1881.			
1877.....	113,947,173	81,040,665	.....
1878.....	119,092,798	94,882,177	.....
1879.....	107,385,421	89,080,680	.....
1880.....	106,989,846	87,543,072	.....

These estimates were submitted to the International Monetary Conference held in Paris in 1881. They differ somewhat from the estimates made by Mr. Del Mar and are to be looked upon as careful estimates made from the best obtainable data rather than exact statements of facts.

Some writers state the products for the different years given in the table below to be as follows:

	Gold.	Silver.
1879.....	\$103,023,807	\$96,172,628
1880.....	106,436,786	96,704,978
1881.....	103,023,078	102,168,354
1882.....	98,699,588	109,952,251
1883.....	94,027,901	114,217,733
1884.....	95,000,000	115,000,000

While other authorities claim an increased production as follows:

	Gold.	Silver.
1881.....	\$107,773,000	\$97,659,000
1882.....	118,000,000	94,000,000

Hence the present annual product of precious metals in the world amounted to \$159,500,000 (lowest) in the year 1875 to \$312,000,000 (highest) in the year 1882.

The world's supplies of gold and silver during the periods prior and subsequent to the California discovery, estimated on the basis of a relative value of 15.50 silver to 1 gold, are as follows:

	Gold.	Silver.
1492-1848.....	\$2,626,000,000	\$5,702,000,000
1849-1876.....	3,215,000,000	1,867,000,000
Total	\$5,841,000,000	\$7,069,000,000

As the total yield of the silver mines of the world since 1492 appears about \$1,200,000,000 larger than the output of the gold mines and placers, while, as we shall presently see, the circulation of gold in the principal countries of the world is estimated about \$750,000,000 larger than that of silver, we suppose that this discrepancy chiefly originates in the large excess of shipments of silver over gold to India and other Oriental nations.

The estimates in the Western world (Europe and the north of Africa and America later), are as follows:

	Population.	Gold and Silver used as money.	Approximate amount per capita.
1492.....	40,000,000	\$170,000,000	\$4.00
1700.....	90,000,000	1,485,000,000	16.50
1877.....	390,000,000	3,700,000,000	9.50

According to the annual report of the Director of the Mint of the United States for the fiscal year ending June 30, 1882, the circulation of the thirty-four (34) principal countries of the world in the years referred to (1874 to 1882) is estimated to be as follows:

Paper, Government issues	\$1,183,064,771	
Paper, bank issues.....	2,642,165,807	\$3,825,220,078
* Gold.....	3,353,073,748	
* Silver, full legal-tender.....	2,182,768,866	
* Including Treasury and bank reserves, and in most cases probably bullion as well as coin of the countries.		
Silver, limited legal-tender.....	438,000,969	5,974,443,563
Total specie and paper		\$9,799,683,661
Not including the circulation of China, which cannot be estimated.		
Specie in banks.....	\$1,312,765,505	
In National Treasuries	886,221,268	1,698,986,763
In active circulation.....		\$8,100,676,896

COINAGE.

The "American Cyclopaedia," Vol. V., page 32, states the coinage of the United States from 1793 till June 30, 1873, at:

Gold.....	\$1,097,683,511
Silver	172,892,780
Minor coinage.....	11,919,839
Total.....	\$1,281,596,130

RHODES' JOURNAL OF BANKING, in its issue for July, 1886, publishes from the annual report of the Deputy-Master of the British Mint accounts of the coinage

of the various countries of the world for the year 1885, collated in tabular form by the London *Economist*, whose figures have been changed into dollars by the JOURNAL. The statistics do not include the Mints of Russia, Mexico and some other minor States.

GOLD.

	New coinage.	Recoinage.	Net coinage.
Total British and Australian	\$37,060,790	\$8,551,855	\$30,498,935
United States	24,861,105	.....	24,861,105
Other countries, from \$2,513,065 in Spain downward	9,984,110	.....	9,984,110
Total	\$71,896,005	\$8,551,855	\$63,344,150

The gold coinage of Russia for 1884 was \$19,840,548, but the annual coinage of the country has been irregular.

SILVER.

	New coinage.	Recoinage.	Net coinage.
Total British and Australian	\$4,059,825	\$1,094,680	\$2,965,145
India	28,950,000	.....	28,950,000
United States	28,848,960	.....	28,848,960
Italy	658,935	892,000	233,065
Other countries, from \$5,899,545 in Japan downward	15,272,965	.....	15,272,965
Total	\$77,790,685	\$1,986,680	\$75,804,005

The silver coinage of Mexico for 1884 was \$25,377,378.

The totals of the world's coinage for the four years, 1882-1885, as compiled by the Director of the United States Mint, are as follows:

	Gold.	Silver.
1882	\$99,697,170	\$110,785,334
1883	104,845,114	109,306,705
1884	99,459,240	90,089,443
1885	92,000,000	108,000,000

From which it appears that the highest annual coinage in the world in the year 1883 was \$214,151,819.

The annual consumption of gold and silver in the arts and manufactures in the United States, according to reports of the Director of United States Mint, is as follows:

	Gold.	Silver.	Total.
Calendar year 1881	\$11,000,000	\$6,000,000	\$17,000,000
Fiscal year 1881	12,000,000	7,000,000	19,000,000

While the annual consumption of gold and silver in the principal commercial countries of the world in the calendar year 1880 was: Gold, \$75,000,000; silver, \$36,000,000; total, \$110,000,000.

According to the late (1883) estimates of Professor Adolph Soetbeer, now of Hamburg, Germany, a high authority among gold mono-metallists, the consumption in the principal commercial countries of the world was: Gold, \$58,000,000; silver, \$17,000,000; total, \$75,000,000. And according to estimates by other writers: Gold, \$68,000,000; silver, \$28,000,000; total, \$94,000,000.

Adding together the foregoing amounts, \$110,000,000, \$75,000,000 and \$94,000,000, making the total of \$279,000,000, and dividing by 3, we obtain the average of \$93,000,000

as the present annual consumption of precious metals in the arts and manufactures of the world.

The loss of precious metals by abrasion of coin in circulation, fire and shipwreck is estimated by competent writers at one four hundred and twentieth of the whole stock of the world, or about one-quarter per cent. yearly on gold and silver in use. Thus, in 25 principal countries of the commercial world having \$2,918,000,000 in gold and \$2,130,000,000 in silver (total, \$5,048,000,000), there would be an annual loss of \$12,620,000.

Soetbeer estimates the amount of money in civilized countries, including India and the extreme East, at \$3,320,000,000 gold and \$2,100,000,000 silver (total, \$5,420,000,000), on which there would be a yearly loss of \$13,550,000.

The Director of the Mint of the United States in 1882, in his estimate of the circulation of the thirty-four principal countries of the world, states gold at \$3,353,673,748, silver—including subsidiary coins—at \$2,620,769,835 (total specie coins \$5,974,443,583), on which the annual loss would be nearly \$15,000,000.

The late Ernest Seyd, in London, estimated in April, 1878, the specie of the world at \$3,750,000,000 gold and \$3,000,000 silver (total, \$6,750,000,000) in use as money on which the annual loss would amount to nearly \$17,000,000.

The average annual loss on specie may be estimated then at present at \$15,000,000.

This is the view also taken of the matter by the *Deutsches Handelsblatt*, a German newspaper at Bremen, estimating the loss of metals by abrasion, shipwreck, etc., in the average at \$15,000,000 per annum.

There is probably a similar loss by wear and tear on precious metals used in the arts and manufactures of \$15,000,000 annually.

A further great loss is due to the steady drain of metals to the Oriental nations which are devoid of banking facilities and from which hardly any ever return.

According to the reports of the Director of the Mint of the United States for 1874 and 1881, the excess of imports of silver in India and the East over exports from those countries, *i. e.*, the net imports during forty-four years from 1836 to 1879, amounted, as added up by me, to \$1,124,275,265, averaging per year \$25,500,000 in round figures.

In the report of the Monetary Commission (1877), Alex. Del Mar says * in regard to the proportion of the world's product of silver and gold shipped to and absorbed by India:

"During the forty-one years, 1835 to 1875 inclusive, the total product of silver throughout the world is estimated in round numbers at \$1,800,000,000. During the same period about \$1,200,000,000 were shipped to India, and of the \$1,200,000,000 about \$1,000,000 were retained in that country."

"During the same period of forty-one years the total product of gold throughout the world is estimated in round numbers at \$3,460,000,000. Of this sum about \$530,000,000 were shipped to India, and of the \$530,000,000 fully \$515,000,000 appear to have been retained in that country."

"According to an English official statement, the net imports of silver in India since that period appear as follows during the fiscal years:

" 1874-75, calculating £1 = \$5.....	\$23,200,000
" 1875-76.....	7,750,000
" 1876-77.....	80,000,000
" 1877-78.....	73,400,000
" 1878-79.....	19,850,000
" 1879-80.....	39,350,000

" Total \$198,550,000

" Here we have a net import of silver in India during the

" Forty-one years (1835 to 1875) of..... \$1,000,000,000

" Average per year..... 24,400,000

" Six years, 1874-75 to 1879-80..... 198,550,000

" Average per year..... 32,258,000

" Showing an increase of shipments of silver to India."

Also a net import of gold in India during said period of forty-one years of \$515,000,000. Average per year, \$12,561,000.

The metals sent to India, estimated at present at \$35,000,000 silver and \$15,000,000 gold (average per year), are largely used for ornaments and trinkets, or are hidden and buried in effect almost the same as if they had never been produced from the mines and placers.

There are also considerable shipments of the metals to China, Japan, etc.

Now, on the basis of the foregoing official and reliable statistical facts and figures and estimates respectively, deduct from the highest annual product of precious metals

* As previously shown in the JOURNAL, Mr. Del Mar cannot safely be quoted as an authority on financial matters.—ED. JOURNAL.

in the world in 1888 \$212,000,000 (the highest coinage in 1888—\$214,151,819), the amount of gold and silver annually consumed in the arts and manufactures of the world (averaging \$98,000,000), the annual loss of metals by abrasion of coin in circulation and loss by fire and shipwreck (\$15,000,000), a similar annual loss by wear and tear on gold and silver used in the arts and manufactures (amounting to \$15,000,000), the amount of gold and silver annually shipped to India and other Oriental nations (\$50,000,000)—total, \$173,000,000—and there will be left but \$39,000,000, or an annual addition of about two-thirds of 1 per cent. to the stock of gold and silver in existence, estimated at the various amounts of \$5,048,000,000, \$5,430,000,000, \$5,974,000,000 and \$6,750,000,000, averaging \$5,798,000,000. This against an annual increment of population of two to two and one-half per cent. in the United States and about four-fifths per cent. in Europe, and a still larger increase of objects of National wealth, production, manufacturing and trade, all requiring a corresponding increase of mediums of circulation and exchange, and measures and representatives of industrial and commercial values, fixtures and commodities, if the general level of prices of these values under otherwise normal conditions shall be maintained, as imperatively demanded by a sense of right and justice and abhorrence of wrong and inequity.

The annual addition to the stock of both metals, gold and silver, being proportionately smaller than the annual increase of population, wealth and exchanges, there can be no overstocking of the gold and silver markets of the world, and the proposition to use gold alone as universal money, when even both metals are insufficient for the rapidly-growing wants of trade and exchange throughout the world, involve the greatest blunder and blackest crime of our age.

CHARLES L. FRANKS.

LOUISVILLE, Ky., December 24, 1886.

INTEREST AT 12 PER CENT.

Editor Rhodes' Journal of Banking:

SIR:—Referring to your very practical serial papers on "Practical Banking," let me supplement "Interest" in your November number with the suggestion that 12 % is a very easy rate to compute as a basis for all other rates by taking aliquot parts. In most cases I consider the 12 % rule preferable to the usual 6 % rule, to which the author refers, in that it is a little more simple and direct in its application.

A general rule for simple interest is to first compute at 12 per cent. by pointing off, in the principal, two figures for *thirty days* (one month) and *three* figures for *three* days. Having found the interest on the given account for the given time at 12 %, find the interest at the required rate by taking aliquot parts of the interest at 12 %, thus:

For 10 per cent., subtract.... 1-6	For 3 per cent., take..... ¼
For 9 per cent., subtract..... ¼	For 7 per cent., add 1-6 and divide by..... 2
For 8 per cent., subtract..... ⅙	For 5 per cent., subtract 1-6 and divide by... 2
For 6 per cent., take..... ⅙	For 4½ per cent., subtract ¼ and divide by. 2
For 4 per cent., take..... ⅓	

EXAMPLE.

Required the interest on \$360 for 7 months and 27 days at 8 per cent.

Interest for 1 month at 12 per cent. on \$360 = $3.60 \times 7 \text{ months} = \25.20

Interest for 3 days at 12 per cent. on \$360 = $.360 \times 9 \left(\frac{27}{3}\right) = 8.24$

Interest for 7 months and 27 days on \$360 @ 12 per cent. = \$28.44

Subtract one-third..... 9.48

Interest for 7 months and 27 days on \$360 @ 8 per cent. \$18.96

SOUTH BEND, Ind., January 1, 1887.

Yours truly,

MYRON CAMPBELL.

The Teller who advertises in this issue is highly recommended, and having experience in all the lower positions is well qualified to take charge of any department in a bank. See his card under "Wanted."

Advertisers will notice that the JOURNAL's advertising rates are slightly changed, owing to a large increase in circulation the past year. Bankers who wish to push their business can do so effectively and at a reasonable cost by using the JOURNAL.

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

WHAT THE SOUTH HAS ACCOMPLISHED.

[From a speech of H. W. Grady, of Atlanta, at the New England Dinner, in New York, on December 22, 1886.]

But what is the sum of our work? We have found out that in the general summing up the free negro counts more than he did as a slave. We have planted the school house on the hill-top and made it free to white and black. We have sowed towns and cities in the place of theories and put business above politics. We have challenged your spinners in Massachusetts and your iron makers in Pennsylvania. We have learned that the \$400,000,000 annually received from our cotton crop will make us rich when the supplies that make it are home-raised. We have reduced the commercial rate of interest from 24 to 6 per cent. and are floating 4 per cent. bonds. We have learned that one northern immigrant is worth fifty foreigners, and have smoothed the path to the southward, wiped out the place where Mason and Dixon's line used to be, and hung our latch string out to you and yours. We have reached the point that marks perfect harmony in every household, when the husband confesses that the pies which his own wife cooks are as good as those his mother used to bake; and we admit that the sun shines as brightly and the moon as softly as it did "before the war." We have established thrift in city and country. We have fallen in love with work. We have restored comfort to homes from which culture and elegance never departed. We have let economy take root and spread among us as rank as the crab-grass which sprung from Sherman's cavalry camps, until we are ready to lay odds on the Georgia Yankee, as he squeezes pure olive oil out of his cotton seed, against any down-easter that ever swapped wooden nutmegs for flannel sausages in the valleys of Vermont. Above all, we know that we have achieved in these "piping times of peace" a fuller independence for the South than that which our fathers sought to win in the forum by their eloquence or compel on the field by their swords.

ONE WAY TO REDUCE THE SURPLUS.

[From the *Philadelphia Chronicle-Herald*.]

Instead of wrangling over the surplus in the Treasury, Congress should at once give the country one-cent postage.

HOW MONEY MAY BE LOCKED UP.

[From the *Circular Letter* of Collis & Levy.]

An expenditure of seven thousand dollars will lock up ten millions for five days. The process is simply to arrange with five financial institutions to each loan you two millions for five days at 5 per cent. on Government bonds as collateral, then to pay the interest in advance and fail to send in the collateral. The whole amount is thus tied up for five days and remains in the vault of the bank subject to your order and can be used for no other purpose. We do not charge that this was done early this week, because we have not the evidence of the facts in such shape as to make it available, otherwise we would not hesitate to perform a simple duty to the public; but, if it was done, it behooves the bank Presidents and others who were imposed upon to refuse hereafter to consider a loan consummated until the money and collaterals have changed hands.

NON-INTEREST BEARING BONDS FOR BANK CIRCULATION.

[From the *Louisville Courier-Journal*.]

A prominent business man of this city proposes an expedient for maintaining the National bank system without cost to the people in the way of interest on the bonds used as a basis of circulation. His plan, which is said to meet with favor among well-informed men, contemplates the issue of non-interest bearing bonds, with the privilege conferred upon banks of obtaining note issue thereon to amounts equal to the par value of such bonds deposited in the Treasury. The proposal, to call things by names

in common use, is simply that the Government shall issue non-interest bearing certificates against deposits for stated terms for the banks to use as a basis for the issue of notes. The plan may be regarded from two stand-points. From the bank stand-point it would offer no inducement to banks to act upon it, as it would be equivalent to a plan for the depositing of, say \$100,000 in gold for \$100,000 in notes. It would, therefore, involve a merely neutral operation attended with some little expense and trouble, while utterly barren of results. From the Government stand-point it would be equally so, as people who can deposit gold or silver can now obtain 100 per cent. thereof in certificates which circulate quite as well as the proposed bank notes. The abolition of the bank tax and the removal of certain annoyances incident to the present system would have no bearing whatever on its success.

SCARCITY OF SMALL BILLS AND COIN.

[From Cincinnati *Commercial Gazette*.]

There is much complaint concerning the scarcity of small bills, and to this inconvenience is added the recently developed difficulty of obtaining subsidiary coin at the local Sub-Treasury. An inquiry being made at the Cincinnati Sub-Treasury the other day for "dimes," the messenger was informed that there were a few dollars in "pennies," which might be obtained, but nothing else. The banks claim that this is the first Administration in years under which so little accommodation is extended the local public through the Sub-Treasury. The banks making complaint do not pretend that the local Sub-Treasurer as in any way responsible for the lack of accommodation through his office, as he is given no discretion in the premises, but has simply to obey instructions. Some few months since, when application was made by local banks for currency of small denominations—\$5's, \$10's, and \$20's—information was given that the currency was held in the local Sub-Treasury vaults, but was not to be paid out without instructions from Washington; but, upon payment of the amount desired, together with charge at the rate of 75 cents per \$1,000, in New York the local Sub-Treasury would be instructed to pay the currency to the local applicant: this was done to a considerable extent, but now it is impossible to obtain the currency so. The banks do not claim that the Government officials are responsible for the scarcity of small denominations of currency, but they contend that it would be more equitable to maintain a large balance here for the accommodation of this community, especially of subsidiary coin. Under the present Treasury management and system in operation additional expense and a vexatious loss of time are entailed upon banks here when in need of small coin or currency. Local parties contend that it costs the Government but 25 cents per \$1,000 to transport currency from New York to Cincinnati, while the charge is made by the Government of 75 cents per \$1,000, a profit to the Government of 50 cents per \$1,000. The money paid into the local Sub-Treasury on account of customs, etc., would doubtless facilitate business here if it were allowed to remain long enough to be exchanged instead of being shipped to New York almost immediately, as is now claimed is the case. There may be some extenuating circumstances governing the Treasury action, but the fact remains that there is much inconvenience, which, it is charged, might be avoided.

CIRCULATION WAS THE INDUCEMENT.

[From the Buffalo *Courier*.]

The correctness of the statement made in the report of the Comptroller of the Currency, Mr. Trenholm, that the National bank system could never have been established without the privilege of issuing circulation, has been disputed by a metropolitan paper, but it is strictly in accord with the facts of history. By reference to Mr. Spaulding's valuable history of the greenback currency it may be seen that the National bank circulation was authorized for the purpose of inflating the paper currency at a time when a further issue of legal-tender notes was not regarded as expedient and safe. In a decision of the Supreme Court in *Tiffany vs. National Bank of the State of Missouri*, 18 Wallace, 413, Justice Strong, delivering the opinion of the Court, said: "The purpose of the currency act was in part to provide a currency for the whole country and in part to create a market for the Government loans." When the National Currency Act was adopted the privilege of issuing

circulation was very valuable, inasmuch as the current rate of interest was high and the Government paid interest on its bonds nominally at the rate of six per cent., but in point of fact much more, as both the principal and the interest were to be paid in gold. Without these inducements the transformation of so many State banks into National banking associations could never have been effected.

SCARCITY OF GOOD INVESTMENTS.

[From the *London Statist.*]

Only the other day comparatively good investments were offered to the public in vain; no one cared to subscribe, no one being ready to enter into new risks; but now there is an eager desire to find good investments and a readiness to support anything that is offered on the authority of good names. Trade has improved all over the world, and is still further improving. This improvement, which is world-wide, has restored courage to investors, and in the meanwhile the scarcity of good investments, to which we have so often directed attention, is daily becoming more and more apparent. The world every year is adding to its savings, and yet the number of good investments is not materially increasing. On the contrary, the great industrial enterprises which absorbed so much capital in the middle of the century, and for a long time afterwards, have been almost completed. While depression in trade lasted, while confidence was destroyed—no one knowing in whose solvency to trust—the pressure of this vast unemployed capital was not felt. People preferred to place their money at unremunerative rates rather than to run any risk; but now that suspicion has passed away, that credit is once more good, and that trade is improving, the accumulation of capital awaiting investment forces up prices in every direction, and hurries people into demands for allotments in every enterprise that looks sound.

LIKE THE AVERAGE CHURCH PEW.

[From an Address of Vice-Chancellor MacCracken, of the University of the City of New York.]

Our paper currency is like the average church pew. Half its surface which it presents to the American citizen is elastic, the other half is as hard as a board. The greenback circulation is the back of the pew—it has no elasticity. The law prices it to a dollar, so that for the last eight years the Comptroller of the Currency has reported exactly \$346,681,016. The National bank currency, like the pew cushion, has considerable elasticity. Possibly this is the reason our worthy Congress seems so persistently disposed to sit down upon it.

SOUTHERN SECURITIES TO THE FORE.

[From the *New York Hour.*]

The Southern securities have for the time being come to the fore, and there is no doubt but that the South will be hundreds of millions of dollars richer at the close of the year than she was at the beginning—that is, if we measure the price of Southern securities during the two periods. Of course, whether the South is much richer (even on paper) through this speculation is questionable, as the major part of bonds and shares are held in the North and East still. The South is much richer in financial reputation, and that alone will certainly lead to good results.

WHERE THERE ARE NO STRIKES.

[From the *Philadelphia Times.*]

Pittsburgh is just now enjoying a novel experience. For the first time in several years there are no workmen who are suffering from a grievance worth striking about. Every furnace and factory is in full blast, the new tax on oleomargarine not having proved effective even in shutting down the imitation butter factories. There are various reasons given for this unprecedented and altogether satisfactory condition of affairs, but the probability is that the chief reason is the general adoption of the sliding or yearly scale of wages. By this very sensible method of wage adjustment the workmen are made to feel that they have a mutual interest with their employers, sharing in their prosperity when business is prosperous, as at present, as well as in their losses when it is stagnant. If the Pittsburgh method of sliding scale-wage adjustment was generally adopted there might be more cities and great labor centres rejoicing in the absence of strikes and lock-outs.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National banks organized since our last report:
(Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.)

- 3593—Canton National Bank, Canton, Illinois. Capital, \$50,000.
 3594—Citizens' National Bank, Medicine Lodge, Kansas. Capital, \$50,000.
 3595—First National Bank, Shreveport, Louisiana. Capital, \$200,000.
 3596—First National Bank, Dodge City, Kansas. Capital, \$50,000.
 3597—Madison National Bank, Madison, Dakota. Capital, \$50,000.
 3598—First National Bank of West Newton, Newton, Massachusetts. Capital, \$100,000.
 3599—Steeltown National Bank, Steeltown, Pennsylvania. Capital, \$75,000.
 3600—Commercial National Bank, Shreveport, Louisiana. Capital, \$100,000.
 3601—First National Bank, Phillipsburg, Kansas. Capital, \$50,000.
 3602—Citizens' National Bank, Fargo, Dakota. Capital, \$100,000.
 3603—State National Bank, Omaha, Nebraska. Capital, \$100,000.
 3604—Manayunk National Bank, Philadelphia, Pennsylvania. Capital, \$200,000.
 3605—National Park Bank, Livingston, Montana. Capital, \$50,000.
 3606—Ohio Valley National Bank, Cincinnati, Ohio. Capital, \$500,000.
 3607—Northern National Bank, Ashland, Wisconsin. Capital, \$100,000.
 3608—El Paso National Bank, El Paso, Texas. Capital, \$150,000.
 3609—First National Bank, Baraboo, Wisconsin. Capital, \$50,000.
 3610—Clinton National Bank, Columbus, Ohio. Capital, \$200,000.
 3611—South Omaha National Bank, South Omaha, Nebraska. Capital, \$50,000.
 3612—United States National Bank, Atchison, Kansas. Capital, \$250,000.

ALABAMA.

- OPELIKA.—First National Bank; President, Frank M. Renfro.
 TALLADEGA.—Bank of Talladega (W. H. Skaggs); Cashier, J. L. McLane.

ARIZONA.

- TOMBSTONE.—Cochise County Bank; A. E. Jacobs, Cashier, in place of Albert Springer, resigned.

CALIFORNIA.

- COLTON.—First National Bank; Vice-President, W. R. Fox.
 DAGGETT.—Merchants & Miners' Bank; closed.
 DOWNEY.—Los Nietos Valley Bank is style of private bank here.
 FOREST HILL.—Mrs. M. H. Cowden; out of business.
 GRIDLEY.—Hideout & Smith; E. E. Biggs, Cashier, in place of Geo. R. Eckart.
 LAKEPORT.—Farmers' Savings Bank; Vice-President, L. H. Boggs; no Assistant Cashier in place of L. H. Boggs.
 LIVERMORE.—First Commercial Bank; merged into Bank of Livermore.
 OAKLAND.—Union Savings Bank; A. E. H. Cramer, Treasurer *pro tem.*, in place of H. A. Palmer, Treasurer.
 ORANGE.—Bank of Orange has been incorporated under State laws. Capital \$100,000. President, N. Palmer; Secretary, W. S. Bartlett.
 PETALUMA.—Bank of Sonoma County; E. Denman, President, in place of William Hill; Frank H. Denman, Cashier, in place of J. S. Van Doren; F. V. Nelson, Assistant Cashier, in place of Alex. B. Hill. — Wm. Hill & Son have recently commenced business.
 SAN FRANCISCO.—California National Bank; Vice-President, R. A. Wilson. — Sather & Co.; Pedar Sather, sole partner, deceased.
 SANTA BARBARA.—Santa Barbara Savings Bank is correct title of new bank here. Capital \$50,000. President, John H. Redington; Cashier, W. B. Metcalf.
 ST. HELENA.—D. B. Carver; A. L. Williams, Cashier, in place of F. W. Kroeber.
 STOCKTON.—San Joaquin Valley Bank; C. E. Perkins, Cashier, in place of Francis J. Huggins.

COLORADO.

- AKRON.—D. M. Tomblin (Bank of Akron); failed.
 CANON CITY.—Fremont County Bank; Robert S. Lewis, Cashier, in place of J. F. Campbell.
 DEL NORTE.—Rio Grande County Bank; I. W. Schiffer, Cashier, in place of Lee Keyser.
 DENVER.—Union Bank; R. W. Woodbury, President, in place of John Pierce.
 FORT COLLINS.—First National Bank; H. E. Wheeler, Cashier, in place of L. E. Hinckley.
 LEADVILLE.—Carbonate Bank; D. H. Dougan, President, in place of John L. McNeil; Vice-President, H. I. Higgins.
 LONGMONT.—Bank of Longmont; D. E. Dobbins, Assistant Cashier, in place of R. Streeter.
 TRINIDAD.—First National Bank; no Assistant Cashier in place of A. M. Hawley.
 WEST LAS ANIMAS.—Name changed to Las Animas.

CONNECTICUT.

CROMWELL.—Cromwell Dime Savings Bank; A. J. Botelle, Treasurer, in place of S. P. Polley.
 DANIELSONVILLE.—Windham County Savings Bank; Wm. H. Chollar, President, in place of John D. Bigelow.
 HARTFORD.—Mercantile National Bank; no Assistant Cashier in place of W. C. Powell.
 PORTLAND.—Freestone Savings Bank; F. Gildersleeve, President, in place of E. White.
 SOUTHPORT.—Southport Savings Bank; no President in place of Edwin Sherwood, deceased.
 THOMASTON.—Thomaston Savings Bank; T. B. Woodward, President, in place of Miles Morse.
 WILLIMANTIC.—Willimantic Savings Institute; Edwin A. Buck, President, in place of Whiting Hayden.

DAKOTA.

ARLINGTON (Denver).—Story & Kidder (Central Dakota Bank); succeeded by L. A. Kidder, Cashier, H. L. Whitney.
 AURORA.—Bank of Aurora (Murphy Bros.); now incorporated. President, J. W. Kelsey; Cashier, B. J. Kelsey.
 BLUNT.—Bank of Blunt; no Assistant Cashier in place of C. L. Lukes.
 COLUMBIA.—Davidson & Marshall (Bank of Columbia); succeeded by Wm. Davidson.
 EDGERTON.—Irving H. Welch is reported here. Style, Bank of Edgerton.
 EGAN.—Citizens' Bank is new bank reported here.
 FARGO.—Bank of Fargo; succeeded by Citizens' National Bank. Capital, \$100,000. President, H. F. Miller; Vice-President, Wm. B. Douglas; Cashier, C. C. Schuyler.
 GALENA.—Bank of Galena has recently commenced business. Capital, \$10,000. President, Wm. E. Adams; Cashier, Geo. C. Hickok.
 GETTYSBURG.—Potter County Bank; President, E. S. Ormsby; Cashier, J. R. Hughes.
 HAMILTON.—Bank of Hamilton; W. H. Randall, President, in place of E. A. Healy; Cashier, B. P. Dayman.
 HERMOSA.—M. R. Moxon is in business here.
 HOWARD.—Security Bank of Dakota; capital, \$10,000. President, W. H. Wilson; Vice-President, R. B. Hinkley; Cashier, C. L. Oleson.
 HUBON.—American Investment Co.; Cashier, F. S. Jones; no Assistant Manager in place of A. E. Carpenter.
 JAMESTOWN.—Jamestown National Bank; in voluntary liquidation.
 LA FOON.—Citizens' Bank; removed to Faulkton. — Faulk County Bank; removed to Faulkton.
 LAKE PRESTON.—Merchants' Exchange Bank; A. S. Shepherd, President, in place of S. E. Fifield.
 LANGFORD.—Bank of Langford has been lately opened. President, E. C. Bowen; Vice-President, S. W. Webber; Cashier, W. A. Webber.
 MADISON.—Madison Bank & Investment Co.; succeeded by Madison National Bank. Capital, \$50,000. President, E. H. Jacobs; Cashier, S. W. Jacobs.
 MANDAN.—Northern Pacific Bank; T. Dwight Merwin, President, in place of Elbridge C. Cooke.
 MAYVILLE.—Bank of Mayville (Brown Bros. & Co.); J. Rosholt, Cashier, in place of C. C. Brown.
 MENNO.—Geo. J. Skinner (Menno Bank); now Geo. J. Skinner & Co.
 NORTHEVILLE.—B. A. Bissell is in business here. Style, Bank of Northville.
 NEW ROCKFORD.—M. H. Dunnell & Co. (Bank of New Rockford); Wm. M. Frank retires from partnership and is succeeded as Cashier by F. A. Sebring. No change in style.
 PIERRE.—Traders' Bank; W. W. Hollenbach, President, in place of H. M. McDonald.
 PORTLAND.—Citizens' Bank (G. A. White) commenced business December 1st.
 SALEM.—Salem Bank; J. H. Brown, President, in place of J. F. Norton; Pickering Brown, Cashier, in place of J. H. Brown.
 SIOUX FALLS.—Sioux Falls National Bank; no Cashier in place of Chas. L. Norton, — German-American Loan & Investment Co.; A. E. Hull, President, in place of J. M. Bailey; J. M. Bailey, Jr., Secretary, in place of Chas. R. Dean. — Sioux Falls Savings Bank; President, Wm. Van Epps; Cashier, M. Russell.
 TYNDALL.—Security Bank is new bank here. Capital, \$25,000. President, J. S. Wheeler; Cashier, M. P. McArthur.
 VALLEY SPRINGS.—Minnehaha County Bank; N. J. Delsner, Cashier, in place of J. M. Bailey, Jr.
 WAHPETON.—North-Western Bank; no Assistant Cashier in place of Frank W. Vail.
 WATERTOWN.—Merchants' Bank; Cashier, J. R. Pierson. Now incorporated.
 YANKTON.—Mortgage Bank (Tanner & Co.); President, D. W. C. Tanner; Cashier, Geo. E. Searing.

DISTRICT OF COLUMBIA.

WASHINGTON.—Otis Bigelow & Co.; Chas. L. Du Bois & Co. succeed.

FLORIDA.

APOPKA.—Guernsey & Prince are in business here. Style, Bank of Apopka. Capital paid in, \$10,000. President, E. R. Prince; Cashier, Jos. L. Guernsey.
 BARTOW.—Polk County Bank; President, Frank W. Page; Willard J. Emerson, Cashier, in place of Frank W. Page.
 JACKSONVILLE.—Ambler, Marvin & Stockton; Cashier, Frank Marvin.

GEORGIA.

AUGUSTA.—Augusta Savings Bank; Wm. B. Young, Cashier *pro tem.*, in place of J. S. Bean, Cashier. — Rhind & Thornton; succeeded by Colden Rhind.
 CARROLLTON.—Almand, McCord & Co.; succeeded by C. J. Almand & Bro.

FORSYTH.—W. H. Head, Son & Co.; S. B. Head retires. Style now, W. H. Head & Co.
PALMETTO.—C. H. Arnold; discontinued collection business and removed to Atlanta.
VALDOSTA.—E. B. Lewis & Co.; Cashier, J. F. Lewis.

ILLINOIS.

AREZSVILLE.—People's Bank; Geo. Engelbach, Cashier, in place of C. H. Condit.
AUBURN.—Auburn Bank; Henry Dawson, Jr., Cashier, in place of J. W. Lowdermilk.
BLOOMINGTON.—Robt. P. Smith & Son; Cashier, James M. Smith.
BRACEVILLE.—People's Bank; Thos. Jones, Cashier, in place of Thos. S. Cumming.
BUSHNELL.—J. Cole & Co.; no Assistant Cashier in place of H. E. Cole.
CANTON.—Canton National Bank has been authorized to commence business.
CARROLLTON.—Carrollton Bank; B. C. Hodges, Assistant Cashier, in place of John L. Eldred.

CHICAGO.—Hibernian Banking Association; Assistant Cashier, J. V. Clarke, Jr. — Fidelity Safe Deposit Co.; Van H. Higgins, President, in place of Matthew Ladin. — United States Loan & Trust Co., of Oxford, Ind., have an agency here. General Manager, Zimri Dwiggins. — Beveridge & Dewey; succeeded by Beveridge, Richards & Co. — Jackson, Dwiggins & Co. are in business here. Style, United States Bank. President, Joseph R. Jackson; Vice-President, James M. Starbuck; Cashier, Zimri Dwiggins; Assistant Cashier, Elmer Dwiggins. Paid capital, \$250,000. — Johnston, McKeand & Co. (Oakland Bank); now Johnston, Peters & Co.; D. S. Peters, Cashier, in place of John McKeand. — Orr, Crittenden & Comes; succeeded by Orr & Comes. — Pearsons & Taft will shortly merge business and change name.

ELMWOOD.—Farmers & Merchants' Bank (E. R. Brown & Co.); E. L. Brown, Cashier, in place of D. S. Brown.

LINCOLN.—German-American National Bank is being organized here.

MASON CITY.—First National Bank; A. A. Blunt, Vice-President, Acting President, in place of John Van Horn, deceased; no Assistant Cashier in place of C. P. King.

MONMOUTH.—Monmouth National Bank; no Assistant Cashier in place of F. R. Van Tuyle.

PROTONE.—A. J. Linebarger & Son, of Verona, will open a bank here July 1st. Capital, \$10,000.

ROCKFORD.—Rockford National Bank; M. S. Parmele, Cashier, resigned.

SANNEMIN.—Bank of Sannemin (B. B. Dow & Co.); Assistant Cashier, Sela Hamilton.

STILLMAN VALLEY.—King & Wilbur (Stillman Valley Bank); succeeded by King, Wilbur & Co.

TREMONT.—Tremont Bank (A. J. Davis); E. C. Warner, Cashier, in place of D. C. Ames.

YORKVILLE.—Kendall County Bank; M. E. Cornell, President, in place of M. B. Castle; Geo. L. Cornell, Cashier, in place of M. E. Cornell.

INDIANA.

ANGOLA.—Angola Bank; Wm. Wickwire, Cashier, in place of Alfred Osborn.

CLAY CITY.—Thompson & Jett; succeeded by M. L. Jett.

EDINBURGH.—John A. Thompson; style now, John A. Thompson's Bank; Cashier, G. E. Mayfield.

FORT WAYNE.—First National Bank; Oscar A. Simons, President, deceased.

GREENFIELD.—Citizens' Bank; Assistant Cashier, Geo. H. Cooper.

JASPER.—Dubois County State Bank; August Souderman, President, in place of John L. Forkner.

LEBANON.—Lebanon National Bank; no Assistant Cashier in place of B. F. Coombs.

MARION.—Sweetser's Bank; Thomas B. Doan, Cashier, in place of Geo. W. Webster, Jr.

NEWPORT.—Collett & Co.; Cashier, J. D. Collett.

NORTH MANCHESTER.—Lawrence National Bank; D. C. Harter, Cashier, in place of James H. Mills.

PAOLI.—Orange County Bank has been recently opened. President, J. C. Porter; Cashier, Wm. A. Salter.

RIDGEVILLE.—Ridgeville Bank; N. Sumption, Assistant Cashier, in place of Geo. A. Payne.

UNION CITY.—Citizens' Bank; J. A. Thomas, Cashier, in place of Geo. N. Edger.

VALPARAISO.—First National Bank of Porter Co.; no Assistant Cashier in place of Alice C. Bell.

WARSAW.—State Bank; P. L. Runyan, Cashier, in place of A. O. Catlin.

WINCHESTER.—Farmers & Merchants' Bank; H. D. Moorman, Assistant Cashier, in place of Thomas Moorman.

IOWA.

ADAIR.—F. Furst is in business here. Style, Exchange Bank.

ALTA.—Bank of Alta (Parker, Tinknell & Tucker); Cashier, B. Tucker.

CARSON.—Traders' Bank; now Bank of Carson.

CENTERVILLE.—Campbell Banking Co.; John A. Campbell, Cashier, in place of W. B. Campbell.

CHARLES CITY.—Floyd County Savings Bank; suspended.

COON RAPIDS.—Lyons & Cooney (Coon Rapids Bank); succeeded by J. Cooney.

COUNCIL BLUFFS.—Council Bluffs Savings Bank; A. W. Riekman, Cashier, in place of A. A. Watts. — J. W. & E. L. Squire are reported here.

CRESO.—Howard County Bank; A. E. McHugh, Cashier, in place of P. Griffin.

DALLAS CENTRE.—Slocum, Brenton & Hoopes (Bank of Dallas Centre); now Brenton & Hoopes.

DAVIS CITY.—Citizens' Bank; T. C. Jackson, Cashier, in place of J. M. Arnold, resigned.

DAYTON.—Bank of Dayton; President, J. M. Cheney; Cashier, C. D. Waterbury.

ESTHERVILLE.—Graves, Burdick & Co.; succeeded by Estherville State Bank. Paid capital, \$25,000. President, Howard Graves; Cashier, John Bradish.

FORT DODGE.—Fort Dodge Loan & Trust Co.; Thomas H. Wright, Secretary, in place of Charles H. Mors.

GARNER.—C. C. Doolittle & Co. are reported here.

GILMORE.—Gilmore Exchange Bank; Cashier, E. C. Garlock.

GRAND JUNCTION.—O. J. Dutton is reported as having commenced business here. — C. B. Park; reported discontinued.

GRINNELL.—Grinnell Savings Bank; Darwin Forbes, President, in place of S. H. Herrick.

HARLAN.—Shelby County Bank; no Assistant Cashier in place of G. E. McMullen.

HARTLEY.—People's Bank (Patch & Cravens); incorporated as a State bank. Paid capital, \$25,000.

HUMBOLDT.—Humboldt County Bank; John Dickey, President, in place of H. J. Retman; S. Rogers, Assistant Cashier, in place of S. H. Brewer.

KINGSLEY.—Bank of Kingsley; no Assistant Cashier in place of H. S. Mansel.

LAKE MILLS.—Lake Mills Bank; proprietors, P. M. Joice & Co.

LOGAN.—Cadwell's Bank; Vice-President, Wm. C. Cadwell; John X. Aleck, Cashier, in place of Wm. C. Cadwell; no Assistant Cashier in place of John X. Aleck.

MAQUOKETA.—Jackson County Bank has been recently opened. President, H. Goodenow; Cashier, Wm. M. Stephens.

MARSHALLTOWN.—Commercial National Bank; succeeded by Commercial Banking Co. President, S. Lacey; Vice-President, A. A. McFadon; Cashier, Ed. M. Carson. — Iowa State Savings Bank; closing up.

MERIDEN.—Cherokee County Bank; no Assistant Cashier in place of J. S. Striker.

MILTON.—Citizens' Bank; proprietor, J. D. Nash.

MOUNT AYR.—Morris & Allyn (Mount Ayr Bank); succeeded by Allyn Brothers.

NEW HAMPTON.—First National Bank; no Assistant Cashier in place of A. G. Bigelow.

NORA SPRINGS.—Nora Springs Bank; President, L. H. Piehn; Cashier, H. F. Schnedler.

OELOWIN.—Bank of Oelwein; John Jamison, Cashier, in place of E. L. Wallace.

PAULLINA.—Bank of Paullina (Metcalf Brothers); Assistant Cashier, John V. Adkins.

PRAIRIE CITY.—L. E. Zachary & Co.; R. B. Zachary and A. Springer retire, leaving only L. E. Zachary, President, and Ira E. Draper, Cashier.

RADCLIFFE.—Bank of Radcliffe; Thos. Hollis, President, in place of J. Q. Hutton.

RENWICK.—Bank of Renwick; Cashier, Robert R. Smith; no Assistant Cashier in place of Robert R. Smith.

SANBORN.—Sanborn State Bank; Morton Wilbur, Cashier, in place of George B. Davis; no Assistant Cashier in place of Morton Wilbur.

SHELBY.—Bank of Shelby (Smith, Haskins & Co.); sold to J. W. Davis and C. G. Sanford.

SIOUX CITY.—Commercial State Bank; Cashier, Charles F. Luce.

SOUTH AMANA.—Amana Society; discontinued banking business.

SOUTH ENGLISH.—J. F. White & Sons; discontinued.

TOLEDO.—Toledo Savings Bank; W. A. Dexter, Assistant Cashier, in place of H. A. Shanklin.

WEBSTER CITY.—Hamilton County National Bank; Cyrus Smith, Cashier, in place of John W. Funk, Acting Cashier.

WEST BEND.—Lacy & Morris; discontinued.

WILTON.—Union Bank; C. B. Strong, President, in place of P. Dant.

KANSAS.

ALMA.—Bank of Waubesaunsee Co.; P. A. Howard, Cashier, in place of C. M. Franco.

ALMENA.—Almena Commercial Bank (F. W. Jefferay); Geo. H. Jefferay, Cashier, in place of J. S. Bartholomew.

ARGONIA.—Argonia State Bank; L. Boder, President, in place of F. P. Neal; N. A. Springer, Cashier, in place of F. E. Frantze.

ARKANSAS CITY.—Blakeney & Lowe are reported here. Style, Croswell Savings Bank; Cashier, Wm. Blakeney.

ATCHISON.—United States National Bank has been authorized to commence business. Capital, \$250,000. President, Geo. H. Storch; Cashier, F. W. Hunton. — Farmers' Bank is new bank here. Capital, \$50,000. President, Jno. N. Reynolds; Cashier, A. S. Hall.

ATWOOD.—Citizens' Bank; President, P. W. Cochran; Cashier, O. L. Branson.

AUGUSTA.—Bank of Augusta; President, L. N. Blood; Cashier, F. C. Ruland. — Farmers' State Bank; F. L. Ayres, President, in place of John Reid; F. Rice, Cashier, in place of F. L. Ayres; no Assistant Cashier in place of F. Rice.

BIRD CITY.—Launing, Autram & Co. are reported here.

BUNKER HILL.—Bank of Bunker Hill has been recently started.

BURTON.—Bank of Burrton; G. K. Slough, Assistant Cashier, in place of A. N. Bontz.

CHAPMAN.—Miller & Cormany; removed to Junction City.

COLUMBUS.—Bank of Columbus (Jarvis, Conklin & Co.); now incorporated. Capital, \$50,000. President, S. L. Conklin; Cashier, E. R. Crutcher; Assistant Cashier, J. W. Ridge. — Jarvis, Conklin Mortgage & Trust Co., of Kansas City, Mo., have opened a branch office here.

COLWICH.—Bank of Colwich; Ben P. McNair, Cashier, in place of Lewis O. Smith; no Assistant Cashier in place of Ben P. McNair.

CONCORDIA.—Cloud County Bank; D. B. Harrison, Assistant Cashier, in place of Wm. M. Peck.

CORONADO.—Wichita County Bank; President, E. F. Knapp; Cashier, W. D. Brainerd.

COWLAND.—Post Office changed to Ravanna.

DODGE CITY.—First National Bank succeeds Bank of Dodge City. Capital, \$50,000. President, George M. Hoover; Cashier, Richard W. Evans.

EL DORADO.—Bank of El Dorado (Ellet & Frazier); sold to new parties.
ELLIS.—Merchants' Bank; no Assistant Cashier in place of W. E. Moore.
EMPORIA.—Emporia Investment Co. is reported here. Capital, \$40,000.
ESKRIDGE.—Bank of Eskridge (M. R. Mudge); Cashier, D. H. Fisher.
EUSTIS.—Sherman County Bank; Geo. F. Jordan, Cashier, in place of P. S. Wright.
FARGO SPRINGS.—Bank of Fargo; A. J. Holsington, President, in place of W. R. Adair.
FRISCO.—Win. W. White is reported here.
GALESBURGH.—Galesburgh Exchange Bank (T. H. Condon); Cashier, C. O. Anderson.
GARDEN CITY.—Bank of Western Kansas; E. A. Bagley, President, in place of I. R. Holmes.
GLEN ELDER.—Citizens' Bank; succeeded by Bank of Glen Elder (incorporated). Capital, \$30,000. President, E. E. Parker; Vice-President, B. H. Giger; Cashier, R. G. Heard; Assistant Cashier, A. C. Giger.
GREENLEAF.—Exchange Bank; no such bank here.
HAVEN.—Citizens' Bank; no President in place of T. R. Hazard, resigned.
HAYS CITY.—Bank of Ellis County; A. S. Hall, President, in place of Alex. P. West.
HERINGTON.—Bank of Herington; Sid. G. Cooke, Cashier, in place of Geo. R. Browning; no Assistant Cashier in place of W. P. Blake.
HILLSBORO.—Hillsboro Bank is style of new bank here. Cashier, S. Weidlein.
HOLTON.—Hopkins, Taber & Drake (Holton City Bank); succeeded by Drake & Taber.
HORTON.—A bank will be opened here shortly.
INDEPENDENCE.—White's Bank; no such bank here.
IOLA.—Bank of Allen County; H. M. Miller, Cashier, in place of Geo. W. Penn.
JAMESTOWN.—Bank of Jamestown (N. B. Brown); Cashier, Ed. Hostetler; E. Howe, Assistant Cashier, in place of Ed. Hostetler.
JUNCTION CITY.—Miller & Cormany (formerly at Chapman) are located here.
KANOPOLIS.—Kanopolis State Bank; capital, \$50,000. President, David B. Long; Cashier, Frank N. Rewick.
LA CYGNE.—Linn County Bank (Ellis & Saunders); no Assistant Cashier in place of A. R. Cary.
LENORA.—Bank of Lenora; President, W. H. Burke.
LERADO.—Bank of Lerado; Cashier, Frank A. Niblack.
MCPHERSON.—National Investment Co. has been recently opened. Capital, \$40,000.
MEADE CENTRE.—Farmers' & Stock Growers' Bank is a new bank here. President, O. B. Hamilton; Cashier, O. Hamilton.
MEDICINE LODGE.—Citizens' National Bank has been authorized to commence business; Capital, \$50,000. President, Joseph W. McNeal; Vice-President, H. C. Thompson. Cashier, Timothy C. Molloy; Assistant Cashier, T. L. Lindley. — McNeal, Little & Thompson Banking Co.; succeeded by Citizens' National Bank.
MINNEAPOLIS.—Ottawa County Bank; Walter Scott, Cashier, in place of F. M. Sexton.
MOLINE.—Downing, Hanson & Co.; succeeded by Moline Bank. Cashier, W. H. Downing; Assistant Cashier, Geo. E. Martin.
MOUND RIDGE.—Bank of Mound Ridge has been recently incorporated.
MULLINVILLE.—Mullinville Bank is reported here. Proprietor, Geo. A. Snyder.
NESS CITY.—Ness County Bank (N. C. Merrill); Assistant Cashier, A. S. Hazen.
NEWTON.—German National Bank; Alan L. Reid, Acting Cashier, in place of W. H. Clarke, Cashier, resigned. — International Bank; H. M. Logee, President, in place of Chas. R. Munzer.
NICODEMUS.—A. L. McPherson is in business here.
NORTON.—Norton County Bank (M. Heaton & Co.); Assistant Cashier, W. T. Shoemaker.
NORTONVILLE.—Bank of Nortonville; O. W. Babcock, President, in place of C. C. McCarthy. — A. J. Perry is reported here.
OLATHE.—Johnson County Bank; changed from State to private bank. President, Geo. B. Lord; Cashier, E. H. Lord.
PHILLIPSBURG.—Citizens' Bank; succeeded by First National Bank. Capital, \$50,000. President, H. T. Granger; Cashier, Frank Strain.
PLAINVILLE.—Citizens' Bank (H. D. Starrett); no such bank here.
POMONA.—Pomona Bank has been recently opened.
PORTIS.—Portis Bank (Franklin & Timms); now a State bank. Capital, \$25,000. Same officers.
QUENEMO.—Quenemo Bank (J. S. Cloud); now owned by C. W. Goodin and Z. C. Stine. Cashier, G. W. Chase.
SALINA.—H. S. & J. Taggart; succeeded by American State Bank. Paid capital, \$80,000. President, H. S. Taggart; Vice-President, B. A. Litowich; Cashier, James Taggart.
SCOTT.—Scott County Bank; no Assistant Cashier in place of H. J. Hunt.
TOPEKA.—C. N. Beal & Co.; succeeded by Kansas Mortgage Co. (incorporated). Paid capital, \$100,000. President, C. N. Beal; Vice-President, James Johnston; Secretary, Jos. A. Beal; Treasurer, D. A. Mulvane.
TRIBUNE.—Bank of Tribune is reported as having commenced business. Capital, \$50,000.
WELLINGTON.—Sumner County Bank; Assistant Cashier, J. L. Wetzel.
WICHITA.—State National Bank; Cashier, L. D. Skinner; Assistant Cashier, W. H. Livingston. — Bank of Wichita; J. G. Fish, President, in place of W. P. Robinson.
WILLIAMSBURG.—Williamsburg Bank (W. S. Finley); Cashier, J. R. Finley.
WINFIELD.—Farmers' Bank; Thos. J. Eaton, Cashier, in place of M. H. Ewart; J. F. Ballet, Assistant Cashier, in place of Thos. J. Eaton.
WYANDOTTE.—A. W. Little; succeeded by Stockton & Little.

KENTUCKY.

LEXINGTON.—Northern Bank of Kentucky; Joseph Clarke, President, in place of M. C. Johnson, deceased.

LOUISVILLE.—Louisville Clearing-House Association; J. M. Fetter, President, in place of James S. Barret.

RUSSELLVILLE.—Bank of Russellville; J. M. McCutchen, President, in place of J. M. Perry.

LOUISIANA.

NEW ORLEANS.—State National Bank; Pierre Lanau, President, in place of J. W. Kilbreth; no Vice-President in place of Pierre Lanau.

OUPELOUSAS.—M. P. Young & Co.; discontinue office here.

RAYNE.—M. P. Young & Co.; discontinue office here.

SHEREVEPORT.—E. & W. B. Jacobs; succeeded by First National Bank. Capital, \$200,000. President, E. Jacobs; Cashier, Walter B. Jacobs. — McWilliams, McCutcheon & Deming; succeeded by Commercial National Bank. Capital, \$100,000. President, John G. McWilliams; Cashier, Ralph R. Deming.

MAINE.

BOOTH BAY.—Booth Bay Savings Bank; B. C. Matthews, Treasurer, in place of D. W. Sawyer.

BRUNSWICK.—Union National Bank; John W. Perry, President, in place of Stephen J. Young. — Brunswick Savings Institution; Thomas H. Riley, Treasurer, in place of James M. Winchell.

CALAIS.—Calais Savings Bank; Frank Nelson, President, in place of Edward A. Barnard.

PHILLIPS.—Phillips Savings Bank; J. W. Batterfield, President, in place of E. M. Robinson.

MARYLAND.

BALTIMORE.—Border State Savings Institution; Andrew J. C. Conlon, President, in place of A. Livingston King, deceased. — Andrews, Peters & Co.; partnership expires by limitation.

MASSACHUSETTS.

BOSTON.—Old Boston National Bank; T. F. Pratt, Cashier, until April 1. — Cordley, Young & Fuller; Henry C. Young admitted to New York Stock Exchange. — Clark, Ward & Co.; F. A. J. Clark admitted to New York Stock Exchange. — John Pickering & Moseley; Richard Price deceased.

FAIRHAVEN.—Fairhaven Institution for Savings; C. H. Martin, Treasurer, in place of Charles Drew, deceased.

HARWICH.—Cape Cod Five-Cents Savings Bank; Edward E. Carroll, President, in place of Joseph K. Baker, deceased.

LOWELL.—Mechanics' Savings Bank; President, Jeremiah Clark.

NORTH BROOKFIELD.—North Brookfield Savings Bank; President, S. S. Edmands.

ROCKLAND.—Rockland Savings Bank; Zenas Jenkins, President, in place of Richmond J. Lane.

WEST NEWTON.—First National Bank; Vice-President, A. R. Mitchell.

MICHIGAN.

BIG RAPIDS.—Fairman & Judson; succeeded by Fairman & Newton.

CARO.—A. T. Slaght & Co. are reported here.

CONCORD.—First National Bank; succeeded by Farmers' State Bank. Capital, \$35,000. No change in officers.

COOPERSVILLE.—Exchange Bank (W. G. Watson); Thos. Hines, Cashier, in place of W. T. Stamp.

HASTINGS.—Hastings City Bank is reported here. Capital, \$50,000. President, S. G. Robinson; Cashier, C. D. Beebe.

HILLSDALE.—Second National Bank; succeeded by Waldron Bank. Proprietors, C. W. Waldron and E. L. Koon; Cashier, J. R. Wyllie.

ITHACA.—First National Bank; M. Foster Chafey, Cashier, in place of J. W. Lewis; no Assistant Cashier in place of M. Foster Chafey.

LAKE LINDEN.—D. W. Sutter is in business here. Style, Sutter's Bank. Cashier, H. C. Guck.

LAKEVIEW.—A. R. Mather; succeeded by E. J. Mather. Cashier, A. R. Mather.

LANSING.—People's Savings Bank; Cashier, C. H. Osband.

LOWELL.—Lowell National Bank; Chester G. Stone, President, in place of Martin N. Hine; Assistant Cashier, Martin N. Hine.

MILFORD.—First National Bank; succeeded by Milford State Bank. Capital, \$50,000. Same officers.

SEREWING.—John C. Liken & Co., are in the collection business here.

MINNESOTA.

BENSON.—Swift County Bank; President, A. N. Johnson.

CARON FALLS.—Citizens' Bank; sold to H. A. Shriver.

DULUTH.—Union National Bank is style of bank which will shortly open here, with an authorized capital of \$2,000,000. Probable officers are: President, C. H. Cummings; Vice-President, J. J. P. Odell; Cashier, H. A. Ware. — A new State bank is being organized here.

ELBOW LAKE.—Bank of Ashby, Ashby, will open a branch bank here in the spring. Style, Bank of Elbow Lake. Cashier, H. Thorson.

LAKE CRYSTAL.—Mitchell & Co. (Bank of Lake Crystal); succeeded by State Bank of Lake Crystal. Capital, \$25,000. President, Randolph Mitchell; Cashier, H. Ray Howard.

LONG PRAIRIE.—Smith & Lee (Bank of Long Prairie); dissolved. Andrew J. Smith continues.

MINNEAPOLIS.—Valentine G. Hush; suspended.

PIPE STONE.—Pipe Stone County Bank; E. W. Davies, Cashier, in place of A. H. Merwin.

ST. PAUL.—West Side Bank; capital increased to \$100,000.

MISSOURI.

BURLINGTON JUNCTION.—Commercial Bank; Assistant Cashier, Edwin W. Fraser.

FARMINGTON.—Bank of Farmington is reported here. Cashier, A. Parkhurst; Assistant Cashier, M. F. Coyce, Jr.

KANSAS CITY.—Central Bank is style of new bank here. Capital, \$50,000. President, D. B. Mechem; Cashier, J. M. Hamilton. — Security Savings Bank; capital, \$50,000. President, Geo. W. Sedgwick; Cashier, W. P. Holmes.

LOUISIANA.—Bank of Louisiana is new bank here. Capital, \$7,000. President, J. B. Henderson; Cashier, R. H. Goodman.

PLEASANT HILL.—Citizens' Bank; G. M. Bolinger, President, in place of Jno. C. Knorpp; Jno. C. Knorpp, Cashier, in place of Wm. A. Symington.

ROCHEPORT.—Rooheport Bank; John H. Carr, Cashier, in place of F. E. Carr.

STEWARTSVILLE.—DeKalb-Clinton Bank; E. P. Pickett, President, in place of Jos. Chrisman; Jos. Chrisman, Cashier, in place of Ben. Johnson.

ST. LOUIS.—Wilson & Toms; now Wilson & Toms Investment Co. Capital, \$250,000. President, Henry C. Wilson; Secretary & Treasurer, Wm. F. Leonard.

URICH.—J. A. Wells & Son have recently started here. Style, Bank of Ulrich.

MONTANA.

LIVINGSTON.—Bank of Livingston (Stebbins, Mund & Co.); succeeded by National Park Bank. Capital, \$50,000. President, William P. Stebbins; Cashier, Albert L. Love.

NEBRASKA.

ALMA.—First National Bank; Vice-President, William Campbell.

ATKINSON.—Citizens' Bank is reported here. Capital, \$10,000. President, H. H. Dorsey; Cashier, Scott T. Jones.

AURORA.—Aurora Exchange Bank has recently commenced business. Capital, \$20,000. President, T. A. McKay; Cashier, Samuel Spanogle.

BEAVER CITY.—First National Bank is being organized here.

BENKLEMAN.—D. M. Tomblin (Bank of Benkleman); failed.

BLOOMINGTON.—Franklin County Bank; Chas. K. Hart, President, in place of W. E. Hatch, resigned.

CAMBRIDGE.—D. M. Tomblin (Republican Valley Bank); failed.

CULBERTSON.—Hitchcock County Bank; A. D. King, President, in place of W. G. Templeton; J. C. Benedict, Cashier, in place of A. D. King.

GANDY.—W. L. Graham & Co. are reported in banking business here.

HARTINGTON.—Bow Valley Bank; succeeded by Hartington State Bank (incorporated). Authorized capital, \$50,000; paid capital, \$25,000. President, W. P. Manley; Vice-President, Levi Kimball; Cashier, A. M. Merrill.

HILDRETH.—Franklin County Bank, Bloomington, have opened a branch here. Style, Franklin County Bank. Cashier, Wm. H. Shahan.

HOLDREGE.—Bank of Holdrege has filed articles of incorporation. Capital, \$40,000.

LINCOLN.—German National Bank; Vice-President, C. C. Munson; Assistant Cashier, O. J. Wilcox.

LOOMIS.—Bank of Loomis is style of bank opened here. President, J. H. Einsel; Cashier, E. D. Einsel; Assistant Cashier, W. A. Schreck.

OMAHA.—State National Bank has been authorized to commence business. Capital, \$100,000. President, Elijah L. Lyon; Cashier, William M. Carson. — Citizens' Bank is new bank here. — Omaha Clearing-House Association; J. H. Millard, President, in place of H. Kountze.

SOUTH OMAHA.—South Omaha National Bank has been authorized to commence business. Capital, \$50,000. President, A. U. Wyman. — Union Stock Yards Bank is new bank here. Capital, \$200,000. President, J. A. McShane; Cashier, E. B. Branch.

WAYNE.—Citizens' Bank; Assistant and Acting Cashier, A. A. Welch.

WESTON.—Exchange Bank has been opened here. Cashier, J. G. Beverstock.

WILLOW SPRINGS.—Garfield County Bank has been opened for business. President, Hiram Boyes; Cashier, L. D. Freeman.

YORK.—First National Bank; H. C. Kleinschmidt, Cashier, in place of W. J. Wildman; no Assistant Cashier in place of H. C. Kleinschmidt.

NEVADA.

GOLD HILL.—Bank of Gold Hill (W. H. Blauvelt); closed.

WINNEMUCCA.—First National Bank; Vice-President, F. D. Sweetzer.

NEW HAMPSHIRE.

FREEDOM.—Ossipee Valley Savings Bank; Josiah Thurston, President, deceased.

NEW JERSEY.

MANASQUAN.—First National Bank; M. D. L. Magee, Cashier, in place of John Terhune.

ENGLEWOOD.—W. J. M. Byrne is in business here.

NEW YORK.

AMSTERDAM.—The Bank Department has authorized a savings bank to be opened here.

BUFFALO.—White's Bank; James D. Warren, President, deceased.

CASTLETON CORNERS.—Richmond County Savings Bank reported here is situated at West New Brighton.

CHAMPLAIN.—First National Bank; Timothy Hoyle, President, deceased.

CLIFTON SPRINGS.—Van Vranken & Co. have recently opened here.

ELMIRA.—Chemung Canal Bank; Vice-President, J. H. Arnot; J. C. Greeves, Assistant Cashier, in place of M. H. Arnot.

NEW YORK CITY.—Chase National Bank; Wm. H. Porter, Cashier, in place of C. C. Slade; Assistant Cashier, C. C. Slade. — Leather Manufacturers' National Bank; Jno. T. Willets, President, in place of N. F. Palmer, resigned. — Irving Savings Institution; Isaac Odell, Vice-President, deceased. — Brown Brothers & Co.; John Edgar Johnson retires. Waldron Post Brown admitted. — Cammann & Co.; C. L. Cammann, Jr., admitted. Geo. W. Fuller retires. — F. A. J. Clark (Boston, Mass.); admitted to Stock Exchange. — Closson & Dumont; Jas. T. Closson and John B. Dumont, with Heman Clark as special, have formed a partnership under above style. — W. N. Coler & Co.; William N. Coler, Jr., admitted. — W. E. Connor & Co.; succeeded by Connor & Co. Partners: F. S. Connor, A. G. P. Segur, Frederick L. Mathez, Jr. — Douglas & Jones; John F. Douglas and Willard H. Jones have formed a partnership under above style. — Ellis & Seaver; dissolved. William L. Ellis continues on his own account. — P. J. Goodhart & Co.; Albert E. Goodhart admitted to Stock Exchange. — W. H. Hays; deceased. — Henry Brothers; Howard H., Frank L. and Ambrose D. Henry have formed a partnership under this style. — Homans & Co.; Nelson Robinson admitted. — Kuhn, Loeb & Co.; Solomon Loeb, special partner, in place of Abraham Kuhn. — La Montagne, Clarke & Co.; E. La Montagne, Jr., Herman Clarke and Wallace B. Smith have formed a partnership under this style. — L. S. Lawrence & Co.; succeeded by Lawrence, Frazier & Co. — W. S. Lawson & Co.; Willard H. Jones retires. — L. Marx & Co.; suspended, but subsequently resumed. — J. H. McCoon & Co.; suspended. — E. D. Page (Philadelphia, Pa.); admitted to Stock Exchange. — Geo. B. Parsons; admitted to Stock Exchange. — Peters, Schenck & Co.; partnership expires by limitation. Chas. G. Peters and J. F. Schenck, with Chas. F. Wetmore as special, continue under same style. — Poor, White & Greenough; succeeded by Poor & Greenough. Partners: Henry W. Poor, John Greenough and George E. Porter. B. Ogden White continues on his own account. — J. D. Probst & Co.; Paul Mayer admitted. — Chas. E. Quincey; re-admitted to Stock Exchange. — Washington Quinlan; admitted to Stock Exchange. — Savin & Vanderhoef; succeeded by F. W. Savin & Co. Partners: F. W. Savin and Geo. D. Morrison. — Robt. Waller, Jr., & Co.; dissolved. — Winslow, Lanier & Co.; H. C. Fahnstock retires. J. F. Chamberlin admitted. — Henry C. Young (Boston, Mass.); admitted to Stock Exchange.

PRATTSBURG.—W. F. McLean is in business here.

SODUS.—A. S. Barnes; discontinued.

WEST NEW BRIGHTON.—Richmond County Savings Bank; President, M. Eckstein; Cashier, Robt. Moore.

NORTH CAROLINA.

ASHEVILLE.—Buncombe Savings Bank is new bank here. Cashier, T. W. Palton.

OHIO.

ARCANUM.—Farmers & Merchants' Bank has been recently opened.

BEREA.—First National Bank; succeeded by Berea Banking Co.

CENTRAL COLLEGE.—D. H. Hudd is proprietor of recently opened Exchange Bank.

CINCINNATI.—Ohio Valley National Bank has been authorized to commence business.

Capital, \$500,000. President, James Espy; Vice-President, B. Bettmann; Cashier, Theodore Baur; Assistant Cashier, D. Wachman.

CLEVELAND.—Society for Savings; Myron T. Herrick, Treasurer, in place of L. Allen.

COLUMBUS.—Clinton National Bank has been authorized to commence business.

Capital, \$200,000. President, Milbury M. Greene; Cashier, Frederick W. Prentiss.

HARRISON.—J. A. Graft is in collection business here.

HUBBARD.—Hubbard Banking Co.; President, R. H. Jewell; Cashier, S. Q. March.

Capital, \$50,000.

LIMA.—Merchants' Bank succeeds Merchants' National Bank. President, Robert

Mebaffey; Cashier, R. W. Thrift, Jr.

NAPOLÉON.—Meekison's Bank is reported here. Proprietor, D. Meekison; Cashier,

W. H. Brownell.

PENNSYLVANIA.

BANGOR.—First National Bank; Cashier, Alfred W. Paff, not Alfred M. Paff.

ERIE.—Marine National Bank; F. F. Marshall, President, in place of James C. Marshall;

Francis P. Bailey, Cashier, in place of C. E. Gunnison, Acting Cashier.

GLEN ROCK.—First National Bank; D. A. Becker, Cashier, in place of F. W. Brown.

LANCASTER.—Fulton National Bank; Jno. Hertzler, Cashier, in place of C. A. Fon

Dersmith.

LINCOLN.—Lincoln National Bank; E. F. Bard, Cashier, in place of W. J. Snively.

PHILADELPHIA.—Manayunk Bank; succeeded by Manayunk National Bank. Capital,

\$200,000. President, David Wallace; Cashier, John J. Foulkrod. — E. D. Page &

Brother; E. D. Page admitted to New York Stock Exchange.

STEELTON.—Steelton National Bank has been authorized to commence business.

Capital, \$75,000. President, Luther S. Bent; Vice-President, J. E. Rutherford;

Cashier, William J. Snively.

WILKES-BARRE.—Wyoming National Bank; Geo. H. Flannagan, Cashier, in place of

Jno. Wroth, deceased; no Assistant Cashier in place of Geo. H. Flannagan. —

Wilkes-Barre Deposit & Savings Bank; Adolph Volght, Cashier, deceased.

YOUNGVILLE.—Youngville Savings Bank; R. G. Mead, President, in place of H. P.

Kinnear.

RHODE ISLAND.

PAWTUCKET.—Pawtucket Institution for Savings; Chas. P. Moles, Treasurer, in place

of Thomas Moles, deceased.

SOUTH CAROLINA.

BAMBERG.—Isaac S. Bamberg; succeeded by Bamberg Banking Co. Capital, \$25,000. President, F. M. Bamberg; Cashier, H. J. Brabham.

TENNESSEE.

BRISTOL.—National Bank of Bristol; John H. Caldwell, Cashier, in place of James W. Carr.

WINCHESTER.—Bank of Winchester; President, W. S. Embrey.

TEXAS.

ABILENE.—Abilene National Bank; Theo. Hyck, not Ohead Hyck, President.

BROWNSVILLE.—Carson & Forte are reported in collection business here.

CASTROVILLE.—Joseph Courand is reported here.

EL PASO.—El Paso National Bank has been authorized to commence business. Capital, \$150,000. President, Edgar B. Bronson; Cashier, W. H. Austin.

FORT WORTH.—City National Bank; no Cashier in place of Geo. R. Newton; Assistant Cashier, D. D. Wall.

LLANO.—Moore, Foster & Co. are reported here.

LONGVIEW.—F. J. Harrison & Co.; assigned.

SHERMAN.—City Bank; A. W. Byers, Cashier, in place of C. C. Jones; H. L. Hall, Assistant Cashier, retires.

VERMONT.

ST. ALBANS.—People's Trust Co. has been organized. Capital, \$50,000.

WEST VIRGINIA.

KEYSER.—Keyser Bank has recently commenced business here. Capital, \$10,000. President, F. M. Reynolds; Cashier, J. T. Crakadon.

KINGWOOD.—Bank of Kingwood succeeds National Bank of Kingwood. Capital, \$125,000. President, J. C. McGrew; Cashier, F. Heermans.

WISCONSIN.

ASHLAND.—First National Bank; Vice-President, Saml. S. Fifield. — Northern National Bank has been authorized to commence business. Capital, \$100,000. President, Eugene A. Shores; Cashier, Charles F. Latimer.

BARABOO.—First National Bank has been authorized to commence business. Capital, \$50,000. President, T. M. Warren; Vice-President, Frank T. Brewster; Cashier, Charles L. Sproat; Assistant Cashier, Wm. A. Warren.

FOX LAKE.—First National Bank; J. F. Tuttle, Jr., Cashier, instead of Acting Cashier.

JEFFERSON.—Jefferson County Bank; John Reinel, Jr., Cashier, in place of Wm. P. Forsyth.

WYOMING.

DOUGLAS.—First National Bank; Vice-President, Bartlett Richards.

ONTARIO.

KINGSTON.—Mills & Kent are reported here.

LETHBRIDGE.—Union Bank of Canada; Arthur Mercer, Manager, in place of J. G. Billett, Acting Manager.

PARKDALE.—Standard Bank of Canada have opened a branch here.

RIPLEY.—Jackson Brothers are in business here.

SMITH'S FALLS.—Union Bank of Canada have opened a branch here. Manager, J. G. Billett.

SUNDERLAND.—Doble & Co., have opened an office here.

MANITOBA.

BRANDON.—Merchants' Bank of Canada; F. W. Ferguson, Acting Manager, in place of Charles Meredith, Manager.

NEW BRUNSWICK.

BATHURST.—Merchants' Bank of Halifax; C. H. McLoughlin, Agent, in place of E. C. Jarvis.

DORCHESTER.—Merchants' Bank of Halifax; W. R. Racey, Agent, in place of H. R. Emmerson.

PETITCODIAC.—Halifax Banking Co.; J. A. Brough, Agent, in place of J. H. Morrison.

NOVA SCOTIA.

PICTOU.—Bank of Nova Scotia; D. C. Chalmers, Agent, in place of Howard Primrose.

ALBERTA TERRITORY.

CALGARY.—Bank of Montreal have opened a branch here. Manager, A. D. Brathwaite.

Attention is directed to the large Diagram which appears as a Supplement to this issue of the JOURNAL. It was prepared from official data under the supervision of the Comptroller of the Currency.

A number of special features of much interest to bankers will appear in the JOURNAL exclusively in 1887. New subscribers will do well to begin with this (January) number which opens Volume XIV. Until the edition is exhausted we will furnish a copy of the January BANKERS' DIRECTORY AND COLLECTION GUIDE, without extra cost, to all JOURNAL subscribers who remit the subscription price (\$5) with the order.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, January 2, 1887.

THE CLOSE OF THE YEAR shows a substantial improvement in the business situation as compared with twelve months ago. Production in all industrial lines has increased, and the increase in consumptive demand is shown in the decreased stock reported in many commodities. The dry goods trade has experienced a good year, and the product of the mills has increased while prices have advanced.

In the iron trade the output has been very large, particularly during the latter half of the year. Careful estimate for the year shows a production of 5,600,000 gross tons of pig iron (an increase over 1885 of over 1,500,000 tons), of 2,000,000 tons of bessemer steel ingots (an increase of nearly 1,500,000 tons), of 1,500,000 tons of bessemer steel rails (an increase of 550,000 tons), and 1,200,000 tons of open hearth steel (an increase of over 1,000,000 tons). The production of iron ore was about 10,000,000 tons, and about 1,000,000 tons additional was imported.

Railroad construction has been actively prosecuted during the year, a total of over 8,000 miles of track having been laid. This is the largest mileage for any year since 1882, and larger than for any other year except 1881 and 1882, when it amounted to 9,796 and 11,568 miles respectively. In 1885 only 3,131 miles were constructed, 3,825 miles in 1884, and 6,741 miles in 1883.

The coal trade has not improved as rapidly as the iron trade, but is in a favorable condition. Prices are generally higher than they were a year ago, and the total output for the year is about 32,000,000 tons against 31,623,530 tons in 1885 and 30,718,293 tons in 1884. The stock of coal on hand at the end of the year was very small, indicating that the demand is keeping well up to the supply.

The record of commercial failures makes a very satisfactory showing. There were 10,568 failures in 1886 against 11,116 in 1885, 11,620 in 1884, 10,229 in 1883, 7,635 in 1882 and 5,929 in 1881. The liabilities in 1886 aggregated \$113,600,000 against \$118,100,000 in 1885, and the assets \$55,800,000 against \$55,200,000. The average indebtedness per failure was \$10,823 in 1886, \$10,731 in 1885, \$21,443 in 1884, \$17,251 in 1883, \$12,268 in 1882 and \$12,897 in 1881.

The statistics of the foreign trade of the United States show an increase in exports, which for some time have been small as compared with imports. The merchandise movement since July 1, 1886, is shown in the following, with comparisons with the previous year:

	1885.	1886.
Exports:		
November.....	\$67,452,290	\$72,619,343
Five months ended November 30th....	277,640,240	300,305,961
Imports:		
November.....	50,602,184	54,048,515
Five months ended November 30th....	254,635,004	278,517,506
Excess of exports:		
November.....	16,850,106	18,570,828
Five months ended November 30th....	23,005,236	21,788,446

The balance of trade in favor of the United States for the five months is

smaller than that of the previous year, but this is due to the large increase in imports, which was greater than the increase in exports.

Money has shown a hardening tendency during the month just ended, and about the middle of the month the banks were forced to reduce their loans in order to protect their reserve. The stiffening of rates was mainly for call loans, and as high as 200 per cent. was quoted for money at the Stock Exchange on the 16th ultimo. This was artificial, however, and 6 @ 7 per cent. represented the rate for the bulk of transactions. The stock market was seriously depressed, and some heavy declines occurred in specials. Money became easier late in the month, and about \$15,000,000 of gold was imported in December.

On December 28th the Secretary of the Treasury issued the 145th call for the redemption of bonds. The call is for \$10,000,000 of the three per cent. loan of 1882. Notice is given that the principal and accrued interest of the bonds will be paid at the Treasury of the United States, in Washington, on February 1, 1887, and that the interest on said bonds will cease on that day, namely:

Three per cent. bonds issued under the Act of Congress approved July 12, 1882, and numbered as follows: \$50, original No. 47 to original No. 48, both inclusive; \$100, original No. 583 to original No. 609, both inclusive, and original No. 9,940 to original No. 9,969, both inclusive; \$500, original No. 246 to original No. 266, both inclusive, and original No. 4,230 to original No. 4,234, both inclusive; \$1,000, original No. 2,017 to original No. 2,175, both inclusive, and original No. 23,749 to original No. 23,777, both inclusive; \$10,000, original No. 5,316 to original No. 6,327, both inclusive; total, \$10,000,000.

The bonds described above are either bonds of the "original" issue, which have but one serial number at each end, or "substitute" bonds, which may be distinguished by the double set of numbers, which are marked plainly "original numbers" and "substitute numbers." All the bonds of this loan will be called by the original numbers only. The three months' interest due February 1, 1887, on the above described bonds will not be paid by checks forwarded to the holders of the bonds, but will be paid with the principal to the holders at the time of presentation. Persons holding bonds called by this circular can obtain immediate payment, with interest to date of presentation by requesting the same in the letter forwarding the bonds for redemption. Many of the bonds originally included in the above numbers have been transferred or exchanged into other denominations on "waiver," the original numbers being cancelled, or have been redeemed under circular of September 15, 1886, and leaving outstanding the apparent amount above stated.

FOREIGN EXCHANGE.—The rates for foreign exchange declined until the last week of the month, when they became firmer, but at no time were they high enough to prevent gold imports. Following are the posted and the actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.81 @ \$4.81½; sight, nominal \$4.85 @ \$4.85½; 60 days, actual, \$4.80½ @ \$4.80¾; sight, actual, \$4.84¼ @ \$4.84¾; Cable transfers, \$4.85¼ @ \$4.85¾; Prime commercial sterling, long, \$4.79¼ @ \$4.79¾; Documentary sterling, 60 days, \$4.78¾ @ \$4.79¼; Paris, bankers', 60 days, 5.26¼ @ 5.25½; sight, 5.23¼ @ 5.23½; Paris, commercial, 60 days, 5.27½ @ 5.26¾; sight, 5.25 @ 5.24½; Antwerp, commercial, 60 days, 5.28½ @ 5.27½; Swiss, bankers', 60 days, 5.26½ @ 5.26¼; sight, 5.24¾ @ 5.23¾; Reichsmarks (4), bankers', 60 days, 94¼ @ 94¾; sight, 95 @ 95½; Reichsmarks (4), commercial, 60 days, 94 @ 94½; commercial, sight, 94½ @ 94¾; Guilders, bankers', 60 days, 39¾ @ 39 13-16; sight, 39 15-16 @ 40; Guilders, commercial, 60 days, 39 9-16 @ 39½; sight, 39¾ @ 39 13-16; Copenhagen, Stockholm and Christiana, krona, 60 days, 26½; sight, 26¾. Paris dispatches quote exchange on London 25f. 36½c.

The following shows the posted rates for prime bankers' sterling bills on London at 60 days, and sight, cable transfers and prime commercial sterling, together with exchange on Paris on December 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of November and December, 1886:

Nov.	BANKERS—		Cable		PARIS	
	60 days.	Sight.	Transfers.	Commercial.	60 days.	Sight.
Highest...	4.82	4.85½	4.85½	4.80½	5.26	5.23½
Lowest...	4.81	4.84½	4.84½	4.79½	5.25½	5.22½
Dec. 1.....	4.81	4.84½	4.84½	4.79½	5.26	5.23½
" 3.....	4.81½	4.85	4.84½	4.80½	5.26	5.23½
" 7.....	4.81½	4.85	4.84½	4.80	5.26	5.23½
" 8.....	4.81	4.84½	4.84½	4.79½	5.26	5.23½
" 9.....	4.80½	4.84	4.84	4.79½	5.26½	5.24½
" 10.....	4.81	4.84½	4.84½	4.79½	5.26½	5.24½
" 13.....	4.81	4.84½	4.83½	4.79	5.26½	5.24½
" 14.....	4.80½	4.84	4.83½	4.78½	5.27½	5.24½
" 17.....	4.80	4.84	4.83½	4.77½	5.27½	5.25½
" 20.....	4.80½	4.84½	4.84½	4.78½	5.27½	5.24½
" 21.....	4.80	4.84	4.84	4.78½	5.27½	5.24½
" 24.....	4.80	4.84	4.83½	4.78½	5.27½	5.24½
" 28.....	4.80½	4.84½	4.84½	4.78½	5.26½	5.24½
" 29.....	4.81	4.85	4.85	4.79½	5.26½	5.24½
Highest.....	4.81½	4.85	4.85	4.80½	5.27½	5.25½
Lowest.....	4.80	4.84	4.83½	4.77½	5.25½	5.23½

COINS AND BULLION.—Bar silver is quoted in London at 46½d. per ounce. At this quotation for silver the bullion value of the standard dollar is 78.41 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars.....	\$ 78 @ \$	Victoria sovereigns.....	\$4 82 @ \$4 86
New (412½ grains) dollars	99½ @ 1 00	Twenty francs	3 82 @ 3 88
American silver ½s & ¼s.	99½ @ 1 00	Twenty marks	4 74 @ 4 80
American dimes	99½ @ 1 00	Spanish doubloons.....	15 55 @ 15 65
Mutilated U.S. silver coin.		Mexican doubloons.....	15 55 @ 15 65
per oz.....	90 @ .	Mexican 20-pesos.....	19 50 @ 19 60
Mexican dollars	79 @ ..	Ten guilders	3 96 @ 4 00
Peru soles & Chilean pesos	71 @ ..	Fine silver bars, per oz...	1 00¼ @ 1 00½
English silver.....	4 75 @ 4 80	Fine gold bars par @ ¼ % premium on the	
Five francs	92 @ 95	Mint value.	

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of December and the highest and lowest during the month. Actual sales marked *:

Dec.	4½s. '91, coup.	4s. 1907, coup.	3 per cents.	C'y 6s. 1895.	C'y 6s. 1899.	Dec.	4½s. '91, coup.	4s. 1907, coup.	3 per cents.	C'y 6s. 1895.	C'y 6s. 1899.
1	+110¼	* 120	100½	+123¾	+133¾	17	* 110¼	128¼	100½	124¾	134
2	110½	* 129¼	100½	125	134¾	18	110½	* 128¾	101	123¾	134
3	110½	129½	100½	124½	134¾	20	* 110½	* 128¾	100½	123¾	134
4	110½	129½	100½	123	133	21	110½	* 128¼	100½	124¾	134
6	110½	129¼	100½	124½	134¾	22	110½	* 128¼	100½	124¾	134½
7	* 110½	* 129½	* 100½	124½	135	23	110½	* 128½	100½	124¾	134½
8	* 110½	* 129½	100½	124½	135	24	110½	* 128¼	100½	125¼	134½
9	110½	* 129½	100½	124½	135	27	* 110½	* 127½	101½	125	134
10	110½	* 129½	100½	124½	135	28	* 110½	* 128½	101½	125¼	135
11	* 110½	129¼	100½	124½	135	29	110½	* 129	101½	125¼	135
13	110½	129	100½	124½	135	30	110½	128¾	100½	125	134¾
14	110½	* 129½	100½	124½	135	31	* 110½	* 128½	101	125	134¾
15	110½	128¾	100½	123½	134	High	* 110½	129½	101½	125¼	135
16	110	128	100½	128½	133	Low	110	* 127½	100½	123	133

† Ex-interest.

MONEY AND DOMESTIC EXCHANGE.—Money has been in more active demand, and rates ruled strong during the greater part of the month. From

the 15th to the 22d call loans frequently touched as high as 20 per cent., and 200 per cent was quoted at one time. Later money was easier, and 6 @ 7 per cent. were the nominal rates. Commercial paper is in demand at rates varying from 5 to 7½ per cent. according to grade. The following rates of domestic exchange on New York indicate a less demand for money through the country: Savannah, par; selling, ½ @ ¼ premium. Charleston, buying, ½ @ 3-16 discount; selling, par. New Orleans, commercial, \$1.50 per \$1,000 discount; bank, par. St. Louis, 75c. per \$1,000 discount. Chicago, 50c. @ 60c. per \$1,000 discount.

THE TREASURY.—The following table will show the condition of the Treasury, as regards the amount of gold and silver held, on the 1st of January, 1887, and, for comparison, on the 1st of November and December, 1886, with the amounts of certificates outstanding and the balances of coin owned by the Treasury:

	Jan. 1, 1887.	Dec. 1, 1886.	Nov. 1, 1886.
Gold coin and bullion.....	\$283,128,018	\$254,450,853	\$246,852,148
Gold certificates outstanding.....	97,215,405	90,520,633	88,294,969
Gold owned by Treasury.....	\$170,912,413	\$163,930,220	\$158,537,179
Silver dollars and bullion.....	\$193,245,614	\$189,003,321	\$186,739,180
Silver certificates outstanding.....	117,248,670	105,519,817	100,306,800
Silver owned by Treasury.....	\$75,998,944	\$83,483,504	\$86,432,380

THE NATIONAL BANK CIRCULATION was reduced \$2,529,994 during the month, and is now \$20,586,283 less than it was a year ago. The amount of legal-tender notes deposited during the month was \$2,679,501, making a total of \$91,170,712, an increase since January 1, 1886, of \$48,564,860.

The following will show the amount of each description of bonds held by the Treasurer to secure National bank circulation on or about the dates indicated:

	Jan. 1, 1887.	Dec. 1, 1886.	Nov. 1, 1886.	Oct. 1, 1886.
Currency 6 per cents.....	\$3,680,000	\$3,645,000	\$3,586,000	\$3,576,000
4½ per cents.....	59,636,200	59,019,050	57,306,850	56,276,100
4 per cents.....	113,903,200	115,252,700	115,313,150	113,740,850
8 per cents.....	52,218,950	58,994,450	69,538,050	86,515,450
Total.....	\$229,438,350	\$236,911,200	\$245,744,050	\$260,108,400

ASSOCIATED BANKS OF NEW YORK.—The surplus reserve was reduced on December 18th to the lowest point touched since June, 1884, but by the close of the month it was increased to over \$12,000,000.

The following shows the condition of the New York Clearing-House banks for a number of weeks past as well as about this time in 1886 and 1885:

	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
1886.						
Dec. 31.....	\$343,687,500	\$82,718,100	\$19,370,400	\$359,268,800	\$7,911,500	\$12,271,350
Dec. 24.....	343,484,100	77,303,000	17,847,300	351,672,400	7,903,000	7,232,200
Dec. 18.....	348,693,700	74,386,000	18,062,600	353,761,600	7,914,100	4,008,200
Dec. 11.....	352,413,500	76,062,800	18,091,200	360,174,000	7,931,000	4,080,500
Dec. 4.....	350,847,000	77,828,200	18,583,100	360,961,400	7,972,400	6,165,950
1886.						
Jan. 2.....	339,909,800	89,721,100	23,808,200	376,959,300	9,979,800	24,289,475
1885.						
Jan. 3.....	297,887,700	87,867,800	37,356,900	340,816,300	11,398,800	40,023,625

RAILROAD AND MISCELLANEOUS STOCKS were very strong early in December, a number touching the highest prices of the year. About the middle of the month a stringency in money caused a temporary panic and there was a rapid decline, particularly in stocks like Nashville, Chattanooga & St. Louis, New York & New England, Reading, and Richmond & West Point Terminal, which had advanced considerably in the previous month. Late in the month prices began to recover, and the stock market closed strong.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of December, the highest and lowest since January 1, 1886, and also during the year 1885:

	DECEMBER, 1886.			SINCE JANUARY 1, 1886.		YEAR 1885.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Canadian Pacific.	69½	65	....	73 —Oct. 18	61 —Feb. 17	63½	35½
Canada Southern.	71½	58½	63½	71½—Dec. 6	34½—May 4	47½	28
Central of N. J.	56½	48½	55½	64 —Sept. 24	42½—Jan. 18	53	31
Central Pacific.	51	40	43½	51 —Dec. 2	38 —Mar. 24	49	26½
Chicago & Alton.	144	143½	....	145½—Aug. 9	139 —May 19	140	128
Chic., Burl. & Quincy	138	138½	137½	141 —Nov. 20	128½—May 15	138½	115½
Chic., Mil. & St. Paul.	96½	87½	90½	99 —Sept. 20	82½—May 4	99	64½
do preferred.	120½	117	....	125½—Sept. 20	116 —May 3	125	102
Chic. & Northwest'n.	120½	110	115½	120½—Nov. 19	104½—May 4	115½	84½
do preferred.	141½	138½	140	144 —Aug. 9	135 —Jan. 18	139½	119½
Chic., Rock I. & Pac.	127½	124	126½	131 —Feb. 17	120½—May 14	132	105
Chic., St. P., M. & O.	54½	44½	48½	55 —Nov. 19	35½—Mar. 24	44½	18½
do preferred.	115½	109	+109	116½—Nov. 19	97 —Mar. 24	105½	66
Clev., Col., Cin. & Ind.	74½	61	64½	75½—Nov. 19	43½—Mar. 24	69	23
Del., Lack. & West'n.	144	130	136½	144 —Dec. 4	115 —Jan. 19	129½	82½
Deny. & H. Grande a.p.	35½	25½	28½	35½—Dec. 6	21½—May 4	24½	4½
E. Tenn., Va. & Ga.	....	....	....	6½—Jan. 2	5½—June 30	8½	2½
do preferred. ....	....	....	....	11½—Jan. 2	2½—May 24	14½	4½
Houston & Texas.	44½	38½	....	44½—Dec. 30	25 —Mar. 23	39½	14
Illinois Central.	134	131	133	143½—Feb. 9	131 —Dec. 14	140	119½
Ind., Bloom. & Wes'n.	20½	16	17	28½—Jan. 5	12 —July 17	23½	7½
Lake Erie & Western	20½	16½	....	20½—Dec. 10	7½—July 15	21½	1½
Lake Shore.	100½	90½	96½	100½—Dec. 4	76½—May 3	89½	50½
Long Island.	97½	92½	....	100 —June 21	80 —Jan. 20	80½	62
Louisville & Nashv'e	69	58	66½	69 —Dec. 9	33½—May 3	51½	22
Manhattan consol.	165½	153½	158½	175 —Oct. 16	120 —Jan. 2	123½	65
Michigan Central.	98½	89	93½	98½—Dec. 6	61½—May 4	79½	48½
Minneapolis & St. Louis.	22½	17½	....	23½—Nov. 19	16½—Mar. 24	26	10½
do preferred.	51½	40	44	5½—Nov. 20	40½—Mar. 24	56½	24½
Mo., Kan. & Texas.	38	28	33½	38½—Nov. 30	21 —May 3	37½	14½
Missouri Pacific.	116½	103½	108½	119 —Oct. 14	100½—Mar. 24	111½	89½
Nash., Chat. & St. L.	105½	67½	88	106½—Dec. 10	43½—Apr. 29	49	33
N. Y. Cent. & H. R.	117½	111½	+113½	117½—Dec. 3	98½—May 4	107½	81½
N. Y., Chic. & St. Louis	16½	11½	14½	17½—Oct. 18	4½—Mar. 24	11½	1½
do preferred.	30½	23½	27½	31 —Oct. 18	11 —May 4	26	4
N. Y., Lake E. & West'n	38½	31½	34½	38½—Dec. 4	22½—May 3	27½	9½
do preferred.	78½	70	73	81½—Sept. 24	50½—Jan. 18	57	18½
N. Y. & New Eng.	66	49½	55	68½—Oct. 5	30½—Mar. 24	39½	12
N. Y., Ont. & West'n.	22½	17½	20	22½—Dec. 4	15 —May 3	20½	6½
N. Y., Susq. & West'n	12½	9½	12	12½—Dec. 9	6 —Feb. 1	9½	1½
do preferred.	33½	26½	33	34½—Dec. 31	17½—Jan. 25	24½	4½
Norfolk & West.	27½	20	22½	27½—Dec. 6	8½—Jan. 25	13½	8
do preferred.	59½	45	52½	59½—Dec. 6	25 —Jan. 25	34½	14
Northern Pacific.	31½	26	27½	31½—Dec. 4	22 —May 4	31½	15
do preferred.	65½	58	61½	66½—Dec. 2	53½—Mar. 27	65½	36½
Ohio & Mississippi.	34½	25	29½	36½—Nov. 22	19½—May 3	28½	10½
Oregon & Transc.	88	23½	34	88 —Dec. 4	25 —Mar. 24	36½	10½
Peoria, Dec. & Evansv.	34½	26½	31½	84½—Nov. 22	16 —Mar. 24	24	7½
Phila. & Reading.	50½	30	36½	53½—Nov. 30	18½—Feb. 5	26½	13
Richm'd & W. Point.	72½	30	42½	77½—Nov. 23	27½—Sept. 1	43½	18½
Rochester & Pitts. ....	....	....	....	5 —Feb. 15	39½—Jan. 16	6½	2½
St. L. & San F. pref.	70½	56	65	72½—Nov. 15	37½—May 5	49½	30
do 1st pref.	116	112	114½	118½—Nov. 13	97½—Jan. 27	99½	80
St. Paul, Minn. & Man.	118½	113	116	124½—Oct. 14	106½—Jan. 19	111	79½
Texas & Pacific.	27½	19	24½	25 —Nov. 26	7½—Apr. 30	25½	9½
Union Pacific.	68½	57½	61½	68½—Dec. 2	44½—Mar. 24	62½	41
Wabash, St. L. & Pac.	....	....	....	12½—Jan. 2	6 —May 3	15½	2
do preferred. ....	....	....	....	22½—Jan. 2	14 —May 11	25	6½
Del. & Hudson Canal	107½	98½	108½	108½—Feb. 13	87½—Jan. 13	100½	66½
Oregon R. & Nav. Co.	107½	86	104	107½—Sept. 14	93 —May 4	111½	59½
Pacific Mail.	57	45½	51	67 —Jan. 2	45½—Dec. 15	70	46½
Western Union Tel.	79½	67½	75½	80½—Nov. 30	60½—June 9	81½	53½
+ Ex-Dividend							

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange. The Quotations indicate the last bid or asked price. In cases where there was no quotation during the past month the latest previous quotation is given. The highest and lowest prices for the year 1885—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1885.		JAN. 1, 1887.	
				High.	Low.	Bid.	Asked
Alabama Class A 3 to 5.....	1906	6,728,800	J & J	101	81½	108	100¾
do do Small.....				101	80	103	
do Class B 5's.....	1906	539,000	J & J	108	99	110	
do Class C 4's.....	1906	959,000	J & J	97	81		106
do 6's, 10-20.....	1900	960,000	J & J	107	104	106	
Arkansas 6's, funded.....	1899, 1900	3,000,000	J & J	9½	3	11	
do 7's, Little Rock & Fort Smith...		1,000,000	A & O	20	10	20	25
do 7's, Memphis & Little Rock...		1,200,000	A & O	16	10	20	
do 7's, L. R., Pine Bluff & N. O.....		1,200,000	A & O	17	10	21	
do 7's, Miss., Ouachita & Red River		600,000	A & O	19	10	20	
do 7's, Arkansas Central R. R.....		1,350,000	A & O	8	2	7	12
Georgia 7's, gold bonds.....	1890	2,000,000	Q J	114¼	109½	110	112
Louisiana 7's, consolidated.....	1914		J & J	87	73	93	
do 7's, do stamped 4's...		12,039,000		75½	63	82½	82¾
do 7's, do small bonds...				75	65	78	
Michigan 7's.....	1890	357,000	M & N	115	108	108	
Missouri 6's.....	1887	3,242,000	J & J	107½	103	103	
do 6's.....	1888	3,251,000	J & J	108	103	104	
do 6's.....	1889 or 1890	1,105,000	J & J	113	105½	108	
do Asylum or University.....	1892	401,000	J & J	117	107	112	
do Funding bonds.....	1894, 1895	1,000,000	J & J	122	112	115	
do Hannibal & St. Joseph.....	1887	1,000,000	J & J	123	102	104	
New York 6's, gold, registered.....	1887	942,000	J & J	107	103	102½	
do 6's, coupon.....	1887	643,200	J & J	107	103	102½	
do 6's, loan.....	1891	4,302,600	J & J	118½	110	112	
do 6's, loan.....	1892	2,000,000	A & O	122	113	115	
do 6's, loan.....	1893	473,000	A & O	124	115	118	
North Carolina 6's, old.....	1886-98	4,738,800	J & J	31	30	35	
do April & October.....		3,639,400		31	30	35	
do to N. C. R. R.....	1883-4-5		J & J	165	160	170	
do do April & October.....				135	135	140	
do do 7's, coupon off.....		3,000,000	J & J	165	160	170	
do do 7's, coupon off.....	6			135	130	140	
do Funding Act.....	1886-1900	2,417,000	J & J	11	10	12	
do do.....	1888-1898	1,721,400	A & O	11	10	12	
do new bonds, J. & J.....	1892-1898	2,383,000	J & J	21	18	22	
do do A. & O.....		495,000		21	18	22	
do Chatham Railroad.....		1,200,000	A & O	8	2	10	
do special tax, Class 1.....			A & O	8	2	13	13
do do Class 2.....			A & O	4½	2½	14½	14¾
do do to W'n N. C. R.....			A & O	4½	2½		
do do to West'n R. R.....			A & O	4½	2½		
do do to W'il., C. & R'n R.R.....			A & O	4½	2½		
do do to W'n & Tar R. R.....			A & O	4½	2½		
do consolidated 4's.....	1910	3,620,311	J & J	91½	81	100¾	102
do do small.....			J & J	90	80	98	
do do 6's.....	1919	2,553,000	A & O	115½	105¾	122	126
Ohio 6's.....	1886	2,400,000	J & J	106	103	102	
Rhode Island 6's, coupon.....	1893-9	1,372,000	J & J	125	110	120	
South Carolina 6's, Act March 23, 1869, {		5,965,000		6½	2	6¾	
do non-fundable, 1888.....							
do Brown consolidation 6's.....	1893	4,352,000	J & J	109½	104½	110	
Tennessee 6's, old.....	1890-2-8			52½	42	65½	
do 6's, new bonds.....	1892-8-1900	4,397,000		52½	41¾	65½	
do 6's, new series.....	1914			52½	41¾	65½	
do compromise 3-4-5-6's.....	1912	2,014,500	J & J	61½	48	75½	
do new settlement 6's.....	1913	669,000	J & J			109	
do do small bonds.....		46,200	J & J			100	
do do 5's.....	1913	347,000	J & J			100	
do do small bonds.....		10,100	J & J				

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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These tables include all securities listed at the Stock Exchange.

STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1885.		JAN. 1, 1887.	
				High.	Low.	Bid.	Ask d
do do 3's.....	1913	9,879,000	J & J	.....	.....	79¾	80
do do small bonds...		320,600	J & J	.....	.....	76	.....
Virginia 6's, old.....		9,427,000	.....	45	37	47	.....
do 6's, new bonds.....	1886	700,000	.....	45	37	47	.....
do 6's, do.....	1867	466,000	.....	45	37	47	.....
do 6's, consolidated bonds.....		20,239,000	.....	85	50	95	.....
do 6's, ex-matured coupons.....			.....	55	37	53	56
do 6's, consolidated, 2d series.....		2,442,784	.....	60	50	65	.....
do 6's, deferred bonds.....		12,691,531	.....	13¼	4	12½	.....
do Trust receipts.....			.....	10¼	10	12¾	127½
District of Columbia 3-65's.....	1924	13,743,250	F & A	116½	112½	121	.....
do small bonds.....			F & A	.....	.....	.....	.....
do registered.....			F & A	.....	.....	.....	.....
do funding 5's.....	1899		J & J	110¼	109	110	.....
do do small.....		1,062,300	J & J	.....	.....	.....	.....
do do regist'd.....			J & J	.....	.....	.....	.....
FOR. GOV. SECURITIES.—Quebec 5's.....	1908	3,000,000	M & N	.....	.....	108	112

CITY AND COUNTY.

Brooklyn 6's.....			J & J	.....	.....	110	.....
do 6's, Water Loan.....		9,706,000	J & J	.....	.....	110	.....
do 6's, Improvement Stock.....		730,000	J & J	.....	.....	120	.....
do 7's, do.....		6,084,000	J & J	.....	.....	125	.....
do 6's, Public Park Loan.....		1,217,000	J & J	.....	.....	130	.....
do 7's, do.....		8,016,000	J & J	.....	.....	140	.....
Jersey City 6's, Water Loan.....		1,163,000	J & J	.....	.....	106	.....
do 7's, do.....		3,109,800	J & J	.....	.....	109	.....
do 7's, improvement.....		3,669,000	J & J	.....	.....	120	.....
Kings County 6's.....			.....	.....	.....	.....	.....
New York City 6's, 20, 50.....	1877		.....	.....	.....	122	.....
do 6's.....	1878		.....	.....	.....	115	.....
do 6's.....	1887	3,066,000	F.M.A.N	.....	.....	103	.....
do gold 6's, consolidated.....	1896		M & N	.....	.....	123	.....
do do 6's.....	1902	14,702,000	J & J	.....	.....	130	.....
do do 6's, Dock bonds.....		3,976,000	.....	.....	.....	110	.....
do do 6's, County bonds.....			.....	.....	.....	110	.....
do do 6's, C's, Park.....	1894-6	10,343,000	J & D	.....	.....	115	.....
do 6's.....	1896		.....	.....	.....	123	.....
do 5's.....	1898	674,000	Q J	.....	.....	112	.....

MISCELLANEOUS.

	P.A.R.						
Bankers & Merchants' Telegraph.....	100	3,000,000	.....	6¼	¾	2½	3
Boston Land Co.....	10	800,000	.....	.....	.....	.....	.....
Canton Co., Baltimore.....	100	4,500,000	.....	53½	40	.....	.....
Cent. New Jersey Land Improvement.....	100	2,420,300	.....	.....	.....	24	28
Consolidated Gas Co.....	100	35,430,000	.....	.....	.....	80	80½
Delaware & Hudson Canal.....	100	23,500,000	Q M	100¼	66½	103	.....
Iron Steamboat Company.....	100	2,000,000	.....	22	17	.....	.....
Pullman's Palace Car Co.....	100	15,277,200	Q F	137¼	107½	138	139
Southern & Atlantic Telegraph.....	25	948,875	A & O	.....	.....	142	.....
Sutro Tunnel Co.....	10	20,000,000	.....	.....	.....	.....	.....
Western Union Telegraph.....	100	80,000,000	Q J	81½	53¾	74½	74½
North-Western Telegraph.....	50	2,500,000	.....	.....	.....	.....	.....
Central & So. American Telegraph.....	100	4,004,800	J & J	.....	.....	85	40
Commercial Telegram Co.....	100	1,800,000	.....	.....	.....	102	108
do do preferred.....	100	200,000	.....	.....	.....	.....	.....
Mexican Telegraph Co.....	100	1,500,000	.....	.....	.....	.....	.....
Joliet Steel Co.....	100	2,666,000	.....	.....	.....	124 x	.....

GOVERNMENT SECURITIES.

United States 4½ registered.....	1891	250,000,000	M.J.S&D	.....	.....	110¼	110¾
do 4½ coupons.....	1891		M.J.S&D	118½	112	110¾	110¾
do 4's registered.....	1897	787,779,900	J.A.J&O	.....	.....	127½	127½
do 4's coupons.....	1897		J.A.J&O	124½	121½	128½	128½
do 3's reg'd option U. S.....		71,154,250	F.M.A.N	104½	101	100¾	.....
do 6's, currency.....	1896	3,002,000	J & J	.....	.....	125	.....
do 6's, do.....	1896	8,000,000	J & J	.....	.....	127½	.....
do 6's, do.....	1897	9,712,000	J & J	.....	.....	127½	.....
do 6's, do.....	1896	29,904,962	J & J	187½	186	181½
do 6's, do.....	1899	14,004,500	J & J	134½

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD STOCKS.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JAN. 1, 1887.	
				High.	Low.	Bid.	Askd.
Albany & Susquehanna.....	100	3,500,000	J & J	140	124	140	
Atchison, Topeka & Santa Fe.....	100	68,000,000		89	66½	97	97½
Atlantic & Pacific.....	100	25,000,000		11½	8	11½	11½
Burlington, Cedar Rapids & Northern.....	100	5,500,000		87	57	55	70
Buffalo, Rochester & Pittsburgh.....	100	4,800,000				34	
Canada Southern.....	100	15,000,000		47½	23	63½	64½
Canadian Pacific.....	100	65,000,000		63½	35½	67	67½
Central of New Jersey.....	100	18,533,200		52	31	56½	56½
Central Iowa.....	100	9,100,000		24½	7	14	14½
do 1st preferred.....	100	907,000				17	17
do 2d preferred.....	100	1,187,800				11½	12
Central Pacific.....	100	62,608,800	F & A	49	26½	42½	43½
Charlotte, Columbia & Augusta.....	100	2,575,000		36	29		
Chesapeake & Ohio.....	100	15,906,138		13½	3	8½	9
do do 1st preferred.....	100	10,986,740		23½	7	16	17½
do do 2d preferred.....	100	10,379,350		15½	4½	10	11½
Chicago & Alton.....	100	14,256,000	M & S	140	128	143	144
do do preferred.....	100	3,479,500		138½	115½	155	160
Chicago & Northwestern.....	100	41,257,700	J & D	115½	84½	114½	115
do do preferred.....	100	22,208,300	Q M	139½	119½	138½	140½
Chic., St. Paul, Minneapolis & Omaha.....	100	22,087,700		44½	18½	49½	49
do do preferred.....	100	13,283,500		105½	64	111½	112
Chicago, Rock Island & Pacific.....	100	45,000,000	Q F	132	106	125½	127
Chicago, Burlington & Quincy.....	100	76,540,500	Q M	138½	115½	135	138½
Chicago, Milwaukee & St. Paul.....	100	30,904,261		99	64½	90½	90½
do do do preferred.....	100	21,540,983	A & O	125	102	117½	118½
Chicago & Eastern Illinois.....	100	3,000,000					
Chicago, St. Louis & Pittsburgh.....	100	10,000,000		18½	6½	13½	16½
do do do preferred.....	100	20,000,000		41½	14	35	38
Cin., New Orleans & Texas Pacific.....	100	3,000,000					
Cleveland & Pittsburgh guaranteed.....	50	11,243,736	Q M	146½	134	56	57½
Clove., Columbus, Cin. & Indianapolis.....	100	14,991,800		69	23	64	64½
Columbia & Greenville.....	100	1,000,000					
do do preferred.....	100	1,000,000		51	14½		
Columbus, Hocking Valley & Toledo.....	100	11,700,000		43	18	37½	38½
Delaware, Lackawanna & Western.....	50	26,200,000	J & J	129½	82½	136½	136½
do Morris & Essex.....	50	15,000,000		146	114½	132½	141
do N. Y., Lackawanna & Western.....	100	10,000,000	Q J	100½	84½	104½	106
Dubuque & Sioux City.....	100	5,000,000	Q J	65½	55	68 x	72
Denver & Rio Grande R. R.....	100	38,000,000				27½	28
do do do preferred.....	100	23,650,000				60½	60½
Denver, South Park & Pacific.....	100	3,500,000					
Detroit, Mackinac & Marquette.....	100	6,250,000					
East Tennessee, Virginia & Georgia.....	100	27,500,000				15½	16½
do do do 1st preferred.....	100	11,000,000				76	78
do do do 2d preferred.....	100	18,500,000				30½	30½
Elizabeth'n, Lexington & Big Sandy.....	100	5,000,000		27½	7	16	20
Evansville & Terre Haute.....	50	3,000,000		71	37½	86	88
Flint & Pere Marquette preferred.....	100	6,500,000					
Green Bay, Winona & St. Paul.....	100	8,000,000		11½	8	12½	13½
do do preferred.....	100	2,000,000					
Harlem.....	50	8,518,100	J & J	211	190	215	
do preferred.....	50	1,481,800	J & J				
Houston & Texas Central.....	100	10,000,000		39½	14	43	44½
Illinois Central.....	100	29,000,000	M & S	140	119½	130	133
do leased line 4 per cent. stock.....	100	10,000,000		95	84	94	94½
Indiana, Bloomington & Western.....	100	10,000,000		229½	7½	16½	16½
Joliet & Chicago.....	100	1,500,000	Q J	150	140		
Kentucky Central.....	100	5,500,000					
Lake Shore & Michigan Southern.....	100	49,468,500	Q J	89½	50½	96	96½
Long Island.....	50	10,400,000	Q F	80½	62	97½	98
Louisville & Nashville.....	100	30,000,000		51½	22	66½	66½
Louisville, New Albany & Chicago.....	100	5,000,000		40	11½	69	65
Mexican Central (limited).....	100	33,170,000				13½	14½
Milwaukee, Lake Shore & Western.....	100	2,000,000		25	16	65	67
do do preferred.....	100	5,000,000		54½	29	98½	99
Milwaukee & Northern.....	100	2,155,000				35	40
Manhattan Beach Company.....	100	5,000,000		18½	10½	14	16
Michigan Central.....	100	18,738,204		79½	46½	94	94½
Missouri Pacific.....	100	40,000,000	Q J	111½	89½	107½	108
Missouri, Kansas & Texas.....	100	46,405,000		37½	14½	32½	32½
Mobile & Ohio assented.....	100	5,320,600		18½	6	17	17½

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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These tables include all securities listed at the Stock Exchange.

RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAY- BLE.	YEAR 1886		JAN. 1, 1887.	
				Hgh.	Low.	Bid.	Askd.
Morgan's Louisiana & Tex. R. & S. S.	100	1,004,100					
Minneapolis & St. Louis	100	6,000,000		26	10½	19½	20
do do preferred	100	4,000,000		56¾	24½	44	45
Manhattan consolidated	100	23,895,630		123½	65	165	159
New York Central & Hudson River	100	89,428,300	Q J	107½	81¾	114½	114½
New York, New Haven & Hartford	100	15,500,000	J & J	204	175	210	
Boston & N. Y. Air Line pref'd 4 p. c	100	3,000,000		97	88	101	102
New York, Lake Erie & Western	100	78,000,000		27½	9¾	84¾	84¾
do do preferred	100	8,536,900		57	14	73¾	74¾
New York, Ontario & Western	100	58,118,982		20½	6¾	19½	20
New York & New England	100	20,000,000		39¾	12	64½	65½
New York, Chicago & St. Louis	100	28,000,000		11½	1¾	14¾	14¾
do do preferred	100	22,000,000		26	4	28	28½
New York, Susquehanna & Western	100	13,000,000		9¾	1¾	11½	12
do do preferred	100	8,000,000		24½	4¾	32¾	33
Northern Pacific	100	49,000,000		31¼	15	27¾	27¾
do preferred	100	38,382,773		65¾	36¾	61¾	61¾
Nashville, Chattanooga & St. Louis	25	6,668,375		50	38	88	88
Norfolk & Western	100	7,000,000		13½	8	22½	23½
do preferred	100	18,000,000		34½	14	52	52½
Norfolk Southern	100	1,000,000					
Ohio & Mississippi	100	20,000,000		28½	10¾	20½	20½
do preferred	100	4,000,000		78	71	90¾	92¾
Ohio Southern	100	3,840,000		21½	7¾	17	19
Oregon & California	100	7,000,000					
do preferred	100	12,000,000					
Oregon & Trans-Continental	100	40,000,000		36½	10¾	33½	33½
Oregon Short Line	100	15,265,000		28	14½		32
Oregon Improvement Co.	100	7,000,000		40¾	21	47	
Oregon Railway & Navigation Co.	100	24,000,000				100¾	101½
Philadelphia Company	50	6,500,000	Mthly			110	
Philadelphia & Reading	50	34,702,000		26	13	35¾	36¾
do do preferred	100	1,286,900					
Pittsburgh, Ft. Wayne & Chic. guar'd	100	19,714,295	Q J	142	119½	148	150
do do special	100	10,776,600		130	120		
Pitts., McK'sport & Youghiogheny con	100	3,000,000					
Peoria, Decatur & Evansville	100	8,000,000		24	7¾	32¾	32¾
Rochester & Pittsburgh	100	1,682,500		6¼	2¾	34	
Richmond & Allegheny reorganiz'n cert.	100	4,428,800				14	14¾
Richmond & Danville	100	5,400,000		87	44¾	150	
Richmond & West Point R. & W. Co.	100	16,328,200		43¼	16¾	42¾	43
do do preferred	100	885,000					
Rome, Watertown & Ogdensburgh	100	5,268,900		28	16	92½	95
Utica & Black River guaranteed	100	2,223,000	M & S			119	120
South Carolina	100	4,204,160		18½	7	16	
Southern Pacific	100	88,076,200				36	37
St. Louis, Alton & Terre Haute	100	2,300,000		51	15	30	34
do do preferred	100	2,468,400		91	75		83
Belleville & Southern Illinois pref.	100	1,275,000					
St. Louis & San Francisco	100	11,954,300		24½	17¼	31½	32
do do preferred	100	10,000,000		49½	30	64½	65
do do 1st preferred	100	4,500,000		99½	79	114	115
St. Paul & Duluth	100	4,055,400		38½	18	57	59
do preferred	100	5,277,003		101	77¾	106½	107½
St. Joseph & Grand Island	100	4,600,000					34
St. Paul, Minnesota & Manitoba	100	20,000,000	Q F	111	79¾	114	115
Texas & Pacific	100	32,188,700				19½	20½
do Trust Co. certificates	100		Q			23½	23¾
Toledo & Ohio Central	100	1,592,000				36	39
do do preferred	100	3,108,000				60	62
United New Jersey R. & Canal Co.'s	100	21,240,400	Q J	197	196		
Union Pacific	100	61,000,000	Q J	62¾	41	61¾	61¾
Utah Central	100	4,250,000					
Virginia Midland	100	6,000,000				39	41
Wabash, St. Louis & Pacific	100			15½	2	6¼	7
do do full-paid p. c. cert.	100	28,419,500				19¾	19¾
do do preferred	100			25	6¼		17
do do full-paid p. c. cert.	100	24,223,300				35	36

RAILROAD BONDS.

Atchison, Topeka & Santa Fe 4½'s...	1920	5,150,000	A & O				
do do sinking fund 6's. 1911		12,348,000	J & D				115½
Atlantic & Pacific (West'n div.) 1st 6's. 1910		14,000,000	J & J	86¾	69	90¾	91

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RAILROAD BONDS.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1885.		JAN. 1, 1887.	
				High.	Low.	Bid.	Askd
Balt. & Ohio 1st 6's (Parkersb'g br'ch). 1919		3,000,000	A & O	121	117½	125	
do 5's, gold. 1885-1925			F&A	108½	108¾	111	
do do registered		10,000,000	F&A			109½	
Boston, Hoosac Tunnel & W'n deb. 5's. 1913		2,000,000	M & S			91½	92
Bur., Cedar Rapids & Northern 1st 5's. 1908		6,500,000	J & D	109½	101½	106½	106¾
do con. 1st & col. tr. 5's. 1934			A & O	99½	90	102	
do do do registered		3,000,000	A & O			103½	
Minneapolis & St. L. 1st 7's, gold. 1927		150,000	J & D	140	140	135	
Iowa City & Western 1st 7's. 1909		456,000	M & S	113	113	109	
Cedar Rapids, Iowa Falls & N. 1st 6's. 1920		825,000	A & O	110	107	110	
do do do 1st 5's. 1921		1,906,000	A & O	99½	98	103	
Buffalo, N. Y. & Phila. con. 1st 6's. 1921			J & J	49½	38½	57½	
do do trust certificates		11,000,000				47	
do do general 6's. 1924						45	
do do trust certificates		3,700,000	M & S			50	
Canada Southern 1st int. gold 5's. 1908		14,000,000	J & J	109	96	107½	
do 2d mortgage 5's. 1913			M & S	87	65	94½	95
do do registered		6,000,000	M & S			93½	94½
Central Iowa 1st mortgage 7's. 1899		3,700,000	J&J15	110	85	112	
do do coupons off.						89	90
do (Eastern division) 1st 6's. 1912		1,515,000	A & O	70	54	75	
do (Illinois division) 1st 6's. 1912		1,520,000	A & O	69½	64	75	
Chesapeake & Ohio pur. money fund. 1898		2,300,000	J & J	112½	109	113	
do 6's, gold, Series A. 1908		2,000,000	A & O	110	96	109	
do 6's, gold, Series B. 1908			M & N	80	58	68½	
do do coupons off			M & N			76	78
do small bonds. 1908		15,000,000	M & N			74	
do 6's, gold, ani. bds, coup. off			M & N			74	
do 6's, currency. 1918			J & J	76½	14	29½	
do small bonds. 1918		10,122,500	J & J			28	
do mortgage 6's. 1911		2,000,000	A & O	100	84½	97	99
Ches., Ohio & S.-W. mortgage 5-6's. 1911		6,676,000	F & A	90	70	102	
Chicago & Alton 1st mortgage 7's. 1893		2,383,000	J & J	121	116½	118	118½
do sinking fund 6's. 1903		2,655,000	M & N	124	119½	122	124
Louisiana & Missouri River 1st 7's. 1900		1,785,000	F & A	122½	118½	122½	
do do 2d 7's. 1900		300,000	M & N	120	118	120	
St. Louis, Jacksonville & Chic. 1st 7's. 1894		2,365,000	A & O	120	117½	116½	
do 1st guarantee (564) 7's. 1894		564,000	A & O			116½	
do 2d mortgage (380) 7's. 1898		61,000	J & J	125	125	115	
do 2d guarantee (188) 7's. 1898		188,000	J & J			115	
Mississippi River Bridge 1st s. f'd 6's. 1912		684,000	A & O			106	106½
Chicago, Burling'n & Quincy cons. 7's. 1903		*30,000,000	J & J	138	129½	135½	136½
do 5's, sinking fund. 1901		2,500,000	A & O				
do 5's, debentures. 1913		9,000,000	M & N	107	97½	105	106½
do (Iowa div.) sinking f'd 5's. 1919		3,000,000	A & O			114	
do do do 4's. 1919		10,591,000	A & O	99½	93½		99½
do Denver division 4's. 1922		7,968,000	F & A	99	92	98	
do do 4's. 1921		4,300,000	M & S	95	89½	97	
Chic. Burlington & Northern 1st 5's. 1926		9,000,000	A & O			104½	104½
do do debentures 6's. 1896		2,250,000	J & D				
Chic., Rock Island & Pacific 6's, coup. 1917		*12,500,000	J & J	133½	125½	137	
do 6's, registered. 1917			J & J	133	126½		134
do extension & col. 5's. 1934			J & J	111	106½		112
do do registered		4,860,000	J & J				110
Keokuk & Des Moines 1st mort. 6's. 1923		2,750,000	A & O	110	104½		110
do do small bonds. 1923			A & O				110
Central Railroad of N. J. 1st 7's. 1890		5,000,000	F & A	114½	107	108	
do 1st consolidated 7's. 1899		*25,000,000	Q J			105	110
do assented				107½	92	108½	109
do convertible 7's. 1902		5,000,000	M & N				116
do assented				109	94	108½	108½
do adjustment 7's. 1903		5,560,000	M & N	110½	108	105	107
do convertible deb. 6's. 1908		5,000,000	M & N	70	54	81½	87
Lehigh & Wilkes-Barre con. gold. 1900		11,500,000	J Q M				
do do assented				107½	90	109	110½
\$6,116,000 held by Central R. R. of N. J. unassented: \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's. 1921		5,000,000	J & J	99½	80	97½	99½
Mil. & St. Paul 1st. m. 6's Pra. du Chn. 1898		3,674,000	F & A	135	130	132	
do 2d 7-3-10 Pra. du Chn. 1898		1,241,000	F & A	128	118	126	

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1885		JAN. 1, 1887.	
				High.	Low.	Bid.	Ask'd
do	1st 7's gold Riv. div. 1902	3,804,500	J & J	132½	127	133¼	135
do	1st 7's do do 1902		J & J				126
do	1st m. La Crosse div. 7's. 1893	5,279,000	J & J	123½	116	129	
do	1st m. Iowa & Minn. 7's. 1897	3,198,000	J & J	122½	117½	123½	
do	1st m. Iowa & Dakota 7's. 1899	541,000	J & J	126	119	126½	
do	1st m. Chicago & Milw. 7's. 1903	2,393,000	J & J	130	123	131	133½
do	consolidated 7's. 1905	*35,000,000	J & J	131	118	131	133½
do	1st 7's, Iowa & Dak. exten. 1908	3,505,000	J & J	128	117½	133	133½
do	1st 5's, Southwest'n div'n. 1909	4,000,000	J & J	117½	109	118½	120½
do	1st 5's, La Crosse & Dav. 1919	3,000,000	J & J	106	96	108	110
do	1st So. Minnesota div. 6's. 1910	7,432,000	J & J	117	107	118	119½
do	1st Hastings & Dak. div. 7's. 1910	6,267,000	J & J	117	117	117	
do	Chic. & Pacific div. 6's. 1910	3,000,000	J & J	121	112	119	
do	1st Chicago & Pac. W. 5's. 1921	20,680,000	J & J	106½	93½	108	
do	Chic. & Mo. R. div. 5's. 1926	2,049,000	J & J				
do	Mineral Point div. 5's. 1910	2,840,000	J & J	103	96½	107	108
do	Chic. & L. Sup'r div. 5's. 1921	1,380,000	J & J	105½	97½	107	109½
do	Wis. & Min. div. 5's. 1921	4,755,000	J & J	104	93	107	108
do	terminal 5's. 1914	4,303,000	J & J	104	89	104½	105½
do	Far. & So. 6's assu. 1924	1,250,000	J & J	115	111	117	101½
Dakota & Gt. Southern 5's. 1916		1,000,000	J & J			100	
Chic. & Northw'n consol. bonds, 7's. 1915		*12,900,000				141	141½
do	coupon gold 7's. 1902		J & D	141	134	141	
do	registered gold 7's. 1902	*48,000,000	J & D	131½	124½	131	
do	sink'g fund 6's. 1879-1929		A & O	121	110½	117	
do	do registered. 1879-1929	6,305,000	A & O	118	111	115	116
do	do 5's. 1879-1929		A & O	110	108	109	
do	do registered. 1879-1929	8,155,000	A & O	108½	104½	108	
do	debenture 5's. 1933		M & N	106	94	107½	108½
do	do registered. 1909	10,000,000	M & N			107	108
do	25 year debenture 5's. 1909		M & N	106	94½	107½	
do	do registered. 1886-1926	4,385,000	F & A 15				108
do	extension. 1886-1926						101½
do	Ecacaba & Lake Superior 1st 6's. 1901	720,000	J & J	117½	111	116	
do	Des Moines & Minneapolis 1st 7's. 1907	600,000	F & A				131
do	Iowa Midland 1st mortgage 6's. 1900	1,350,000	A & O	135	130	134	
do	Peninsula 1st convertible 7's. 1898	152,000	M & S			121	
do	Chicago & Milwaukee 1st mortg. 7's. 1898	1,700,000	J & J	129	121	125	
do	Winona & St. Peter 1st 7's. 1887	2,069,000	J & J	109	104½	103½	
do	do 2d 7's. 1907	1,562,000	M & N	127	125	129½	
do	Milwaukee & Madison 1st 6's. 1905	1,600,000	M & S			117	
do	Ottumwa, C. F. & St. P. 1st 5's. 1909	1,600,000	M & S	106½	100½	110	
do	Northern Illinois 1st 5's. 1910	1,500,000	M & S				111
Cin., Ind., St. L. & Chic. 1st guar. 4's. 1936		1,255,000				100	
do	do registered. 1899		Q & F				
do	C., C. & Ind'polis 1st 7's sink. fund. 1914	3,000,000	M & N	125	120	123½	
do	consolidated mtge 7's. 1914		J & D	122	114	130	
do	sinking fund 7's. 1914	*7,500,000	J & D	125	121½	126½	
do	gen'l consol. 6's. 1934		J & J	107	96	111½	
do	do registered. 1890	3,500,000	J & J			110½	
do	Chic., St. P., Min's & Omaha con. 6's. 1918	*22,839,000	J & D	119½	110½	122½	122½
do	Chicago, St. Paul & Min. 1st 6's. 1918	3,000,000	M & N	124	117	125	128
do	Nort'n Wisconsin 1st mortgage 6's. 1930	800,000	J & J			133	
do	St. Paul & Sioux City 1st 6's. 1919	7,000,000	A & O	124	116½	127	
do	Chic. & Eastern Ill. 1st sink'g f'd o'y. 1907	3,000,000	J & D	118	106	115½	
do	do small bonds. 1934		J & D			118	119
do	do 1st o. 6's, gold. 1932	2,500,000	A & O	111½	90½	115	
do	Chic., St. Louis & Pittsb. 1st con. 5's. 1932	22,000,000	A & O	90	73½	97	
do	do registered. 1919		A & O				
do	Chic. & West'n Ind. 1st sinking f'd 6's. 1932	2,500,000	M & N	113½	115	106	
do	do general mortgage 6's. 1915	*8,886,666	Q M	108	96½	107½	109
do	Chicago & St. Louis 1st 6's. 1915	1,500,000	M & S	108	102½	111	
do	Chicago & Indiana Coal 1st 5's. 1936	2,808,000	J & J				99½
do	Columbia & Greenville 1st 6's. 1916	2,800,000	J & J			106	
do	do 2d 6's. 1926	1,000,000	A & O				94
do	Col., Hooking Valley & Toledo 1st 5's. 1931	14,500,000	M & S	85½	60	86½	87
do	do general mortgage gold 6's. 1904	2,000,000	J & D			89	
do	Delaware, Lackaw'a & W. conv. 7's. 1882	*80,000	J & D	118	114½	117	113½
do	do mtge 7's. 1907	*10,000,000	M & S	123	130	137	
do	Syracuse, Binghamton & N. Y. 1st 7's. 1906	1,750,000	A & O	139½	125	131½	
do	Morris & Essex 1st mortgage 7's. 1914	5,000,000	M & N	148	134		142

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAY- BLE.	YEAR 1885.		JAN. 1, 1887.	
				High.	Low.	Bid.	Ask d
do	2d 7's.....1891	3,000,000	F & A	116	112½	112½	113½
do	bonds 7's.....1900	281,000	J & J	125	119	119	119
do	7's of 1871.....1901	4,991,000	A & O	127	122	125	128
do	1st cons. gua'd 7's.....1915	25,000,000	J & D	133	123	130	130
N. Y., Lackawanna & W'n 1st 6's.....1921		12,000,000	J & J	128	117	127	131
do	do construction 5's.....1923	5,000,000	F & A	107	95	108½	108½
Delaware & Hud. Canal 1st reg. 7's.....1891		4,988,000	J & J	117½	109½	108½	110½
do	do 1st extension 7's.....1891	549,000	M & N			113	121
do	do coupon 7's.....1894		A & O	112½	115	115	121
do	do registered 7's.....1894	4,829,000	A & O	120	117	115	121
do	do 1st Penna. Div. coupon 7's.....1917		M & S	137½	131	141	142
do	do registered.....1917	*10,000,000	M & S	138	131½	142	142
Albany & Susquehanna 1st 7's.....1888		1,000,000	J & J	112	109	108	108
do	do 1st cons. gua'd 7's.....1906	3,000,000	A & O	131	127½	130	130½
do	do registered.....1906		A & O	120	120	120	120
do	do 6's.....1906	5,117,000	A & O	118½	115½	115½	120
do	do registered.....1906		A & O	114	114	120	120
Rensselaer & Saratoga 1st coup. 7's.....1921		2,000,000	M & N	143	137	142	143
do	do 1st reg. 7's.....1921					141	141
Denver & Rio Grande 1st consol. 4's.....1906		22,575,000				80½	80½
do	do 1st mtge 7's.....1900	6,882,500	M & N	123	80	119	119
Denver, South Park & Pac. 1st 7's.....1905		1,800,000	M & N	88	80	80	83½
Denver & Rio Grande West'n 1st 6's.....1911		5,857,000	M & S	78½	37½	78	80
do	do assessed.....1911					75	78
Detroit, Mack, & Marquette 1st 6's.....1921		2,280,000	A & O	54½	40	92	92
do	Land Grant 3½ S. A. 1911	4,580,000				52½	53½
Detroit, Bay City & Alpa 1st 6's.....1913		1,800,000	J & J			105	105
East Tenn., Virginia & Georgia 1st 7's.....1900		3,500,000	J & J	120	108	123	125
do	do divisional 5's.....1930	3,104,000	J & J	96½	80	107½	107½
do	do con. 1st gtd 5's.....1956	11,175,000	M & N			99	99½
Elizabeth City & Norfolk S. F. deb. cert. 6's.....1920		250,000	A & O			80	80
do	do 1st mtge 6's.....1920	900,000	M & S	50	50	59½	59½
Elizabeth'n, Lex & Big Sandy 6's.....1902		3,500,000	M & S	100½	84	107	107
Erie 1st mortgage extended 7's.....1897		2,482,000	M & N	127½	123	120	120
do	do 2d extended 5's.....1919	2,149,000	M & S	112	107½	112½	112½
do	do 3d extended 4½'s.....1923	4,618,000	M & S	107	102½	108½	108½
do	do 4th extended 5's.....1920	2,937,000	A & O	112½	105½	113	113
do	do 5th extended 7's.....1888	709,500	J & D	110	106½	103	103
do	do 1st consolidated gold 7's.....1920	*30,000,000	M & S	128	111	133	136
do	do 1st cons. f'd coup. 7's.....1920	3,705,997	M & S	122	109	105	105½
do	do reorganization 1st lien 6's.....1908	2,500,000	M & N			106	112
Long Dock Bonds, 7's.....1893		3,000,000	J & D	120	113½	113½	115
do	do cons. 6's.....1935	4,500,000	A & O			117	117
Buffalo, N. Y. & Erie 1st 7's.....1916		2,380,000	J & D	134	128	136	136
N. Y., L. Erie & W. new 2d con. 6's.....1909		33,597,400	J & D	92	45½	102	102
do	do ex June, 1886, coup. 7's.....1909					102	102
do	do Coll. Trust 6's.....1922	5,000,000	M & N	101	100	107½	107½
do	do Fund coupon 5's.....1885-1909	4,032,000	J & D			94	94
Buffalo & South'n mortgage 6's.....1908		1,500,000	J & J			85	85
do	do small.....1908		J & J			85	85
Evansville & Terre Haute 1st con. 6's.....1921		3,000,000	J & J	114	96½	118	118
do	do Mt. Vernon 1st 6's.....1923	375,000	A & O	105	91	112	112
do	do Indianapolis 1st con. 6's.....1926	1,001,000	J & J			109	109
Flint & Pere Marquette mtge 6's.....1920		5,000,000	A & O	116½	111	120½	123
Fort Worth & Denver City 1st 6's.....1921		3,800,000	J & D	71	45	89½	89½
Gal. Harrisburg & San Antonio 1st 6's.....1910		4,800,000	F & A	107½	97	107½	107½
do	do 2d mortgage 7's.....1905	1,000,000	J & D	105	98½	110	115
do	do Western Div. 1st 5's.....1931	13,500,000	M & N	98½	89½	100½	100½
do	do do 2d 6's.....1931	6,750,000	J & J	81½	80	94	94
Grand Rapids & Indiana general 5's.....1924		3,233,000	M & S			85	92½
do	do registered.....1924		M & S			85	92½
Green Bay, Winona & St. Paul 1st 6's.....1911		1,800,000	F & A	80	53	100	100
do	do ex funded coupons.....1911		F & A			91	91
Gulf, Col. & Santa Fe 1st 7's.....1909		9,800,000	J & J	120	101	124	125
do	do gold 6's.....1923	5,000,000	A & O	89	79	101½	101½
Hannibal & St. Joseph consol'd 6's.....1911		*6,000,000	M & S	119	114½	122½	122½
Henderson Bridge Co. 1st 6's.....1931		2,000,000	M & S	108	104½	108½	108½
Houston & Texas Cent. 1st Main L. 7's.....1891		6,896,000	J & J	108	84	113	113
do	do coupon off.....1891					113½	113½
do	do 1st West. Div. 7's.....1891			100	70½	108	110
do	do coupon off.....1891	2,375,000	J & J			108	110

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JAN. 1, 1887.	
				High.	Low.	Bid.	Ask'd
do do 1st Waco & N.W. 7's. 1903		1,140,000	J & J	96	73	108½	.....
do do coupon off.....							
do do 2d c. Main Line 8's. 1912		4,118,000	A & O	111	56	94	96
do do gen'l 1st 7's. 1821		4,300,000	A & O	60	50	73	72½
Houston, E. & W. Texas 1st 7's. 1898		1,344,000	M & N	96	84½	70	70
Illinois Central 1st gold 4's. 1951		1,500,000	J & J	.....	.....	109	110
do do registered.....							109½
do do gold 3½'s. 1951		2,500,000	J & J	.....	.....	.....	100½
do do registered.....							
Springfield Division coupon 6's. 1898		1,000,000	J & J	119½	114	112	119½
Middle Division registered 5's. 1921		600,000	F & A	.....	.....	112	115
Chicago, St. L. & N. O. Tenn. 1st 7's. 1897		541,000	M & N	.....	.....	117	.....
do do 1st consol. 7's. 1897		858,000	M & N	127	120½	119	124
do do 2d mortgage 6's. 1907		80,000	J & D	119	118	117	.....
do do gold 5's. 1961		18,000,000	J & D 15	114½	104	115½	116
do do gold 5's, registered			J & D 15	.....	.....	.....	115½
Dubuque & Sioux City 2d Div. 7's. 1894		588,000	J & J	118	112½	115½	.....
Cedar Falls & Minn. 1st 7's. 1907		1,384,000	J & J	118	113	107	112
Ind., Bloomington & W'n 1st pref'd 7's. 1900		1,000,000	J & J	121	121	116½	.....
do do 1st 5's. 1909		3,500,000	A & O	96	59	92	.....
do do 2d 5's. 1909		1,500,000	A & O	80	50	78	80
do do Eastern Div. 6's. 1921		3,000,000	J & D	96	68	90½	91
Ind., Decatur & S. 1st 7's, ex. fund coup. 1906		1,613,000	A & O	100	81	103	.....
Internat'l & Gt. Northern 1st 6's, gold. 1919		7,954,000	M & N	115	104½	117	.....
do do coupon 6's. 1949		7,054,000	M & S	84	64	92½	93
Kentucky Central mortgage 6's. 1911		780,000	J & J	72½	70	.....	.....
do do stamped 4 per cent. 1911		5,400,000	J & J	73½	63	.....	67
Knoxville & Ohio 1st 6's gold. 1925		2,000,000	J & J	.....	.....	99	101½
Lake Shore & Michigan Southern.							
Cleve., Painesville & Ashtabula 7's. 1892		920,000	A & O	118	114	114	115
Buffalo & Erie new bonds 7's. 1898		2,784,000	A & O	125	119½	123	.....
Kai'zo & White Pigeon 1st 7's. 1890		400,000	J & J	108	104	106	.....
Detroit, Monroe & Toledo 1st 7's. 1906		924,000	F & A	124	124	126½	.....
Lake Shore Div. bonds 7's. 1899		1,358,000	A & O	124	119½	.....	124
do do consol. coupon 1st 7's. 1900		*25,000,000	J & J	130½	126	130	.....
do do consol. registered 1st. 1900			Q J	129	125	.....	128
do do consol. coupon 2d 7's. 1903		*25,000,000	J & D	121½	112½	122½	123½
do do consol. registered 2d. 1903			J & D	120½	112	.....	123½
Mahoning Coal R. 1st 5's. 1934		1,500,000	J & J	.....	.....	103½	.....
Long Island R. 1st mortgage 7's. 1898		1,500,000	M & N	125	120	120	121
do do 1st consolidated 5's. 1931		*5,000,000	Q J	110	102	115	.....
N. Y. & Manhattan Beach R. 1st 7's. 1897		500,000	J & J	.....	.....	.....	.....
N. Y., B'klyn & M'n B. 1st c. g. 5's. 1935		783,000	A & O	.....	.....	.....	.....
Louisville & Nashville consol'd 7's. 1898		7,070,000	A & O	124½	115½	119	.....
do do Cecilian Branch 7's. 1907		1,000,000	M & S	102	96	.....	111
do do N. O. & Mobile 1st 6's. 1930		5,000,000	J & J	106	69	107	.....
do do do 2d 6's. 1930		1,000,000	J & J	98	60	.....	97
do do Evans., Hend. & N. 1st 6's. 1919		2,400,000	J & D	115½	99½	112½	115
do do general mortgage 6's. 1930		*20,000,000	J & D	106	79	107	108½
do do Pensacola Division 6's. 1920		600,000	M & S	94	83½	.....	102
do do St. Louis Division 1st 6's. 1921		3,500,000	M & S	107	102	115	.....
do do do 2d 6's. 1980		3,000,000	M & S	55	45	.....	60
do do Nash. & Decatur 1st 7's. 1900		1,900,000	J & J	117½	114	121	124
do do So. & N. Ala. Sink'g F'd 6's. 1910		2,000,000	A & O	90	89	105	.....
do do Louisville, Cin. & Lex. 6's. 1931		*7,000,000	M & N	.....	.....	.....	.....
do do Trust bonds 6's. 1922		10,000,000	Q M	100	70	.....	104½
do do 10-40 6's. 1924		5,000,000	M & N	90½	62	.....	101
do do Penn. & At. 1st 6's, gold gtd. 1921		3,000,000	F & A	47	84	92½	96½
Lake Erie & Western 1st 6's. 1919		1,815,000	F & A	90	65	110	.....
do do Sandusky Division 6's. 1919		327,000	F & A	84	60	108	110
Lafayette, B'n & Muncie 1st 6's. 1919		2,500,000	M & N	91	65	110½	.....
Lou., New Albany & Chicago 1st 6's. 1910		3,000,000	J & J	106	89	.....	110½
do do do consol'd gold 6's. 1916		2,500,000	A & O	.....	.....	.....	96½
Louisville, N. O. & Tex. 1st 5's. 1934		13,841,000	M & S	92½	87	91	.....
Manhattan Beach Imp't Co., lim'd. 7's. 1909		1,000,000	M & S	79	77	92½	.....
Memphis & Charleston 6's, gold. 1924		1,000,000	J & J	.....	.....	105	.....
Metropolitan Elevated 1st 6's. 1908		11,000,000	J & J	118	106½	120	.....
do do do 2d 6's. 1899		4,000,000	M & N	92	109½	110	.....
Mexican Central 1st mortgage 7's. 1911		30,375,000	J & J	58½	89½	41	42
do do ex. coupon 6-7-8. 1911			J & J	57½
do do new assented 4's. 1911			J & J	54	57

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1885.		JAN. 1, 1887.	
				High.	Low.	Bid.	Ask d.
do income bonds.....	1911	8,128,000					
Michigan Central 1st consolidated 7's.....	1902	8,000,000	M & N	131½	123	127½	128½
do do 1st consolidated 5's.....	1902	2,000,000	M & N	110	104	109	
do do 6's.....	1909	1,500,000	M & S				123½
do do coupon 5's.....	1931	4,000,000	M & S	108	98½	109½	
do do registered 5's.....	1931		Q M	108½	100	109½	
do do Jackson, Lansing & Sag'w 6's.....	1891		M & S	107½	106½		107
Milwaukee & Nor. 1st main line 6's.....	1910	2,155,000	J & D	100	90		105
do do 1st extension 6's.....	1913	1,598,000	J & D				103
Milwaukee, L. Shore & West'n 1st 6's.....	1921	4,350,000	M & N	114	98½	116	
do do Mich. div. 1st 6's.....	1924	1,112,000	J & J	110½		116	
do do Ashland div. 1st 6's.....	1925	1,000,000	M & S			113½	116
Minneapolis & St. Louis 1st 7's.....	1927	950,000	J & D	120½	119	132	
do do Iowa exten. 1st 7's.....	1909	1,100,000	J & D	120	113	118	
do do 2d mortgage 7's.....	1891	500,000	J & J	104	100	100	
do do Southw'm ext. 1st 7's.....	1910	638,000	J & D	118	112½	100	
do do Pacific ext. 1st 6's.....	1921	1,382,000	A & O	105	103½		109
do do imp't and equip. 6's.....	1922	2,000,000	J & J			92	93
Minnesota & N. West 1st 5's, gold.....	1934	2,588,000	J & J				106
Mo., Kansas & Texas gen'l cons. 6's.....	1920	*83,725,000	J & D	94½	63	99½	100
do do do 5's.....	1920	7,801,000	J & D	80	49½	87½	87½
do do cons. 7's.....	1904, 5-6	14,811,000	F & A	115½	99½	111	
do do 2d mort. income.....	1911	759,000	A & O	89½	57	90	
Hannibal & Cent. Missouri 1st 7's.....	1890	729,000	M & N	109	107½		110½
Mobile & Ohio new mortgage 6's.....	1927	7,000,000	J & D	112	100	109½	110½
do collateral trust 6's.....	1892	306,000	J & J	101½	100	109½	
do 1st extension 6's.....	1927	*1,000,000	Q J	102½	100	106	
St. Louis & Cairo 4's, gtd.....	1931	4,000,000	J & J			75	76
Morgan's Louisiana & Texas 1st 6's.....	1920	1,494,000	J & J	107½	100		115
do do 1st 7's.....	1918	5,000,000	A & O			125	135
Nashville, Chattanooga & St. L. 1st 7's.....	1913	6,800,000	J & J	126½	116½	133	135
do do 2d 6's.....	1901	1,000,000	J & J			111½	112½
N. Y. Central 6's.....	1887	2,391,000	J & D	107½	103½	101½	
do Debenture cert. ext. 5's.....	1893	6,450,000	M & N	107½	102½	106½	105½
do & Hudson 1st coup. 7's.....	1903	*30,000,000	J & J	138½	129		138½
do do 1st registered.....	1903		J & J	138	129		133½
do do Deb. 5's.....	1904		M & S	109	101½	106½	109
do do do coupon registered.....		7,850,000	M & S				108½
Harlem 1st mortgage 7's, coupon.....	1900	*12,000,000	M & N	140	132½	131½	132½
do do 7's, registered.....	1900		M & N	139½	129½	128	131
N. Y. Elevated R. 1st mortgage 7's.....	1903		J & J	127	114	125	127
N. Y., Penn. & Ohio prior lien 6's.....	1895	8,000,000	M & S				
N. Y. City & Northern gen'l mtge 6's.....	1910	4,000,000	M & N	60	33	67	
do Trust Co. receipts.....			J & J	60	33½	67½	68
N. Y. & New England 1st 7's.....	1905		J & J	125	104	128	
do do 1st 6's.....	1905	4,000,000	J & J	114	100	119	
N. Y., Chicago & St. Louis 1st 6's.....	1921	15,000,000	J & D	99	96	96½	
do do Trust Co. receipts.....			J & D			96½	97½
do do 2d 6's.....	1923		M & S	80½	45	85	70
N. Y., Ontario & W. 1st gold 6's.....	1914	3,000,000	M & S			106½	107
N. Y., Susquehanna & W'n 1st 6's.....	1911	2,500,000	J & J				
do do coupons off.....			J & J	84	50	90	91½
do do Deb. 6's.....	1897		F & A	59	42½	65	71
do do coupons off.....		600,000	F & A	53	70½	110	110½
Midland R. of New Jersey 1st 6's.....	1910	3,500,000	A & O	119½	105		110
N. Y., N. Haven & H. 1st reg. 4's.....	1903	2,000,000	J & D	115	98½	119	120
N. Pac. Gen. Land Grant 1st coup. 6's.....	1921	51,509,000	J & J	114½	90	118½	
do do registered 6's.....	1921		A & O	93	88½	103½	108½
do do Gen. 2d M. R. & L. G. coup. 1893			A & O			102	102½
do do registered.....	1933	20,000,000	J & J			109	110
James River Valley 1st 6's, gold.....	1936	735,000	M & N				105½
Spokane & Pal. 1st skg fund gold 6's.....	1936	688,000	M & N				121
St. Paul & North'n Pac. gen'l 6's.....	1922	6,000,000	F & A			107½	108
No. Pacific Terminal Co. 1st gold 6's.....	1933	3,000,000	J & J	68	49	62½	63
New Orleans Pacific 1st 6's, gold.....	1920	6,720,000	J & J			78½	80
do do coupons off.....			J & J			82	83½
do do Trust Co. receipts.....			A & O				112½
N. O. & N. East'n prior lien gold 6's.....	1915	1,050,000	A & O	108½	86½	112	112½
Norfolk & Western gen'l mtge 6's.....	1831	11,000,000	M & N	100	84	114½	
do New River 1st 6's.....	1832	2,000,000	A & O			100	108
do improvement & ext. 6's.....	1834	2,900,000	F & A				

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1885		JAN. 1, 1887.	
				High.	Low.	Bid.	Ask d
do adjustment mortg. 7's...1924		1,500,000	Q M	.....	.....	98	103
Ogdensburg & Lake Champl. 1st con. 6's...1920		3,500,000	A & O	.....	.....	100	.....
Ohio & Miss. consol. Sinking F'd 7's...1898		3,593,000	J & J	123½	115½	122½	123
do consolidated 7's...1898		3,067,000	J & J	125½	116½	122½	123
do 2d consolidated 7's...1911		3,808,000	A & O	115	108	119	.....
do 1st Springfield division 7's...1905		3,000,000	M & N	100½	93	109	110
do 1st general 5's...1932		3,216,000	J & D	81	74	90	.....
Ohio Central 1st terminal trust 6's...1920		600,000	J & J	62½	56	.....	.....
do 1st Mineral division 6's...1921		300,000	J & J	.....	.....	.....	.....
Ohio Southern 1st mortgage 6's...1921		2,100,000	J & D	100½	82½	106	109½
Oregon & California 1st 6's...1921		9,000,000	J & J	.....	.....	.....	.....
Oregon & Transcontinental 6's...1882-1922		10,063,000	M & N	97	64½	99½	.....
Oregon Improvement Co. 1st 6's...1910		5,000,000	J & D	95½	69½	.....	83
Oregon Railroad & Navigat'n 1st 6's...1909		6,000,000	A & J	115½	107½	110½	111½
do do Debenture 7's...1887		6,000,000	A & O	103½	100½	.....	.....
do do Consol. m. 5's...1925		4,155,000	J & D	.....	.....	105	106
Panama Sinking Fund subsidy 6's...1910		2,747,000	M & N	101	105	92½	.....
Peoria, Decatur & Evansville 1st 6's...1920		1,287,000	J & S	107	81	.....	112½
do Evansville Division 1st 6's...1920		1,470,000	M & S	100	85	.....	112½
Peoria & Pekin Union 1st 6's...1921		1,500,000	Q F	101½	101	110	.....
do do 2d mortgage 4½'s...1921		1,499,000	Q F	.....	.....	.....	80
Central Pacific gold bonds 6's...1886-8		25,883,000	J & J	117	109½	116½	.....
do San Joaquin branch 6's...1900		6,080,000	A & O	108	103	112	.....
do California & Oregon 1st 6's...1888		6,000,000	J & J	103½	96	103	.....
do do Series B 6's...1882		1,600,000	J & J	101½	98	106	.....
do Land Grant 6's...1890		9,436,000	A & O	106	99½	.....	102½
Western Pacific bonds 6's...1899		2,735,000	J & J	112	100	115	.....
Nor. Ry. (Cal.) 1st 6's, guaranteed...1907		3,964,000	J & J	110	108	122	123
South'n Pac. of California 1st 6's...1905-12		34,000,000	A & O	105½	93½	110½	.....
South'n Pac. of Arizona 1st 6's...1909-1910		10,000,000	J & J	108	95	112	113
South'n Pacific of N. Mexico c. 1st 6's...1911		5,000,000	J & J	102½	90½	108½	.....
Union Pacific 1st 6's...1896-9		27,229,000	J & J	117	110	117	118
do Land Grant 7's...1887-9		2,545,000	A & O	108	104½	102	.....
do Sinking Fund 8's...1893		14,438,000	M & S	123	116	118	.....
do registered 8's...1893		14,438,000	M & S	121½	115	116	.....
do collateral trust 6's...1908		4,541,000	J & J	.....	.....	104	.....
do do 5's...1907		3,688,000	J & D	99½	92½	100	101
Kansas Pacific 1st 6's...1896		2,240,000	F & A	114	109½	110½	112½
do 1st 6's...1896		4,063,000	J & D	113	107	109	110½
do Denver Division 6's, ass'd...1899		6,254,000	M & N	112	105½	114	.....
do 1st consol. 6's...1919		14,895,000	M & N	101½	92½	106½	107
Central Br'ch U.P. Fund coup. 7's...1895		630,000	M & N	106	102½	104	.....
Atchison, Colorado & Pac. 1st 6's...1906		3,672,000	Q F	102	86	106	.....
Atchison, Jewell Co. & West. 1st 6's...1905		542,000	Q F	99½	90	103	.....
Oregon Short Line 1st 6's...1922		15,285,000	F & A	99½	84½	106½	109½
Utah South'n general mortgage 7's...1909		1,950,000	J & J	99½	90	90	.....
do extension 1st 7's...1909		1,950,000	J & J	90	87	86	.....
Missouri Pacific 1st consol. 6's...1920		20,184,000	M & N	108	91	114	114½
do 3d mortgage 7's...1906		3,828,000	M & N	118½	99½	121	.....
Pacific R. of Mo. 1st mortgage 6's...1888		7,000,000	F & A	108	103½	104	105
do 2d mortgage 7's...1891		2,573,000	J & J	117	108	110	112½
St. L. & S. Francisco 2d 6's, class A...1906		500,000	M & N	106	97½	113	114
do 6's, class C...1906		2,400,000	M & N	105½	96	112½	.....
do 6's, class B...1906		2,764,500	M & N	106	96½	112½	113½
do 1st 6's, Peirce C. & Ob...1906		1,100,000	F & A	.....	.....	105	.....
do equipment 7's...1896		781,000	J & D	109½	101½	104½	.....
do general mgtg. 6's...1931		7,739,000	J & J	103	91	112½	113
South Pacific R. (Mo.) 1st 6's...1888		7,144,500	J & J	106½	102	105	107
Kansas City & Sw'n 1st 6's, gold...1916		744,000	J & J	.....	.....	103	.....
Fort Smith & Van B. Bdg. 1st 6's...1910		475,000	A & O	.....	.....	.....	110
Texas & Pacific Railway 1st 6's...1905		3,784,000	M & S	106½	105½	100	.....
do do ex coupon...1905		3,784,000	M & S	.....	.....	100	.....
do consol. 6's...1905		3,784,000	J & D	.....	.....	90	.....
do do coupons off...1905		3,784,000	J & D	78	74	95	.....
do do Trust Co. receipts...1905		3,784,000	J & D	.....	.....	90	.....
do Income & I'd gr't reg. 7's...1915		8,510,000	July	50	30	.....	81
do do Trust Co. receipts...1915		8,510,000	July	.....	.....	61	61½
do Rio Grande 6's, Aug. '84 c. 1930		13,028,000	F & A	69	50	74	75
do do coupons off...1930		13,028,000	F & A	64½	42	.....	75
do do Trust Co. receipts...1930		13,028,000	F & A	.....	.....	73½	74½
do do Gen. M. & Ter. 6's...1905		2,859,000	A & O	61½	40	84	85
do do Trust Co. receipts...1905		2,859,000	A & O	87	88

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				High.	Low	Bid.	Ask d
Pennsylvania Railroad Company.							
Penna. Co.'s guar'd 4½'s, 1st coup.	1921	15,000,000	J & J	103½	95¼	107¼	107½
do do do registered.	1921		J & J	102½	95¼	104	105
Pitt., C. & St. Louis 1st coupon 7's	1900	2,706,000	F & A	120	120	119	
do do 1st registered 7's	1900	4,157,000	F & A			119	
do do 2d 7's	1913	2,500,000	A & O			124	
Pitts., Ft. Wayne & Chicago 1st 7's	1912	5,250,000	J & J	143	135½	140	142
do do do 2d 7's	1912	5,160,000	J & J	140	136	138	
do do do 3d 7's	1912	2,000,000	A & O	134	127½		138
Clev. & Pitts. con. Sink'g Fund 7's	1900	2,292,000	M & N	130	124½	128	
do do 4th do 6's	1892	1,105,000	J & J	111½	107	110	
St. L., Van. & Terre H. 1st guar. 7's	1897	1,899,000	J & J	122	115	121	
do do do 2d 7's	1898	1,000,000	M & N	106½	102		108
do do do 2d guar. 7's	1898	1,600,000	M & N				118
Pine Creek Railway 6's of	1932	3,500,000	J & D				
Pittsburgh Clev. & Tol. 1st 6's	1922	2,400,000	A & O	109½	108¼	111¼	
Pittsburgh Junction 1st 6's	1922	1,440,000	J & J				122
Pittsburgh, McKeesport & Y. 1st 6's	1932	2,250,000	J & J				
Rome, Watertown & Ogd. 1st 7's	1891	1,621,500	J & D	111	107	108	110
do do consol. 1st ex. 5's	1922	6,337,000	A & O	90	70½	102½	103
Rochester & Pittsburgh 1st 6's	1921	1,300,000	F & A	112	107½	115	
do do consolidated 1st 6's	1922	3,820,000	J & D	107	89	107½	
Richmond & Alleghany 1st 7's	1920	5,000,000	J & J	70	50		77
do do Trust Co.'s receipts			J & J	75	61	70½	
Richmond & Danville consol. gold 6's	1915	6,000,000	J & J	115	93½	114½	116
do do Debenture 6's	1927	4,000,000	A & O	91	52	107	
do do do assented							107
Atlanta & Charlotte 1st Pref'd 7's	1897	500,000	A & O			112	
Atlanta & Charlotte Income	1900	750,000	A & O			100	
Scioto Valley 1st consolidated 7's	1910	603,000	J & J	50	40		74
do do do coupons off			J & J				
St. Jos. & Grand Island 1st 6's	1925	7,000,000	M & N	104	103	107½	107½
St. Louis & Iron Mountain 1st 7's	1892	4,000,000	F & A	116½	111	112½	115
do do do 2d 7's	1897	6,000,000	M & N	114	103		114
do do Arkansas Branch 1st 7's	1895	2,500,000	J & D	114	105	110½	112½
do do Cairo & Fulton 1st 7's	1891	7,555,000	J & J	112	103	109½	
do do Cairo, Ark. & Texas 1st 7's	1897	1,450,000	J & D	111	101½	110	
do do Gen'l con. r'y & l'd g't 5's	1931	35,347,000	A & O	91	69½		100
St. L., Alton & Terre Haute 1st 7's	1894	2,200,000	J & J	116	112	116	118½
do do 2d mortgage preferred 7's	1894	2,800,000	F & A	112½	106	111½	
do do 2d mortgage income 7's	1894	1,700,000	M & N	107	96	107	110
Belleville & Southern Ill. R. 1st 8's	1896	1,041,000	A & O	115½	114½	115	
Bellevue & Carondelet 1st 6's	1923	485,000	J & D			109	113
St. Paul, Minn. & Manitoba 1st 7's	1909	5,350,000	J & J	115½	108½		116
do do do small			J & J				
do do do 2d 6's	1909	8,000,000	A & O	118	110	117½	
do do Dakota extension 6's	1910	5,676,000	M & N	119	109½	118	119½
do do 1st consolidated 6's	1933	13,344,000	J & J	117	106½	122	124
do do do registered.			J & J			119½	
Minneapolis Union 1st 6's	1922	2,150,000	J & J	111	107	118	
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	110	108½	112½	
South Carolina Railway 1st 6's	1920	5,000,000	A & O	109	102½	106½	
do do do 2d 6's	1931	1,500,000	J & J	92	92	75	81
Shenandoah Valley 1st 7's	1909	2,270,000	J & J	70½	70	97½	
do do gen'l mtge 6's	1921	6,212,000	A & O			40	43
Sodus Bay & Southern 1st 5's, gold	1924	500,000	J & J			105	
Texas Central 1st Sinking Fund 7's	1909	2,145,000	M & N	71	60	75½	
do do 1st mortgage 7's	1911	1,254,000	M & N	73	51	75½	
Toledo & Ohio Cent. 1st gold 5's	1935	3,000,000	J & J	95½	81		101½
Toledo, Peoria & W'n 1st 7's	1917	4,500,000	Q J	93½	70½	106	
do do do Trust Co. Receipts				94	86½	104½	104½
Toledo, Ann Arbor & No. Mich. 1st 6's	1924	2,120,000	M & N			90	91½
Toledo, Ann Arbor & G.T. 1st 6's, gold	1921	1,260,000	J & J			105	
Texas & New Orleans 1st 7's	1905	1,620,000	F & A	117½	116	105	125
do do do Sabine Div. 1st 6's	1912	2,075,000	M & S	101	75	100	104
Virginia Midland mortgage Inc. 6's	1927	4,000,000	J & J	66½	48	98½	99
Wabash, St. L. & Pac. gen. mtge 6's	1920	16,000,000	J & D	55	27	65	62
do do Trust Co. Receipts			J & D			54	62
do do Chicago Division 5's	1910	4,500,000	J & J	85½	65	93	93½
do do Havana Division 6's	1910	1,600,000	J & D	93½	70½	60	60
do do Indianapolis Division 6's	1921	2,275,000	J & D			80	

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RAILROAD BONDS.—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1885.		JAN. 1, 1887.	
				High.	Low.	Bid.	Ask d
do Detroit Division 6's.....	1891	2,052,000	J & J	.....	.....	92½	95
do Cairo Division 5's.....	1891	3,857,000	J & J	51½	47	60½	.....
Wabash Railway mtge 7's.....	1879-1909	2,000,000	A & O	80	60	85	87½
[Tol. & Wabash 1st extended 7's.....	1890	3,400,000	F & A	113	105	111	113
do 1st St. Louis Division 7's.....	1889	2,700,000	F & A	104½	94	110	110½
do 2d mtge extended 7's.....	1893	2,500,000	M & N	100	86	99	100½
do equipment bonds 7's.....	1883	600,000	M & N	27½	20	.....	4
do consol. convertible 7's.....	1907	2,600,000	Q F	93	65	90½	95
G't Western 1st mortgage 7's.....	1888	2,500,000	F & A	110	103½	110½	113
do 2d mortgage 7's.....	1893	2,500,000	M & N	100	90	99	100
Quincy & Toledo 1st mortgage 7's.....	1890	500,000	M & N	71	71	95	.....
Hannibal & Naples 1st 7's.....	1909	500,000	J & D	.....	.....	95	.....
Illinois & So. Iowa 1st exten. 6's.....	1912	300,000	F & A	.....	.....	90	.....
St. L. Kan. C. & N. R'l E's & R'y 7's.....	1895	3,000,000	M & S	109½	88	.....	110
do Omaha Division 1st 7's.....	1919	2,350,000	A & O	102	74	98½	.....
do Trust Co. receipts.....	.....	264,000	A & O	.....	.....	98	.....
do do Clarinda Br. 6's.....	1919	264,000	F & A	76½	55	.....	74
do St. Charles Bridge 1st 6's.....	1908	1,000,000	A & O	94½	75	103½	.....
North Missouri 1st mortgage 7's.....	1895	6,000,000	J & J	117	108	.....	120
Wabash, St. L. & P., Iowa div. 6's.....	1921	2,269,000	M & S	64	50	.....	60
do Trust Co. receipts.....	.....	.....	M & S	.....	.....	.....	105
West Shore 1st guaranteed 4's.....	.....	50,000,000	J & J	104½	100	104½	105
do do registered.....	.....	.....	J & J	.....	.....	102½	.....
Western Union coupon 7's.....	1900	3,920,000	M & N	119½	110	.....	122
do do registered.....	1900	.....	M & N	123	110	.....	120
North Western Telegraph 7's.....	1904	1,250,000	J & J	.....	.....	100	.....
Mutual Union Tel. sk'g f 6's.....	1911	5,000,000	M & N	82	60	.....	85
Colorado Coal & Iron 1st 6's.....	1900	3,500,000	F & A	76	50	98½	.....
Tenn. Coal, Iron & R. consol. 6's.....	1902	620,000	M & N	.....	.....	101	.....
do South Pittsburgh 1st 6's.....	1902	700,000	F & A	.....	.....	102	.....

INCOME BONDS. Interest payable if earned, and not to be accumulative.

Atlantic & Pacific West'n Div. income.....	1910	10,500,000	A & O	27½	13½	28½	29½
do do do small.....	.....	.....	A & O	.....	.....	.....	.....
Central Iowa Coupon Debt Certificates.....	.....	629,000	.....	.....	.....	20	.....
Chicago & Eastern Illinois income.....	1907	1,000,000	D	.....	.....	100	.....
Des Moines & Fort Dodge 1st inc. 6's.....	1905	1,200,000	J & J	.....	.....	55	.....
Detroit, Mack. & Marquette income.....	1921	1,500,000	.....	.....	.....	40	.....
Elizabeth City & Norfolk 2d income.....	1970	1,000,000	.....	.....	.....	.....	.....
Green Bay, Winona & St. Paul 2d inc. 1911	.....	3,781,000	.....	31	8	39½	40½
Indiana, Bl'n & W'n consol. inc. 6's.....	1921	4,680,000	J & J	39	15	.....	31
Indp's, Decatur & Springfield 2d inc. 1906	.....	2,850,000	J & J	22	18	.....	33
do Trust Co. Receipts.....	.....	.....	J & J	.....	.....	37	38
Lehigh & Wilkesbarre Coal Co.....	1888	1,119,200	M & N	80	70	.....	100
do do small bonds.....	1888	.....	M & N	.....	.....	100	.....
Lake Erie & Western inc. 7's.....	1899	1,485,000	Aug	32	13	30	.....
do Sandusky Div. inc. 1920	.....	580,000	Aug	28	10	18	31
Lafayette, Bloom'ton & Mun. inc. 7's.....	1899	1,000,000	May	31½	14	50	.....
Milw., L. Shore & Western income.....	.....	500,000	M & N	86	77	.....	102
Mobile & O. 1st preferred debentures.....	.....	5,200,000	.....	68½	49½	63½	.....
do 2d do do.....	.....	1,850,000	.....	42	22½	37	40
do 3d do do.....	.....	600,000	.....	37	30	29	34
do 4th do do.....	.....	900,000	.....	33	25	.....	30
N. Y., Lake E. & Western inc. 6's.....	1977	508,000	.....	48	37	.....	80
N. Y., Penn. & O. 1st inc. acc. 7's.....	1905	35,000,000	J & J	.....	.....	48½	.....
Ohio Central, Min'l division, inc. 7's.....	1921	300,000	.....	.....	.....	39½	40
Ohio Southern 2d income 6's.....	1921	2,100,000	J & D	43	20	41	43
Ogdensburg & L. Champlain income.....	1920	800,000	Oct	.....	.....	.....	34
do do do small.....	.....	200,000	Oct	.....	.....	.....	.....
Peoria, Decatur & Evansville inc.....	1920	858,000	July	44	20	.....	80
do Evansville Div. income.....	1920	1,230,000	Sep	44	30	78	81
Rochester & Pittsburgh income.....	1921	1,870,000	.....	60	52	65	.....
Rome, W. & Ogdensburg inc. mtge. 7's.....	1932	2,250,000	Jan	46	30½	98½	.....
South Carolina Railway inc. 6's.....	1931	3,000,000	Feb	39½	25	24	29
St. Louis, I. M. & S. 1st 7's pref. int. ac'e.....	.....	48,000	Mch	.....	.....	.....	.....
Sterling Iron & Rail'y, series B, inc.....	1894	418,000	April	.....	.....	.....	30
do Plain income 6's.....	1896	491,000	.....	.....	.....	.....	.....
Sterling Mountain Railway income.....	1895	76,000	.....	.....	.....	.....	39½
St. Louis, Alton & Terre H. Div. bds.....	1894	1,357,000	June	51	20	.....	76½
St. Joseph & Grand Island 2d income.....	1925	1,680,000	J & J	58½	54½
Shenandoah Valley income 6's.....	1923	2,500,000	Feb

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INCOME BONDS—Continued. Interest payable if earned, and not to be accumulative.

Texas & St. Louis in Mo. & Ark 2d ... 1911	4,740,000	.....	.....	.....	.....
Tex. & St. L. in Texas land grant inc. ... 1920	2,128,000	.....	.....	.....	.....
do Gen'l land grant and inc. ... 1931	3,945,000	.....	.....	.....	.....

EXPRESS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1885.		JAN. 1, 1887.	
				High.	Low.	Bid.	Ask d
Adams Express.....	Par 100	12,000,000	Q M	145	130	137	140
American Express.....	" 100	18,000,000	J & J	105	87½	107	109
United States Express.....	" 100	7,000,000	Q F	62½	48	60	62
Wells Fargo Express.....	" 100	6,250,000	J & J	124	104½	128	.....
Pacific Mail Steamship Co..	" 100	20,000,000	.....	70	46½	50½	50½

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph.....	100	3,000,000	.....	38½	10	.....	.....
Albany City 6's.....	.....	.....	.....	.....	.....	.....	115
Albemarle & Chesapeake 1st 7's.....	1909	500,000	J & J	.....	.....	.....	.....
Alabama Central Railroad 1st 6's.....	1918	1,000,000	J & J	.....	.....	.....	.....
Allegheny Central 1st mortgage 6's.....	1922	600,000	J & J	.....	.....	.....	.....
Boston, H. & Erie 1st mtge 7's.....	1900	1,806,000	J & J	20	11½	.....	.....
do do guaranteed.....	.....	.....	.....	.....	.....	.....	.....
Boston & New York Air Line.....	100	1,000,000	.....	97	88	.....	.....
Bradf'd, Bordell & Kinzua.....	100	500,000	.....	.....	.....	.....	.....
do do 1st 6's.....	1932	500,000	J & D	.....	.....	50	65
Bradford, Eldred & Cuba.....	100	500,000	.....	.....	.....	.....	.....
do do 1st 6's.....	1932	500,000	J & J	.....	.....	37	42
Brooklyn City R. R.....	10	2,000,000	Q F	.....	.....	.....	.....
Brooklyn Gas Company.....	25	2,000,000	.....	.....	.....	.....	.....
Brooklyn, Bath & C. I. 1st 6's.....	1912	200,000	F & A	.....	.....	.....	.....
Buffalo & Southwestern.....	100	471,900	.....	.....	.....	.....	.....
do do preferred.....	100	471,900	.....	.....	.....	.....	.....
Carolina Central 1st mortgage 6's.....	1920	2,000,000	J & J	.....	.....	.....	109
Cedar Falls & Minnesota Railroad.....	100	1,587,000	.....	17½	9	16½	17½
Cincinnati, Sandusky & Cleveland.....	50	4,500,000	.....	36½	20	.....	.....
do do preferred.....	.....	429,000	.....	.....	.....	.....	.....
do do 1st 7's.....	1890	1,072,300	J & D	.....	.....	.....	.....
Cincinnati, Lafayette & Chic. 1st 7's.....	1901	900,000	M & S	.....	.....	.....	118
Cin. & Sp. 1st Mort. C. C. & I. 7's.....	1901	1,000,000	A & O	113	107½	.....	115
do 1st m. g'd L. S. & M. S. 7's.....	1901	1,000,000	A & O	118	109	.....	120
Cincinnati, Hamilton & Dayton.....	100	3,500,000	.....	.....	.....	.....	170
do consol Sinking Fund 7's.....	1905	1,000,000	A & O	.....	.....	.....	105½
Cincinnati, Ind., St. Louis & Chicago.....	100	7,000,000	.....	.....	.....	92	95
do consol. 6's.....	1920	1,000,000	M & N	.....	.....	.....	.....
Cin. W. & Baltimore prior lien 4½'s.....	1893	500,000	A & O	.....	.....	.....	106
do 1st 6's.....	1931	1,250,000	M & N	.....	.....	.....	.....
do 1st 4½'s guaranteed.....	1931	5,922,000	M & N	.....	.....	.....	.....
do 2d 5's.....	1931	3,040,000	J & J	.....	.....	.....	.....
do 3d ¾'s.....	1931	2,270,000	F & A	.....	.....	.....	.....
do 1st income mortgage.....	1931	3,040,000	F & A	.....	.....	.....	.....
do 2d income mortgage.....	1931	4,000,000	.....	.....	.....	.....	.....
do preferred stock.....	100	12,923,000	.....	.....	.....	10½	10½
do common stock.....	100	5,871,100	.....	.....	.....	6	6½
Citizens' Gas Company.....	20	1,200,000	.....	.....	.....	.....	.....
Columbus, Springfield & Cin. 1st 7's.....	1901	1,000,000	M & S	.....	.....	.....	.....
Consolidation Coal, convertible 6's.....	1897	1,250,000	J & J	104½	104½	.....	.....
Cumberland & Penn. 1st 6's.....	1891	903,500	M & S	104	101½	.....	.....
do do 2d 6's.....	1888	430,000	M & N	103½	103	102	101
Cumberland & Elk Lick Coal.....	100	1,000,000	.....	.....	.....	.....	.....
Chicago City 7's.....	1890	220,000	J & J	.....	.....	.....	.....
Charlotte, Col. & Augusta 1st 7's.....	1895	2,000,000	J & J	.....	.....	.....	.....
Chicago & Atlantic 1st 6's.....	1920	6,500,000	M & N	.....	.....	.....	104½
do do 2d 6's.....	1923	2,500,000	F & A	.....	.....	.....	.....
Des Moines & Fort Dodge 1st mort. 6's.....	.....	1,200,000	J & J	.....	.....	97	101
Dubuque & Dakota 1st 6's.....	1919	630,000	J & J	.....	.....	.....	.....
Duluth Short Line 1st 5's.....	1916	500,000	M & S	.....	.....	.....	.....
Danbury & Norwalk Railroad.....	50	600,000	.....	50	50	.....	.....
Detroit, Hillsdale & Southwestern.....	100	1,350,000	J & J	.....	.....	.....	.....
Eighth Avenue Railroad.....	100	1,000,000
E. & W. R. Co. of Ala. 1st gold 6's.....	1912	800,000	J & D	100½	101

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FREE LIST—Continued.

NAME.	AMOUNT.	INT. PAYA- BLE.	YEAR 1885.		JAN. 1, 1887.	
			Htgh.	Low.	Bid.	Ask d
Erie & Pittsburgh Railway.....	50	1,988,400	Q M			
do do consolidated 7's.....	1888	*4,500,000	J & J	106	108	
Farmers' Loan & Trust Company.....	25	1,000,000			425	
Frankfort & Kokomo Railroad.....	50	600,000				
do do 1st 7's.....	1908	200,000	J & J			
Fort Worth & Denver City Railroad.....	100	2,880,000		25	14	22
Galveston, H. & H. of '82, 1st 5's.....	1913	2,000,000	A & O	66½	53	77
Gold and Stock Telegraph Co.....	100	5,000,000	Q J			90
Grand Rapids & Indiana 1st 7's.....	1899	505,000	A & O	119½	119½	105
do 1st guaranteed 7's.....	1899	3,334,000	J & J			128
do 1st extended land 7's.....	1899	1,010,000	A & O			113
Henderson Bridge Co.....	100	1,000,000				
Ind., Decatur & Sp. 1st 7's coupon.....	1900	187,000	A & O			
Iron Steamboat Company 6's.....	1901	500,000	J & J	72	71½	80
Int. & Gt. N'n 2d income.....	1909	370,000				
Jefferson R. R. 1st mortgage 7's.....	1889	2,000,000	J & J	101½	99	105
Jerome Park Villa Site & Imp. Co.....	100	1,000,000				
Keokuk & Des Moines.....	100	2,800,400		11	2½	6
do do preferred.....	100	1,524,800		30	29½	8
Little Rock & Fort Smith Railway.....	100	4,098,135				
do 1st 7's.....	1905	8,000,000	J & J			
Louisville City 6's, act. of Leb. bra'h.....	'88	225,000	J & D			
do 6's, Leb. branch extension.....	'88	333,000	A & O			
Long Island Railroad.....	50			80½	62	
Brooklyn & Montauk Railroad.....	100	900,000				
do do preferred.....	100	1,100,000				
South Side 1st mortgage 7's.....	1887	750,000	M & S			101
Smithtown & Port Jefferson 1st 7's.....	1901	600,000	M & S			
Louisiana & Missouri River.....	100	2,272,700		26	19½	25
do do preferred.....	100	1,010,000			55	
do do preferred g'td.....	100	329,100			120½	124
Louisiana Western 1st 6's.....	1921	2,240,000	J & J			
Lake Erie & Western Railroad.....	100	7,720,000		21½	19½	15
do do assessment paid.....	100				14½	21½
Lac. & Sus. Central 1st E. side 7's.....	1892	500,000	J & D			
do do W. side 7's.....	1892	500,000	J & D			
Metropolitan Elevated.....	100	1,382,000	Q J	125½	90	
Mariposa Gold Convertible 7's.....	1888	250,000	J & J			
Memphis & Charleston.....	25	5,312,725		44	27½	60
do 1st consol'd Tenn. lien 7's.....	1915	1,400,000	J & J	118	116	128
Missouri, Kansas & Texas.....	100					
Union Pacific South Branch 1st 6's.....	1899	2,236,000	J & J			
Tebio & Neosho 1st mortgage 7's.....	1903	347,000	J & D			
Hannibal & Central Missouri 2d 7's.....	1892	32,000	M & N			
Boonville Bridge Co. 7's guarant'd.....	1906	1,000,000	M & N			
Milwaukee & St. P. con. Sink. F'd 7's.....	1905	209,000	J & J			
do 1st m. Hastings & Dakota 7's.....	1902	89,000	J & J			
Milwaukee & Lake Winnebago.....	100	520,000				
do do preferred.....	100	780,000				
do do 1st 6's.....	1912	1,430,000	J & J			
do do income 5's.....	1912	520,000				
New York Life & Trust Co.....	100	1,000,000	F & A			
Norwich & Worcester.....	100	2,604,000				
Nash., C. & St. L. 1st 6's, T. & P. branch.....	1917	300,000	J & J			
do 1st mort. 6's, McM. M. W. & A. l. b.....		320,000	J & J			
New London Northern R. R.....	100	1,500,000				
New York Mutual Gas Light.....	100	3,500,000				100
N. J. Southern Int. guaranteed 6's.....	1899	1,449,800	J & J	85	75	98
New Orleans, Mobile & Texas.....	100	4,000,000				
N. Y. & Texas Land Co., limited.....	50	1,500,000		150	135	170
do do Land Scrip.....		2,968,100		60	50	50
N. Y., Texas & Mexico 1st 6's.....	1912	2,103,000	A & O			
N. Y., Wood. & R. 1st 6's.....	1902	600,000	J & J			
do do 2d income.....	1912	1,000,000				12
N. Y., B'klyn & Man. Beach pref.....	100	650,000	A & O			
Nevada Central 1st mortgage 6's.....	1904	720,000	A & O			
Oswego & Syracuse.....		1,320,400				
Ohio Central incomes.....	1920	642,000		8	8	3½
Panama.....	100	7,000,000	Q F			
Pullman's Palace Car debenture 7's.....	1888	1,000,000	A & O			
Phila. & Reading con. coupon 6's.....	1911	7,304,000	J & D			

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FREE LIST—Continued.

NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1885.		JAN. 1, 1887.	
			High.	Low.	Bid.	Ask d
do registered 6's.....1911	663,000	J & D	.....	.....	.....	.....
do coupon 7's.....1911	7,310,000	J & D	.....	.....	.....	.....
do registered 7's.....1911	3,339,000	J & D	.....	.....	.....	.....
do imp't m'tge. coupon 6's.....1897	9,364,000	A & O	.....	.....	.....	.....
do general mtge. coupon 6's.....1908	12,686,000	J & J	.....	.....	.....	.....
do income mtge. coupon 7's.....1896	10,000,000	J & D	.....	.....	54	.....
do debenture coupon 6's.....1893	670,500	J & J	.....	.....	.....	.....
do debenture conv. 7's.....1893	10,395,900	J & J	.....	.....	24½	.....
do pref. 1st series con. 5's.....1922	6,000,000	M & N	.....	.....	71½	.....
do 2d do 5's.....1933	5,000,000	F & A	.....	.....	34	.....
do def'd inc. irredeemable.....	34,300,000	.....	.....	.....	.....	.....
do do small.....	800,000	A & O	60	60	80	.....
Pitts'b'h, Bradford & Buffalo 1st 6's.....1911	10,000,000	.....	160	139½	.....	.....
Rensselaer & Saratoga R. R.....100	1,199,500	.....	.....	.....	.....	.....
Second Avenue R. R.....100	1,500,000	.....	.....	.....	.....	.....
Sixth Avenue R. R.....100	415,000	J & J	.....	.....	.....	.....
do 1st mortgage.....1889	500,000	J & J	.....	.....	.....	.....
Savannah & Charleston 1st 7's.....1889	608,000	F & A	.....	.....	.....	.....
Sandusky, Day'n & Cincinnati 1st 6's.....1900	1,448,800	.....	.....	.....	.....	.....
St. Louis, Jacksonville & Chicago.....100	1,034,000	.....	.....	.....	.....	.....
do do preferred.....50	2,300,000	.....	.....	.....	.....	.....
Sterling Iron & Railway Co.....50	*2,500,000	.....	9½	8	10	11
Scioto Valley Railway.....50	+7,000,000	M & S	.....	.....	.....	.....
Spring Valley Water Works 1st 6's.....1906	1,988,000	F & A	.....	.....	97	100
Terre Haute & Indianapolis R.....50	2,000,000	.....	.....	.....	.....	.....
Third Avenue R. R.....100	2,000,000	J & J	.....	.....	.....	.....
do coupon bonds.....	2,000,000	.....	.....	.....	.....	.....
do registered do.....	3,128,000	.....	.....	.....	74½	76
Texas & St. Louis Railway in Texas.....100	2,128,000	J & D	.....	.....	.....	.....
do 1st 6's.....1910	3,945,000	J & D	.....	.....	.....	.....
do general 1st 6's.....1921	9,582,500	.....	3	3	.....	.....
Texas & St. Louis R'way in Mo. and Ark.....	4,740,000	M & S	52	30	48½	49½
do do do 1st 6's.....1911	7,000,000	.....	.....	.....	.....	7½
Toledo, Delphos & Burlington.....50	1,250,000	J & J	52	50	.....	.....
do do 1st main 6's.....1910	1,000,000	A & O	.....	.....	.....	.....
do do 1st Dayton div. 6's.....1910	250,000	J & J	.....	.....	.....	7
do do 1st term. trust 6's.....1910	1,250,000	.....	.....	.....	.....	.....
do do income 6's.....1910	1,000,000	.....	.....	.....	.....	.....
do do Dayton div. inc. 6's.....1910	600,000	.....	.....	.....	.....	.....
Tonawanda Valley & Cuba.....100	500,000	M & S	.....	.....	.....	.....
do do 1st 6's.....1931	1,000,000	.....	116	.....	.....	.....
Union Trust Co.....100	2,000,000	.....	.....	.....	510	.....
United States Trust Co.....100	1,700,000	M & S	.....	.....	.....	105
Valley Railway Co. cons. gold 6's.....1921	3,000,000	.....	.....	.....	.....	.....
Vermont Marble Co.....100	1,200,000	J & D	.....	.....	.....	.....
do do sinking fund 5's.....1910	1,800,000	.....	118	.....	125	.....
Warren Railroad.....50	750,000	A & O	.....	.....	123	.....
do 2d mortgage 7's.....1900	1,000,000	Q J	.....	.....	.....	.....
Williamsburgh Gas Light Co.....50	.....	.....	.....	.....	.....	.....
Wabash funded interest bonds.....1907	126,000	F & A	.....	.....	100	.....
Toledo & Illinois Division 7's.....	350,000	F & A	.....	.....	100	.....
Lake Erie, Wabash & St. Louis 7's.....	350,000	F & A	.....	.....	90	.....
Great Western 1st mortgage 7's.....	42,000	F & A	.....	.....	100	.....
Illinois & Southern Iowa 7's.....	472,500	F & A	.....	.....	95	.....
Decatur & East St. Louis 6's.....	37,500	F & A	.....	.....	88	.....
Quincy & Toledo 6's.....	127,500	F & A	.....	.....	80	.....
Toledo & Wabash 2d mortgage 6's.....	262,500	F & A	.....	.....	85	.....
Wabash & Western 2d mortgage 6's.....	437,500	F & A	10	.....	85	.....
Great Western 2d mortgage 6's.....	637,000	F & A	.....	.....	85	.....
Consolidated convertible 6's.....	3,000,000	F & A	.....	.....	65	.....
Central Arizona Mining.....10	10,000,000	.....	.....	.....	.....	.....
Excelsior Water & Mining Co.....100	12,500,000	Mo.	.....	.....	17½	18
Homestake Mining Co.....100	12,000,000	.....	.....	.....	.....	.....
La Plata Mining & Smelting Co.....10	10,000,000	.....	.....	.....	.....	.....
Little Pittsburgh Consol. Mining.....100	20,000,000	.....	.....	.....	.....	.....
Mariposa L. & M. Co., California.....100	5,000,000	.....	.....	.....	.....	.....
do do preferred.....100	15,000,000	Mo.	.....	.....	24	25
Ontario Silver Mining Co.....100	10,000,000	.....	.....	.....	.....	.....
Standard Consol'd Gold Mining Co.....100	10,000,000	.....	.....	.....	.....	.....
Silver Cliff Mining Co.....50	10,200,000	.....	.....	.....	.....	.....
Stormont Silver Mining Co.....81	.....	.....	.....	.....	.....	.....

BANKERS' OBITUARY RECORD.

Baldwin.—Mr. A. H. Baldwin, a member of the New York Stock Exchange, died on December 26th. He was connected with the Exchange since September, 1878.

Benford.—C. Benford, President of the Third National Bank, Circleville, O., is dead.

Bingham.—Samuel Bingham, aged 67 years, late Cashier of the Windham National Bank, Willimantic, Conn., died suddenly from an epileptic attack at Windham Centre, Conn., January 5, 1887.

Carter.—Mr. Buel C. Carter, Bank Commissioner for New Hampshire, died at Hollisford, N. H., on December 11th, aged 47 years. He was appointed Commissioner in 1882 and again in 1885.

Croswell.—Chas. M. Croswell, President of the Lenawee County Savings Bank, Adrian, Mich., is dead.

Eyster.—Ex-Assistant United States Treasurer George Eyster, who has been suffering for over three years from a complication of diseases, died on December 29, 1886, at Philadelphia, Pa., in his 54th year. In 1869 General Grant appointed him Assistant Treasurer of the United States at Philadelphia, and he remained in that capacity until last June.

Groves.—Mr. George M. Groves died of Bright's disease at his home in New York city, on December 29th, at the age of 65 years. He was one of the founders of the Bank of the Metropolis, of New York city, and was its Vice-President for one year.

Hamilton.—Mr. Edmund S. Hamilton died on December 28th in this city, of neuralgia of the heart, aged 68 years. He was connected with the Central National Bank for over twenty years, or since that institution was established.

Hargous.—Mr. Louis Stanislas Hargous, who was for many years a banker in the City of Mexico and New Orleans, died in this city, on December 24th, aged 77 years.

Hays.—Mr. William H. Hays, of New York, died on December 8th of apoplexy, aged 72 years. He was a member of the old Open Board of Brokers. Later he became one of the founders of the New York Stock Exchange. He was President of the Dry Dock Bank, in Wall Street, from 1858 to 1865, when that bank went out of business. In 1876 he became President of the National Bank of the State of New York, which position he retained for four years.

Hoyle.—The Hon. Timothy Hoyle, President of the First National Bank, of Champlain, N. Y., is dead.

Hurter.—Henry Hurter, Cashier of the Western Bank, Louisville, Ky., is dead.

Kauffman.—Mr. Abraham Kauffman, ex-President of the Manheim National Bank, of Manheim, Penn., died at his home near Lancaster, Penn., on December 17th, aged 88 years. He was a member of the Pennsylvania House of Representatives from 1835 to 1838 and in 1843 and 1844.

Loomis.—Henry Loomis, aged 69 years, formerly President of the Burlington (Vt.) Savings Bank for a period of thirty years, is dead.

McConomy.—Mr. Ambrose McConomy, a well-known banker of Lancaster, Penn., died on December 5th, aged 53 years. He was first connected with the Lancaster Savings Institution and afterward became a member of the firms of Reed, McGrann, Kelly & Co. and Reed, McGrann & Co.

Odell.—Mr. Isaac Odell, a leading banker of this city, died on December 28th, aged 66 years. He was at one time President of the Irving National Bank, and for several years President of the Mercantile National Bank. Subsequently he became a Trustee and Vice-President of the Irving Savings Institution.

Price.—Mr. Richard Price, formerly of Salem, Mass., died at his home at Topsfield, on December 19th, aged 45 years. He was a banker and broker in Boston for years.

Simons.—Mr. Oscar A. Simons, President of the First National Bank, of Fort Wayne, Indiana, while in a demented condition, the result of nervous prostration from overwork, committed suicide on December 10th by shooting himself. He was 53 years old, and the wealthiest man in Fort Wayne.

Sather.—Mr. Pedar Sather, sole owner of the banking house of Sather & Co., of San Francisco, Cal., died at Oakland on December 28th.

Sabin.—Mr. Sydney S. Sabin, President of the First National Bank, of La Porte, Ind., died on December 26th, from cancer, aged 72 years. He was one of the oldest and wealthiest citizens of La Porte.

Tash.—Mr. George W. Tash, President of the Cochecho Savings Bank, of Dover, N. H., died suddenly on November 29th. Mr. Tash was a prominent shoe manufacturer and had held many positions of trust.

Thurston.—Mr. Josiah Thurston, President of the Ossipee Valley Savings Bank, of Freedom, N. H., is dead.

Voigt.—Mr. Adolph Voigt, Cashier of the Wilkesbarre (Penn.) Savings & Deposit Bank, died suddenly on December 28th.

Warren.—Mr. James D. Warren, editor of the *Buffalo Commercial Advertiser*, died at his home in Buffalo, N. Y., on December 17th, aged 64 years. For many years Mr. Warren was President of White's Bank, one of the most substantial financial institutions of Buffalo.

New York State Banks.—The annual report of Bank Superintendent Willis S. Paine, submitted to the Legislature January 4, 1887, shows that four new banks with an aggregate capital of \$250,000 were organized during the last fiscal year, making the present number of State banks in New York ninety-five. The increase during the fiscal year in the aggregate resources of these banks was \$11,579,775; increase in loans and discounts, \$12,611,582; in deposits, \$13,642,643. There was a net decrease of \$255,000 in the amount of capital required and a reduction of \$755,915 in the amount of specie on hand. No bank operating under State laws failed during the year.

The resources of the twenty trust, loan and mortgage companies of the State aggregate \$189,166,059, an excess over liabilities of \$2,442,147.52. The amount of deposits on which interest is allowed by these companies is \$135,503,674.82, an increase over the preceding year of \$21,783,287.76.

Superintendent Paine recommends that the banking laws be so amended as to authorize individual bankers to conduct a banking business in places of 3,000 population or less, with a minimum capital of \$10,000. Referring to the Treasury surplus, Mr. Paine says:

"The public welfare demands that the enormous surplus which will accumulate after the three per cents are paid should not be allowed to remain unemployed. It cannot be seriously maintained that a National debt should be permitted to exist for the sole purpose of perpetuating a National banking system."

Upon the subject of uniform currency, the Superintendent says:

"If Congress were to enact a statute permitting the issue of circulating notes by the Government to State banks upon certain conditions, a uniform currency would be provided of inestimable value to the country, having all the advantages now claimed for that of the National banks. Such currency should be a first lien upon the assets of each bank, and securities satisfactory to the Comptroller of the Currency should be held by him to be sold for the purpose of redeeming the circulating notes in cases where banks failed to redeem them. The Directors of any bank of deposit and discount desiring to exercise the privilege of circulating its notes should be required to deposit with that officer, subject to substantially the same conditions that now exist in connection with the deposit of Government bonds, the best obtainable stocks."

The subject of unequal taxation is dwelt upon at length, and, to illustrate this point, Mr. Paine says the trust companies of New York city, with a par capital of \$11,190,000, are assessed only upon \$64,681.

Referring further to the trust companies, which are rapidly multiplying, and are in many instances by virtue of their special charters doing the same business as that of the State banks of deposit and discount, he makes the following good points:

"Undoubtedly, if the practice of creating trust companies by special charters is to meet with no check, the evil results which afflicted thousands of the thrifty but poor depositors of savings banks during the year 1873 and subsequent years will on a larger scale be again experienced. The evils caused by the multiplication of savings banks were only remedied by an amendment to the Constitution, November 3, 1874. If the rapid increase of trust companies is permitted there is reason to believe that in time not a State bank of deposit and discount will exist in the metropolis."

The organization of trust companies, he thinks, like that of banks, should be provided for under a general law, and he has prepared such an Act for submission to the Legislature.

The recommendation regarding trust companies is in harmony with the JOURNAL's views, which have frequently been emphasized herein. A fuller reproduction of Mr. Paine's report, with comments on its main features, will appear in the next issue of the JOURNAL.

The New Bank Examiner.—Mr. Valentine P. Snyder, late Deputy Comptroller of the Currency, has entered upon his duties as National Bank Examiner at New York city, and has taken an office at No. 16 Exchange Place. His district includes Brooklyn, New York city and Jersey City, N. J. Mr. Snyder was Deputy Comptroller during the last months of Mr. Cannon's service as Comptroller of the Currency, and has since been associated with Comptroller Trenholm in the same capacity. It is believed he is well qualified to fill the important position satisfactorily to all concerned. Ex-Comptroller Cannon, President of the Chase National Bank, introduced Mr. Snyder to Manager Camp, of the Clearing-House, before he began operations. The late Examiner, Mr. A. M. Scriba, made a good record. It may not be generally known that the National Bank Examiners are appointed by the Comptroller, with the approval of the Secretary of the Treasury, and are removable by those officials. By a word the Comptroller can transfer an Examiner, if need be, from New York to San Francisco.

RHODES' JOURNAL OF BANKING.

Vol. XIV. FEBRUARY, 1887. No. 2.

IT is difficult to conceive that any person who has had practical experience of the evils of State bank circulation could be found to advocate the substitution of such a system for National bank circulation. The *Atlanta Constitution*, however, is making urgent appeals for what it calls free banking, which evidently is not to include National banks. It says:

“If Congress wants to present a valuable New Year's gift to the country let it give us free banking. There is a great deal of talk about legislation for the benefit of the National banks, but none about legislation for the benefit of the people. It is time this beautiful tune was changed. Congress has piped it right straight along for a number of years, and the dear people have danced to it with an agility that is astonishing. But now they are getting tired in the calves of the legs. The 10 per cent. tax which protects the circulation of the National banks is no longer necessary. They are able to work out their own salvation, now if ever, and they no longer need the protection of a prohibitory law. Moreover, the people can no longer appreciate the benefit of a banking system that ignores the basis of all capital, real estate. A change is necessary. Fortunate is the Congressman who, perceiving this, shall be able to bring it about.”

It is not easy to consider seriously the proposition that it would be “for the benefit of the people” to allow a revival of the old system of wild-cat bank circulation. To substitute for the National bank note (which, issued in California, is good in New York) the State bank note which was good nowhere outside of the State in which it was issued, and frequently not there, would be so unwise that it does not seem possible that any Congressman will attempt “to bring it about.” The last report of the Comptroller shows pretty clearly that the *Constitution* misinterprets the opinion of the people regarding the National banks. That report shows that there are 215,879 individual holders of National bank stock. In the State of Georgia alone there are 820 individual bank shareholders, and there are 655 resident shareholders and only 186 non-resident. Of the total 841 holders, there are 470 owning 10 shares or less, 250 owning over 10 and not more than 50 shares, 111 owning over 50 and not more than 300 shares, and only 10 owning over 300 shares. The average holdings of each shareholder are less than 32 shares, or about \$3,200. Surely there can be no banking

system proposed which would give the people of Georgia a better opportunity to invest their money in that line of business. No State system ever existed which was less exclusive as to bank ownership or which was more truly local in character. There can be no freer banking except that which would substitute license for liberty.

ONE PROVISION OF A BILL introduced in the Senate by Senator Plumb, which ought to be adopted, limits the deposit of Government bonds by a National bank to \$5,000. The object of the measure is to preserve the National banking system, and not to affect bank circulation in any way, for it leaves the basis of bank circulation exactly as it is at present. Under the Act of July 12, 1882, every bank with a capital of \$150,000 or less is required to deposit Government bonds with the Treasurer of the United States to an amount equal to 25 per cent. of its capital, and those with over \$150,000 capital are required to deposit \$50,000 of bonds. This deposit must be made whether circulation is taken out or not. The calling in of bonds has forced some banks to choose between surrendering their charter or depositing other bonds. The lowest amount of bonds that can be deposited is \$12,500 and the maximum \$50,000. At the present price of 4 per cent. bonds the cost of such a deposit in these bonds ranges from \$16,050 to \$64,000, while the cost of 4½ per cents. is from \$13,750 to \$55,000. Senator Plumb's bill reduces the deposit to a uniform amount of \$5,000, which is large enough, as additional security is required for any circulation taken out in excess of 90 per cent. of the original deposit. According to the last annual report of the Comptroller, there are 2,001 banks with a capital of \$150,000 or less which are required to deposit \$41,815,312 of bonds without reference to their circulation and 851 banks with over \$150,000 capital which are required to deposit \$42,550,000. The aggregate deposit, therefore, which these banks must make is \$84,365,312. If Senator Plumb's bill is enacted the 2,852 banks would be required to deposit only \$14,260,000, or \$70,000,000 less than under the law of 1882. It is not probable that the deposit would be reduced to anything like this extent, as a number of the banks have a circulation outstanding based upon their bond deposit, but there are banks with little or no circulation which would avail themselves of this opportunity to remain in the National system that now find it onerous to maintain a large deposit of bonds returning only a very small income upon the investment.

THE RESPONSIBILITY for the failure to establish a satisfactory Extradition Treaty between the United States and Canada, it must be admitted, rests primarily upon our own Government. That the necessity for such a Treaty exists cannot be denied, and public sentiment in both countries is strongly opposed to the present system of interchange of criminals. It is a difficult question to solve whether a country suffers most from the immigration or the emigration of knaves, but

no country can view with pleasure a steady influx of foreign rogues. It has, therefore, been in the nature of a surprise that Canada, notwithstanding the good reason it has for complaint, because of the obstinacy of the United States, has not, on its own account, refused an asylum to the undesirable immigrants which have left their native country for the country's good. That public sentiment in Canada favors such a policy we are well aware. This sentiment is reflected by the *Montreal Shareholder* in a recent issue, which suggests a plan for making it very uncomfortable for those who seek refuge in Canada to avoid punishment for their crimes. The *Shareholder* says:

"If the United States want our thieves, our defaulters, our forgers, and our blackguards, generally, let them have them by all means and welcome; but we don't want theirs in exchange. We would do away with the law making it necessary that a man shall be tried for a crime in the city, county, district, or State where the crime is committed. If such a one steals, or embezzles, or forges, or commits any other (what we regard as) crime, say, in Chicago, and flies to Canada, let his pursuers follow him, and when they come up with him let them lay their information and have him arrested. Then let them produce their evidence, and let the accused be tried by *our* Courts, according to *our* law, and, if found guilty, let him be punished precisely the same as if his crime had been committed here. Situated as we are with regard to the United States, with several hundred miles of invisible frontier between us, we are peculiarly liable to a continual interchange of criminals under existing laws, and the spectacle which is constantly presented to our rising generation of criminals committing crime with impunity is by no means an edifying one, nor one that is likely to elevate the moral tone of the community."

WHEN A SOVEREIGN STATE can, and will not, pay its debts the problem how to make it pay is one which has not as yet been solved. The unpaid creditors of some of the Southern States have attacked this problem in a new way, and the outcome, no doubt, will be awaited with considerable interest. The United States Government holds a large amount of bonds of Southern States which were bought as a trust fund for the benefit of Indian tribes. The bonds have been defaulted, and some of the individual creditors have appealed to Secretary Lamar to bring suits against the States which are in default. While the Government might succeed in such a suit, and enforce the collection of any judgment obtained, it is a question how individual creditors will profit by it. The constitutional right of a State to ignore an individual claimant can hardly be set aside on account of a judgment obtained by the United States Government in its own behalf.

A BILL WHICH FAILED TO PASS the New York Legislature last year has been reintroduced by Senator John J. Cullen. It provides that, whenever a depositor in a savings bank in New York city has failed to withdraw any part of his deposit or interest within ten years, he shall be presumed dead unless affirmative proof that he is alive is produced. It also requires bank Presidents to furnish the Public Administrator with a list of all depositors who have failed to withdraw any money

within ten years. The measure should not be allowed to become a law. It is of frequent occurrence that depositors turn up who have not been heard from in ten or twenty years, or even longer. The scheme of publishing a list of uncalled-for deposits, which the bill virtually provides for, would simply invite all manner of frauds to be committed. Ganted that some money is deposited in savings banks which is never withdrawn, the amount is only a very small percentage of the total deposits. The savings banks are purely fiduciary institutions, run for the sole benefit of the depositors. If any profit is derived from uncalled-for deposits it goes to the depositors and not to the Managers. It is an important element in maintaining confidence in such banks that a depositor is assured that he can have his money any time he wants it, whether one day or fifty years elapses after he has deposited it.

THE USE OF A PARTICULAR COIN not infrequently plays an important part in determining the commercial relations between one country and another. An illustration of this fact is to be found in the introduction of the new French piastre into Asia. The London correspondent of the *Mexican Financier* calls attention to this matter, which is of no little significance to Mexico. The Mexican peso for many years has been circulated in China, and for a long time the French have tried to displace it with coin of their own. By making the piastre a trifle heavier than the Mexican eagle dollar, and introducing it into Tonquin (their new colony), the French seem to be in the way of succeeding at last. The Chinese already express a preference for the French coin, and the French Government has been making large purchases of silver bullion, not only in London but also in the United States, for coinage into Tonquin piastres. This country to a certain extent, therefore, is a gainer by this movement, but Mexico is doubly injured in the loss of its market for silver and a diversion of its foreign trade.

THE RESIGNATIONS OF SECRETARY MANNING AND TREASURER JORDAN may be viewed in the light of a public misfortune. Both these gentlemen have had much to do with strengthening confidence in the Administration, which naturally was somewhat affected by the political changes that occurred nearly two years ago. Through defects in the laws the financial system of the Government is not what it should be, and only the courage, ability and integrity of the heads of the Treasury Department have prevented unpleasant complications. For some weeks after it was intimated in the Washington press dispatches that Mr. Manning would resign, there yet remained some doubt about it as the Secretary had made no statement as to his intention. In another part of the JOURNAL, however—see News Department—appears a correct statement of facts regarding the organization of the new Western National Bank in this city, and Mr. Manning's name appears as President and Mr. Jordan's as Vice-President. It will be difficult to fill their places with men possessing so fully, as they do, the confidence of the public.

CONSTITUTIONALITY OF THE NATIONAL BANK ACT.*

If the constitutionality of the first and second Banks of the United States be admitted there can be no difficulty in admitting that of the National Bank Act. If the power to create one banking corporation be granted so must the power to enact a general banking law.

When, in order to facilitate the funding of the revolutionary debt and to aid the Government in the fiscal operations, Alexander Hamilton proposed a National bank, the constitutionality of the measure received much consideration—both in Congress before the bill passed and by the President after its passage. Washington, before signing the bill, called first for the opinions of Attorney-General Randolph and Secretary of State Thomas Jefferson. Both of these gentlemen returned opinions adverse to the power of Congress to create a National bank. Both, but especially Jefferson, insisted with great stress of argument that the word *necessary* in the clause of the Constitution giving power “to make all laws *necessary* and proper for carrying into execution the enumerated powers” did not give power to create a bank. They both took the narrow view that nothing could be looked upon as necessary that could be done without. On receiving these opinions, Washington asked for Hamilton’s opinion in order that he might “be fully possessed of the arguments for and against the measure” before expressing any opinion of his own.

The essential point in Hamilton’s opinion was that the Government of the United States, in the exercise of its powers sovereign and from the very nature of sovereignty, had the right to employ all the means requisite and fairly applicable to the attainment of the ends of such powers. In proof of this inherent sovereignty he cited the clause of the Constitution which declares that the Constitution and the laws of the United States made in pursuance thereof, and all treaties made or which shall be made under their authority, shall be the *supreme law of the land*.

Hamilton claimed that, to carry into effect *any* of the express powers, Congress had the right to erect a corporation. “The only question,” he says, “in this or any other case must be whether the means to be employed—in this instance the corporation—has a National relation to any of the acknowledged objects or lawful ends of the Government. Thus a corporation may not be erected by Congress for superintending the police of the City of Philadelphia because they are not authorized to regulate the police of that city. But one may be erected in relation to the collection of taxes, as to the trade with foreign countries, or to the trade within the States, or with the Indian tribes.”

He further remarks that to insist on the narrow construction of the necessity clause adhered to by Randolph and Jefferson “would be to make the criterion of the exercise of any implied power a case of *extreme necessity*, which is rather a rule to justify the overleaping of the bounds of constitutional authority than to govern the ordinary exercise of it.”

Washington was convinced that the bill was constitutional, and on February 25, 1791, it became a law.

[* This article is a reply to the communication of E. D. S. on the same subject which is printed in this issue under “Open Letters from Bankers.”—Editor JOURNAL.]

When the charter of this bank expired, in 1811, Congress refused to extend it, and in the debates the question was again raised.

Albert Gallatin, then Secretary of the Treasury, in a letter to Hon. William H. Crawford, Chairman in the Senate, wrote as follows, after citing many reasons in favor of extending the charter :

"Permit me simply to state that the bank charters, having for a number of years been acted upon, or acquiesced in, as if constitutional by all the constituted authorities of the nation, and thinking, myself, the use of banks to be at present necessary for the exercise of the legitimate powers of the general Government, the continuation of a bank of the United States has not, in the view I have been able to take of the subject, appeared to me to be unconstitutional."

President Madison regarded the question as settled, inasmuch as in his veto of a bill chartering the second Bank of the United States, which passed Congress in 1815, none of his objections rested on constitutional grounds. In that veto he waives "the question of the constitutional authority of the Legislature to establish an incorporated bank as being precluded, in my judgment, by repeated recognitions, under varied circumstances, of the validity of such an institution in Acts of the Legislative, executive and judicial branches of the Government, accompanied by indications in different modes of a concurrence of the general will of the nation."

Even Jefferson, though the greatest opponent, on constitutional grounds, of the first bank of the United States, afterwards, when President, signed a bill creating, at New Orleans, a branch of the very bank the charter of which he had so ably opposed.

Daniel Webster, then in the House, was opposed to the charter-bill on grounds similar to those taken by Madison, but he had no doubt then, or afterwards, as to the constitutionality of the power to create a National bank.

In 1816 Madison signed the bill for the charter of the second Bank of the United States, and in his message to Congress said that the bank was "essential for the interests of the community at large as well as for the purposes of the Treasury."

In 1819 the Supreme Court of the United States decided, in *McCulloch vs. State of Maryland* (4 Wheat., 316), squarely on the constitutional point that Congress has powers to incorporate a bank—the reasons being substantially those in Hamilton's opinion already quoted which had so much weight with Washington—and further decided, generally, that "If a certain means to carry into any of the powers expressly given by the Constitution to the Government of the Union be an appropriate measure not prohibited by the Constitution the degree of its necessity is a question of legislative discretion not of judicial cognizance."

This is precisely the ground taken by the Supreme Court in the latest legal-tender decision.

Other decisions fixing the constitutional and legal status of the second Bank of the United States were rendered by the Supreme Court in *Osborn vs. Bank of United States* (9 Wheat., 738) ; *Flecknor vs. Bank of United States* (8 Wheat., 838) ; *Bank of United States vs. Planters' Bank of Georgia* (9 Wheat., 104) ; *Bank of United States vs. Dundridge and others* (12 Wheat., 64).

When the charter of this bank was about to expire, Jackson vetoed the bill for its renewal.

Lodge, in his life of Webster, says of Jackson : "He had the audacity to rest his veto upon the ground that the bill was unconstitutional, and that it

was the duty of the President to decide upon the constitutionality of any measure without feeling in the least bound by the opinion of Congress or the Supreme Court. His ignorance was so crass that he failed to perceive the difference between a new bill and one for continuing an existing law, while his vanity and self assumption were so colossal that he did not hesitate to assert that he had the right and the power to declare an existing law, passed by Congress, approved by Madison, and held to be constitutional by an express decision of the Supreme Court, to be invalid because he thought to say so."

This description of Jackson will not illy apply to those at the present day who, without his power and individuality, still dispute the constitutionality of the National Banking Act.

If the constitutionality of the law chartering the first Bank of the United States (though at the outset hotly disputed) was finally granted by such men as Madison and Gallatin (both belonging to the Jeffersonian school) and even by Jefferson himself, if that of the second Bank of the United States was granted by Madison at the very outset without dispute and sustained by the Supreme Court, it is much too late to call in question the constitutionality of the National Bank Act, in creating which the Congress of the United States, the Executive of the United States and the Judiciary of the United States, for the third time in less than a century, took action in favor of the views of the Constitution held by Hamilton and approved by Washington.

Webster, in his speech at the merchants' meeting in Wall street on September 28, 1840, declared that even Jackson was willing to waive the constitutional question if the bill for a re-charter could be altered in some points in accordance with his suggestions.

Thurlow Weed, in his "Memoirs," Vol. I., page 373, refers to an offer of compromise offered by Jackson's administration, which indicates that the constitutional point was not thought vital.

On the whole, if any view of the Constitution can be considered as settled by action of the Government, by weight of authority, by general consent, and by lapse of time, it is that the Congress of the United States has power to create a National bank by special or general law.

BANKERS' PORTRAITS.—The following letter is published, not so much for its commendation of the JOURNAL—we receive hundreds every week filled with appreciative words, and every one is highly prized—but more especially to direct attention to the JOURNAL's portraits of Bank officers and prominent financiers similar to the one (Mr. Babcock's) which appears in this issue. Read what our correspondent thinks of the illustrations :

FARMERS' STATE BANK,
CONCORD, Mich., January 27, 1887.
Bradford Rhodes & Co., New York:
GENTLEMEN:—In renewing our subscription (a draft for which is inclosed), permit us to say that we think the JOURNAL is keeping fully abreast of the times in its progress, and especially do we commend its new departure in the way of illustrations, as it gives us of the interior, who are not favored by a personal acquaintance with our leading financiers, an opportunity to "see how they look," and thus form a more satisfactory idea of these men. Nothing would more enlighten us regarding a man with whom we have (or wish to have) business relations than to see a faithful likeness of him. The portraits you are furnishing in the JOURNAL are the best I have ever seen; wish you would give us more of them in every issue. Respectfully,

PERCY E. CHAPPLE, Cashier.

SPECIE PAYMENTS FOR EIGHT YEARS.

Eight years have elapsed since the Government, on January 1, 1879, resumed specie payments. It will be remembered with how much fear and trembling this important step was taken, and how many were the predictions that the effort to resume would end in failure. "Resumption that did not resume" was what many chose to call the attempt of the Government to get its currency upon a substantial specie basis. The Government itself was cautious in taking the important step, for the Resumption Act was passed on January 14, 1875, or nearly four years prior to the time when it was to become operative. The interim was to be devoted to preparations for the great operation.

The Resumption Act provided for the coinage of fractional silver pieces to be used to retire fractional currency, of which there was about \$44,000,000 outstanding at the time the Act was passed, and which was reduced to about \$16,000,000 by January 1, 1879. To encourage the coinage of gold, the Act abolished the charge of one-fifth of 1 per cent. for converting standard gold bullion into coin.

The limitation of National Bank note circulation to \$354,000,000 was removed, and the Secretary of the Treasury was directed to redeem the legal-tender notes until only \$300,000,000 should be outstanding.

At the time of the passage of the Act it was the intention of Congress to retire all the legal-tender notes, but later a different policy was adopted.

On May 31, 1878, an Act was passed prohibiting the retirement of any more legal-tender notes, and requiring the reissue of all such notes as should thereafter reach the Treasury.

The only other Act passed, during the interval between the enactment of the Resumption law and its enforcement, was the one passed February 28, 1878, authorizing the issue of the standard silver dollar.

For some time prior to the date of resumption, the Secretary of the Treasury, under the authority given him by the Act, sold 4 and $4\frac{1}{2}$ per cent. bonds in order to accumulate a gold reserve for the redemption of legal-tender notes. This reserve, he estimated, should be equal to 40 per cent. of the legal-tender notes outstanding, of which there were \$346,681,016. The Secretary aimed, therefore, to have a coin reserve of \$138,000,000 on January 1, 1879, and he did have on that date \$133,500,000.

The fear that the attempt by the Government to resume would be defeated by note-holders rushing to secure gold, was soon dissipated. On January 2, 1879, the redemption of notes in coin began at the Sub-Treasury in New York, and the United States Treasurer, in his annual report for 1879, says: "More gold was received on that day and several days thereafter than was paid out."

From January 1, 1879, to November 1, 1879, only \$11,256,678 of notes were presented for redemption, and the net balance of gold and silver coin and bullion in the Treasury available for resumption increased from \$133,508,804 to \$152,737,155.

This in brief is the history of one of the most important financial feats ever accomplished by any country. Its success in no way reflects upon the caution

of the Government in attempting it, nor does it militate against the intelligence of those who expressed grave doubts of the practicability of the attempt.

Now that resumption has been accomplished, and the Government for so many years has been paying coin to every applicant, it is of interest to study the changes that have taken place in our circulating medium. To do this it is not necessary to take into account anything but the gold coin, silver dollars, legal-tender notes and National bank notes, ignoring the fractional silver, gold and silver bullion and minor coin.

Only an approximate estimate of the gold coin in the country on January 1, 1879, can be made. This may be given as \$240,000,000, the highest possible figure, the Mint estimate for July 1, 1879, being \$241,166,203. The amount of gold coin in the country on January 1, 1887, is estimated at \$559,000,000. This estimate is based upon the Mint estimate of \$534,235,453 on January 1, 1886, by adding to it the year's coinage of \$28,945,542, less about \$3,000,000 for American gold coin, exports, re-coinage and amount used in the arts. The silver dollar and note issues are stated accurately as officially reported.

The total amount of each class of money in the country on January 1, 1879, and January 1, 1887, was as follows :

	Jan. 1, 1879.	Jan. 1, 1887..
Gold coin.....	\$240,000,000	\$559,000,000
Silver dollars	22,435,560	249,655,847
Legal-tender notes.....	346,681,016	346,681,016
National bank notes.....	323,791,674	296,771,981
Total.....	\$933,908,240	\$1,452,108,844

In eight years the coin and currency of the country has increased from \$933,908,340 to \$1,452,108,844, or over \$519,000,000. Our money supply has increased, therefore, nearly 56 per cent., while the population of the country has increased from 48,200,000 to 59,200,000, or less than 23 per cent. The average supply *per capita* has increased from \$1.94 to \$2.45. The coin supply, which in 1879 was only 28½ per cent. of the total, is now 55½ per cent. The percentage of gold coin is 38½ per cent. against 26 per cent. in 1879; silver coin, 17 per cent. against 2½ per cent. in 1879; legal-tender notes, 24 per cent. against 37 per cent. in 1879; bank notes, 20½ per cent. against 34½ per cent. in 1879.

The amount of each class of money held in the Treasury of the United States, at the respective dates, was as follows:

	Jan. 1, 1879.	Jan. 1, 1887.
Gold coin.....	\$128,575,960	\$187,196,596
Silver dollar	16,697,398	188,506,228
Legal-tender notes	69,682,506	29,679,826
National bank notes.....	8,469,162	3,012,336
Total.....	\$223,324,955	\$408,394,494

The gross amount of gold and silver coin and notes held in the Treasury has increased over \$185,000,000 during the eight years, or nearly 83 per cent. About 28 per cent. of the total supply is in the Treasury against 24 per cent. in 1879. About 34 per cent. of all the gold coin is in the Treasury, over 75 per cent. of the silver dollars, over 8 per cent. of the legal-tender notes, and 1 per

cent. of the bank notes. A portion of the money in the Treasury, however, is represented in circulation by certificates. The following statement shows the amount of certificates outstanding at the dates mentioned:

	Jan. 1, 1879.	Jan. 1, 1887.
Gold certificates	\$21,189,280	\$97,215,805
Silver certificates.....	413,360	117,246,870
Currency certificates.....	33,193,000	6,510,000
Total	\$54,795,640	\$220,972,275

The increase in this class of currency has been very large, aggregating over \$166,000,000. The increase in gold certificates is over \$76,000,000, and in silver certificates nearly \$117,000,000, while currency certificates have decreased nearly \$27,000,000.

Deducting the amounts, above-mentioned, from the gross amounts in the Treasury, the net amounts in the Treasury, representing the actual ownership of the Government, are as follows:

	Jan. 1, 1879.	Jan. 1, 1887.
Gold coin.....	\$107,386,670	\$99,980,991
Silver coin.....	16,283,973	71,259,568
Legal-tender notes.....	36,392,506	23,169,325
National bank notes.....	8,469,162	3,012,335
Total	\$168,532,311	\$187,422,219

The net cash in the Treasury shows only a small increase, less than \$19,000,000, or about 12 per cent. But no account is taken of the bullion held in the Treasury in the foregoing figures. On January 1, 1887, there was \$80,931,421 gold bullion owned by the Government against only \$6,806,688 in 1879, an increase of over \$74,000,000. Silver bullion, however, shows a decrease of about \$4,700,000, there being only \$4,739,376 held against \$9,439,461 in 1879. The amount of fractional silver coin held is \$25,660,935 against \$6,039,295 in 1879, an increase of \$19,600,000. These three items, therefore, show a net increase of about \$89,000,000. Adding them to the net coin and currency holdings, it appears that the net cash in the Treasury has increased from \$190,817,000 to \$298,783,951, or nearly \$108,000,000 since resumption.

The amount of coin currency and certificates in circulation in 1879 and 1886 is shown in the following table:

	Jan. 1, 1879.	Jan. 1, 1887.
Gold coin.....	\$111,424,060	\$371,803,404
Gold certificates.....	21,189,280	97,215,805
Total gold	\$132,613,340	\$469,019,009
Silver dollars	\$5,798,212	\$61,149,409
Silver certificates	413,360	117,246,870
Total silver.....	\$6,211,572	\$178,396,079
Legal-tender notes	\$277,098,511	\$317,001,691
Currency certificates	33,190,000	6,510,000
Total legal-tenders.....	\$310,288,511	\$323,511,691
National bank notes.....	\$315,322,512	\$223,759,6
Total coin, currency and certificates.....	\$764,436,925	\$1,264,686,425

The increase in actual circulation of coin, legal-tender notes and certificates, exclusive of fractional coin, is over \$500,000,000, or 65 per cent. The larger portion of the increase is in gold coin circulation, which is now over \$336,000,000 greater than it was when specie payments were resumed. Of this increase \$260,000,000 is in gold coin and \$76,000,000 in silver certificates.

The circulation of silver dollars has increased \$172,000,000, of which \$55,000,000 is in the coin itself and about \$117,000,000 in silver certificates. There is an increase of \$13,000,000 in legal-tender circulation, the notes in actual circulation having increased \$40,000,000 and the currency certificates decreased \$27,000,000. The decrease in bank notes is over \$21,000,000.

Some very important changes have occurred in the ratios of the different classes of currency to the total circulation. The gold circulation has increased from 18 per cent. of the total in 1879 to about 37½ per cent., the coin increasing from 15 to 29½ per cent. and the gold certificates from 3 to 8 per cent. Silver circulation has increased from less than 1 per cent. to 14 per cent. of the total, the circulation of silver dollars now being 5 per cent. and of silver certificates 14 per cent. The circulation of legal-tender notes has decreased from 40 to 25½ per cent. of the total, the notes themselves falling from 36 to 25 per cent. and the certificates from 4 to about ½ per cent. The circulation of bank notes has decreased in a similar proportion, being now only 23 per cent. of the total against 41 per cent. in 1879.

It is interesting to note that the increase in circulation has been at a greater rate than the increase in population. In 1879 the total actual circulation was equal to \$15.86 *per capita*, while it is now over \$25.70 *per capita*, an increase of over \$9.84 for each individual in the country. In the following table is given the *per capita* circulation of each class of currency for the two periods :

	January 1, 1879.	January 1, 1887.
Gold coin.....	\$2.31	\$7.56
Gold certificates.....	.44	1.98
Total gold.....	\$2.75	\$9.54
Silver dollars .....	.12	1.24
Silver certificates.....	.01	2.38
Total silver	\$0.13	\$3.62
Legal-tender notes	5.75	6.44
Currency certificates.....	.89	.13
Total legal-tenders.....	\$6.44	\$6.57
National bank notes	6.54	5.97
Total for all.....	\$15.86	\$25.70

In 1879 the *per capita* of bank note circulation was the largest, with legal-tenders almost as large. The circulation of gold was considerably less than that of either bank notes or legal-tenders, while the silver circulation was almost *nil*. Now the gold circulation is much larger than that of any other class, being \$9.54 *per capita*, with legal-tenders next at \$6.57 *per capita*, bank notes coming third at \$5.97 *per capita*, and silver fourth at \$3.62 *per capita*.

Considering the methods which have been adopted in recent years for the more economical use of money, as, for instance, the establishing of Clearing-Houses in numerous cities, the conclusion seems irresistible that the increase

in the volume of the currency has been fully equal to the commercial requirements of the country.

One fact is brought out very plainly in the figures above given, and that is that the use of paper money is considered preferable to the handling of coin. It is true that the circulation of coin has increased, but the circulation of paper, including certificates of all kinds, comprises nearly two-thirds of the circulating medium. The circulation may be classified as follows:

	Jan. 1, 1887.	Jan. 1, 1879.
Legal-tenders (including certificates) and bank notes...	\$825,611,023	\$617,271,337
Coin certificates	21,602,640	214,462,275
Total paper	\$847,213,663	\$831,733,612
Coin.....	117,222,262	432,952,813
Total paper and coin.....	764,435,925	\$1,264,686,425

There has been a decrease in legal-tender and bank note circulation of over \$8,000,000, but this may be accounted for by the operation of the law keeping the one at a stationary point and forcing a reduction in the other. The increase in coin certificates, however, has been nearly \$193,000,000, and it is quite probable that it would have been still greater were not the issue of gold certificates limited to denominations of not less than \$20, and of silver certificates, until very recently, to not less than \$10. Notwithstanding these hindrances to the increase of paper circulation there are still outstanding nearly \$2 of paper for every dollar of coin.

Since resumption we have been getting our currency upon a specie basis, and now over 50 per cent. of the total circulation is in coin or its representative against less than 20 per cent. when the Government undertook the very doubtful task of establishing and maintaining specie payments.

BANK CASHIERS, ETC.—The time was when bank Directors sought out men with much of the bull-dog temperament for the Cashiership of the bank under their charge, but the day has passed for the desirability of this special qualification. The successful Cashier of to-day may, properly enough, be possessed of this old-time spirit, but it is never allowed to manifest itself. In these times of competition banks want business, and plenty of it, and a large part of the equipment necessary to win customers is the affability and straightforwardness of the bank's officers. The model bank President or Cashier is the one who can say no with such an agreeable manner that the customer feels at once that the man is prompted to say it by the best motives and that he will be glad to see him again. "Sugar catches more flies than vinegar" is pertinently true in this pushing, driving age.

Another school in which bank officers have been apt pupils for several years past is that of advertising. Even those whom the fledglings are apt to call "old fogies" have learned that IT PAYS to place their advertisements in high-toned banking publications of wide circulation and consequent influence. The best testimony on this point can be had by consulting the JOURNAL's advertising pages.

THE PROVIDENT SAVINGS LIFE ASSURANCE SOCIETY, of which Mr. Sheppard Homans, the well-known life insurance actuary, is President, makes an annual statement for the year 1886, the main features of which will be found itemized on another page. As far as we can see, Mr. Homans' company fulfils all its promises and has excellent prospects for its future success.

BANKING IN MINNESOTA.

RECOMMENDATIONS OF THE PUBLIC EXAMINER.

Public Examiner Henry M. Knox, of the State of Minnesota, is an official thoroughly alive to the importance of carefully guarding the moneys of the people. On January 5th he received (what rarely falls to the lot of any public official) an indorsement in one day from two Governors of that State. Governor Hubbard, in his last message to the Minnesota Legislature, called special attention to the recommendations in the report of the Public Examiner regarding the necessity of greater protection for the moneys collected by County Treasurers, and also to the need of more assistance in the Bank Examiner's department. On these points Governor Hubbard said :

"I especially commend to your attention the report of the Public Examiner. His lucid exposition of the defects in our system of administering the public revenues should command thoughtful study, with a view of a thorough revision of the methods now in use. His suggestions and recommendations are too voluminous for recapitulation here. I desire, however, to call your attention especially, as I have that of your predecessors, to the loose, inconsistent and insecure methods which prevail respecting the receipt and disbursement of the public funds by county officials. The receipts for the County Treasuries of the State for the year ending February, 1886, were in excess of \$9,000,000. The present system provides no checks whatever upon County Treasurers for a verification of their transactions covering this vast sum. All vouchers and entries pertaining to the receipt of these millions of the people's money are practically within the control of the Treasurer alone. One would suppose that a statement of this character would startle the taxpayers of the State, but it has been repeated in this form and by the Public Examiner from year to year, and received no heed. This state of things is accountable for the occasional defalcations of County Treasurers reported from time to time, and is a standing temptation to their frequent recurrence. The evident remedy is suggested by the Examiner, that 'all receipts for money should originate in the Auditor's office,' thus providing an accurate and effective check upon all transactions of the Treasurer. I venture to express the hope that this session will not close without legislation necessary to effect this reform.

"The recent rapid development of the State and the corresponding increase in the number of moneyed corporations over which the Examiner exercises supervision under the law has greatly added to the duties of his office. The work he must now perform in connection with the accounts of county offices has increased threefold since the office was established in 1873. Our continued growth must constantly add to the labor imposed upon him. He already finds it a physical impossibility to comply with the requirements of the law regulating his duties, and asks for an increase in his clerical assistance. It would be difficult to exaggerate the importance of this service to the public interests, and it would be a most mistaken economy to limit the expenses of its maintenance in a manner to impair its efficiency.

"Regarding the protection of public funds in the hands of County Treasurers there can be no question that the recommendation of the Examiner should be adopted as speedily as possible. It is difficult to conceive that such loose methods of business should have been allowed to continue for any length of time.

"The Legislature should make no delay in granting the Public Examiner the power to increase his force to such an extent as will insure the efficiency of his department. The very nature of the service performed by that official requires that the work should never be so pressing as to interfere with its being well done. By attempting economy in that direction, extravagance in some other direction is bound to result, no matter how careful and zealous may be the official who tries to do what

the requirements of his office demands. Mr. Knox is a most efficient officer, and for that reason his request for assistance should be promptly responded to."

Governor McGill (who succeeded Governor Hubbard), in his inaugural address, commends another recommendation of Mr. Knox, as follows:

"The banking business of the State, as appears by the Public Examiner's report, is transacted by 237 banks, but 107 of which are incorporated either under our State or the United States laws. The balance, 130, are owned and operated by private individuals and firms, and all but eleven of them have assumed corporate names. In this the corporations placing themselves under legal restrictions and surveillance have just cause of complaint. There can be no hardship in insisting that banks which make no application to the State for corporate privileges, which conform in no particular to the statutes, and make no disclosures of their affairs either by report or examination, are not entitled to corporate titles and should be compelled to do business under their personal names, as in other business. It would be well to thoroughly consider, further, whether such corrective legislation should not be applied as will bring all associations seeking to do a banking business under either National or State supervision.

"The proposition of the Examiner, which would entitle the heads of the several departments to certain privileges upon the floor of the Legislature for the purpose of making brief explanatory remarks, or of answering questions pertaining to their work, seems to me in the line of utilizing the experience of those officers, and commends itself to my judgment."

The legislation which the Public Examiner advises with reference to private banks is such as the State of New York, and in fact all the older States, have found it necessary to have. No banking institution not incorporated should be permitted to use a corporate title. It not only opens the door to fraud, but it really works to the disadvantage of those banks which have put themselves under the operation of laws looking to the greater security of the public.

That 130 out of a total of 237 banks in the State of Minnesota should be private institutions, and 119 of them should be using corporate titles, shows very conclusively that an advantage is secured over banks duly incorporated. This should not be allowed, for it is detrimental not only to the varied banking interests but to the people who use the banks as well.

ATTENTION IS DIRECTED to a letter on page 127; it gives expression to the views of very many of the JOURNAL's readers. In this extensive country it is only possible for bankers to meet a very few of their brethren face to face in the course of a lifetime; and surely the next best thing to taking a man by the hand and looking into his face in your presence is to have a faithful likeness of him before you and let the touch of his hand and the sound of his voice be pictured in your imagination. True, the Bankers' Association does a little—a very little, however—in the way of personal contact of men who have known (?) each other—by their signatures—for many years; but out of the *eighteen thousand* bank offices in this broad country the best attended Convention of the Association has never yet been able to muster over two or three hundred representatives. The working officers of the banks cannot leave their desks and travel several hundred miles simply to be present at a two days' Convention and hear a few papers read—*sometimes* very "dry" and uninteresting at that—which they would rather read in the printed Proceedings, when they can, without seeming at all rude, omit the less interesting, and inwardly digest the *meaty* papers and instructive discussions.

The JOURNAL does not expect to introduce *all* bank managers in the United States to each other, but it hopes to have the pleasure of presenting the long list who have friends and correspondents in nearly every State and prominent city.

ESTIMATES OF GOLD AND SILVER PRODUCTION.

In a recent issue of the London *Bullionist* are presented estimates of the amount of gold and silver produced in the United States that are remarkable for their inaccuracy. Not only are the figures wrong, but the statement concerning their source and method of computation are inconsistent with well-known facts.

The *Bullionist* starts out with the statement that "the American bullion year terminated on the 1st of October," to which is added that it is announced that the Director of the United States Mint has issued his report for the past fiscal year, showing a total production of gold and silver in the United States equal to \$83,000,000, or nearly £17,000,000.

The inference is natural that the *Bullionist* assumes the Mint report to be for the fiscal year ended October 1, 1886. This is wide of the mark, for the report, which was issued only a few weeks ago, is for the calendar year 1885. That report estimates the production of gold and silver for the year at \$74,800,000, or nearly \$9,000,000 less than the amount mentioned by the *Bullionist*.

It is then stated that the official document has been forestalled on the other side of the water by the annual estimate of Mr. Delmar. "The latter," the *Bullionist* says, with more pertinence than it evidently suspects, "as usual does not agree with the official data."

The feature of most of Mr. Delmar's statistical documents is that they do disagree with all trustworthy authorities, and even with irrefutable facts.

"According to Mr. Delmar," the *Bullionist* says, "the production of the past year (1885-6) was fully £5,000,000 worth of gold and less than £6,500,000 of silver (total £11,380,000) against the Mint estimate of nearly £17,000,000."

Such a mixing up of facts, or rather fiction, is worthy of no one but Mr. Delmar himself, who is entitled to the *soubrequet* of the Statistical Buttercup. If Mr. Delmar did not pen the statement himself, he must have so impressed his individuality upon the one who did that he can justly claim the production as his own.

It is absurd enough to claim on behalf of Mr. Delmar any estimate for the fiscal year (1885-6) as having any authority more than would pertain to a mere guess, but it is nothing less than ridiculous to set up the report of the Director of the Mint for the calendar year 1885 to compare it with a conjectural estimate by Mr. Delmar (or anyone else) of the production of the fiscal year 1885-6.

Mr. Delmar's estimate, stated in American currency, is given at \$25,100,000 for gold and \$31,800,000 silver (a total of \$56,900) as against the estimate of \$83,000,000 credited to the Mint report.

"Mr. Delmar," says the *Bullionist*, "kindly furnishes a key to part of the discrepancy." This is the key:

"He explains that the United States Mint gives to silver an arbitrary value of 1.29 dols., or 58.377d. (say 59d.) per ounce. For official reasons, it has never lowered its standard below that point, and the more the silver has fallen under it the greater has been the gap between official and market value. At the present time the London market value of silver is about one-fourth less than the American Mint value. The Mint valuation of the past year is consequently subject to this large deduction, and the same qualification applies to all the annual returns from the same source since the market price fell below the Mint price of 5 per cent. per ounce. To a large extent, therefore, the glut of silver has been a matter of statistics—a mere figment of an official brain. It is at least a dozen years since the American Mint rate corresponded with the

London market, and in each of these twelve years the silver production of the States has been over-valued from 5 to 25 per cent. Were the aggregates corrected throughout their totals would be many million dollars less than it now appears, and the alarming glut of silver would shrink proportionately."

If Mr. Delmar saw the report of the Director of the Mint which he attempts to criticise he must have been aware that it not only contained an estimate of the silver production based upon the arbitrary rate of \$1.2929 per ounce fine, the coining rate, but it also estimated the commercial value upon the basis of the average price of silver for the year. We quote from the report as follows:

"The rate used at the Mints for statistical purposes and in the reports of this Bureau is the coining value of silver in silver dollars, \$1.16 4-11 per standard ounce, or \$1.2929 per ounce fine, while the commercial value of silver at the present writing is about \$1.01 per ounce fine. Here is a difference of 28 cents per ounce, equal to more than one-fourth of the commercial value of an ounce, for which allowance must be made in dealing with the exportation and importation of silver bullion reported by the custom houses, and with the production as reported from the mines, reduction works, refineries, and by shipping agents."

The Director estimates the production of silver in 1885, reckoned at its coining value, at \$51,264,574. "The commercial value," he says, "of the silver product of the country was \$42,504,447, reckoning the commercial price of silver for the calendar year at \$1.065 per ounce fine, which was the average price at current exchange." The Director estimates the gold production at \$31,800,000, making the total commercial value of gold and silver produced in 1885 about \$74,300,000.

A comparison of the Mint estimate and the one credited to Mr. Delmar will show how widely apart the two estimates are :

	Mint Estimate.	Delmar's Estimate.
Gold	\$31,800,000	\$25,100,000
Silver	42,504,000	31,800,000
Total	\$74,304,000	\$56,900,000

The similarity of the Mint estimate for gold with Mr. Delmar's estimate for silver may be only a coincidence, but it looks as if the latter had mixed those figures up. This conclusion becomes irresistible after reading the following extract from the London *Bullionist* which follows immediately after the extract quoted above :

"The commercial world is probably on the eve of a discovery, that the glut of silver—always much exaggerated—has spent its force. The tide has turned, and for several years past production has been either declining or standing still. Mr. Delmar gives a comparative statement of totals from the year 1869 onward, according to which this high-water mark of the American silver mines was touched in 1882. Their production in that year was valued at £9,200,000, and since then it has hovered round £8,500,000 a year—sometimes £100,000 over and sometimes as much under. The Mint returns differ all through from Mr. Delmar's, and, according to them, the yield of the American silver mines has grown steadily till last year, when it exceeded £10,000,000.

If Mr. Delmar is an authority for the statement that the silver production of America since 1882 "has hovered round £8,500,000 (\$42,500,000) a year," what becomes of his estimate of \$1,800,000 for the year 1885-6 ? The Mint estimate for 1885 is almost exactly \$42,500,000, and we do not see how it could well hover much closer to what Mr. Delmar gives as the true figures. His own estimate does not come within \$10,500,000 of them, and, although he charges the Director of the Mint with stating the silver production at over \$50,000,000, even that amount hovers nearer the \$42,500,000 figure than Mr. Delmar's \$31,800,000 estimate.

FRANCIS G. BABCOCK.

In this issue of the JOURNAL we present a finely executed portrait of Mr. Francis Granger Babcock, one of the representative bankers of the country. Mr. Babcock was born in Chenango County, State of New York, in 1831, and is a descendant of an old New England family, his grandfather, Luke Babcock, having been a resident of Connecticut, but leaving it to become one of the first settlers of Chenango County.

The subject of this sketch was educated at Bacon Academy, at Colchester, Conn., where he enjoyed educational advantages of a high order. Mr. Babcock to this day remembers with grateful appreciation the training which he received in that place of learning, and speaks in the highest terms of praise about his old tutor in mathematics, James S. Eaton, a graduate of Andover Seminary, Mass., who was acknowledged to be one of the best mathematicians in the country.

After leaving school, Mr. Babcock began his business career in a country store in Connecticut, and no better school in which to lay a firm foundation for a commercial education could have been selected for him. He very soon gave evidence of his natural aptitude for business pursuits, and his shrewd insight into human nature may be traced to the information picked up by him in that country store in Connecticut.

Subsequently his business talents and enterprise attracted the attention of his uncles, the Messrs. Ushers, who at that time carried on the most extensive trade with the West Indies of any house in the State of Rhode Island. They made Mr. Babcock their chief clerk, and in this wider field he further demonstrated the possession of abilities which have since placed him in the foremost rank of banking men.

When the Erie Railroad was completed in 1852, and began running from Piermont to Dunkirk, Mr. Babcock at once recognized the important influence which the railroad would exert upon business enterprises along its line. He located in Allegany County, New York, first taking a position as a clerk in a country store.

About six years later he associated himself with his father-in-law, Mr. Charles S. Clark, in the business of manufacturing and dealing in pine lumber and the sale of general merchandise. This business was conducted for nearly twenty-five years, until the death of Mr. Clark in the latter part of 1880. During this time Mr. Babcock prospered in everything he undertook. Quick to perceive the character of any investment brought to his attention, he rarely failed to profit by any legitimate opportunity which offered itself. He early saw that the development of the country would exceed anything that people in his younger days dreamed of.

He became extensively interested in the ownership of pine lands in the States of Michigan and Pennsylvania. All his investments were made after personal examination and location of the property purchased, and with a clear perception of its future value. Some of these investments turned out far more profitable than anticipated. Large tracts of land purchased in Pennsylvania with refer-

ence to their value as timber land proved to be petroleum-producing, and Mr. Babcock came to be widely known as one of the largest oil land owners and sellers in McKean County, Pennsylvania.

In the year 1871, Mr. Babcock, who had then become one of the best known business men in Western New York, removed his residence from Allegany County to Hornellsville, in the adjoining County of Steuben. At that time, as now, Hornellsville was one of the most important points on the line of the present New York, Lake Erie & Western Railroad, of which road Mr. Babcock was always a firm and enthusiastic friend. In Hornellsville no man is better known and more highly esteemed. He is public spirited, and always ready to aid in the advancement of the interests of the town where he has made his home.

In 1874 he built the Babcock building, one of the principal structures in Hornellsville. In 1875 he established the Bank of Hornellsville, which is now a very prosperous institution. It was organized under the State law, and two-thirds of its stock is owned by Mr. Babcock, who has been President since its organization. The remainder of the stock is owned by his brother, Mr. D. D. Babcock, who is Vice-President of the bank, and by members of the respective families of both, so that the institution may aptly be termed a family bank.

Enormous as are the enterprises in which Mr. Babcock is interested, he gives them all his personal attention, and all show the ability and genius of the man who controls and guides them. He is recognized as one of the ablest business men in the State, and his opinion on any business question is always received with confidence and as authority.

In addition to the enterprises already mentioned, Mr. Babcock is interested in the importation and breeding of Holland and Scotch cattle, to which he has given considerable attention for several years. He is the owner of the celebrated Babcock Stock Farms, located at Hornellsville, which are unrivalled in this State. Here some of the best horses in the country are being bred. In connection with his brother, Mr. D. D. Babcock, he also owns a fine farm in Kansas, comprising some 12,000 acres, upon which are kept from 2,500 to 3,000 head of cattle and horses.

Notwithstanding the extent and diversity of Mr. Babcock's business enterprises, he has found time to take an active part in politics. He was a delegate to the National Convention in 1880, and a member of the Executive Committee of the Democratic State Committee in 1882 and 1883, representing the Congressional District then composed of Chemung, Steuben and Allegany Counties.

Mr. Babcock is, in the truest sense of the term, a self-made man. He was not born in poverty, but, from the time he was ten years of age, he has had to make his way and to depend upon his own resources for a living. With the exception of fifty dollars, his only inheritance has been the industry, enterprise and business ability which have won for him wealth and prominence.

A GOOD APPOINTMENT.—The JOURNAL's readers will note with pleasure that Mr. A. M. Scriba, the late faithful and popular National Bank Examiner for the city of New York, has been appointed Cashier of the National Shoe & Leather Bank, of New York city, which, we believe, with its capital and surplus of \$750,000, has made choice of a most excellent officer, and one whose affability of manner, sterling integrity and ripe experience must prove of great advantage to this well-known and solid institution.

**Notes and Comments on
BANKING PRACTICE.**

SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by occasional contributions from others who are interested in the subject.

Work and Wages.—How many clerks ought a bank to carry? What salaries should be paid the various officers? These are questions about which there are usually two opinions, and these opinions are very different. A few general remarks, however, may not be out of place. It is cheaper, in the end, for a bank to employ too many clerks than not enough, and to pay wages somewhat above rather than below what their services are really worth. First, as to the work. When men are hard pressed and worked beyond their strength they inevitably curtail their tasks and scant their work as much as possible. Sometimes this is done through design, sometimes unintentionally and unconsciously, and sometimes because it cannot be helped. The work of the bank falls behind; pass-books are not promptly balanced; accounts-current are badly made out, and those received from correspondents are not promptly reconciled; little errors, and sometimes big ones, are left unattended to; questions that require care and attention are hastily decided; customers receive brusque answers, and go away displeased and dissatisfied; and, in short, the whole business of the institution suffers, and that in a manner which is not readily perceived by the managers until the evil has gone too far to be easily corrected. With a sufficient force, on the contrary, matters run smoothly and pleasantly. Every one who has dealings with the institution goes away satisfied, and thus the bank acquires a reputation which in the long run is more profitable than a parsimonious policy in maintaining the working force at the lowest possible number. As to wages. Persons employed in a bank are quite as keen in looking after their own interests as other men, and, as a general observation, a bank is apt to get what it pays for. Low salaries bring cheap men and high salaries bring the pick of the market. In the term salaries are included permanency of position, prospective promotion, and all those conditions that a man looks at when accepting a place or considering a change. For example, youths, when entering a bank, are commonly guided by the advice of their friends, and the older heads are apt to take a very impartial survey of the field. Hence banks that have an unfavorable reputation do not get the bright and promising boys, but are constrained to put up with those worthies who cannot get any one else to employ them. Nothing so hampers a manager as to have a lot of incompetents under him. Few things contribute more to the welfare of a bank than an efficient, well-paid force of officers.

An Offering Book.—Every bank has its own way of dealing with paper offered for discount. Some keep a record of such paper while others do not. Here is a form of an offering book which seems to answer every purpose :

--- Offering Book. ---

Monday, January 3, 1897.

By whom offered	Maker	Entered	Amount	Date	Time	When due	Remarks	Action taken	Directors
		at Collectors		1896		1897			President
Brown & Banks	H. Mendenhall (Co)	B & B	44 56	Dec 23	3 mo	Mar 23	Col. Babcock	Passed	V. President
"	H. A. Davis (Co)	"	57 42 9	"	17 90 da	" 17	"	"	"
Austin & Co	A. R. Austin	A & Co	5 72	"	31 2 mo	Feb	"	"	"
"	J. B. Newman & Co	"	71 9 1	"	15 3	Mar 15	" 100000	"	"
"	Curry & Bar	"	1 47	"	13 3	" 13	"	"	"
Clark Bros	Hingy & Co	All single	5 00	"	15 3	" 15	Clark's office	Will take	"
"	Hingy & Co	name	5 00	"	20 3	" 20	All at 54	Money at 6	"
"	H. W. Jones & Bar	"	6 00	"	10 90 da	" 10	"	Given at 6 1/2	"
"	M. W. Cham Co	"	10 00	Jan 1	4 mo	Apr 1	"	My Chamberlain's	Done Give
C. & W. Merchant	C. & W. Merchant	invt. d. 4's	10 00	Jan 1	6 da	May 1	"	Passed 54	"
W. R. Stone	W. R. Stone	None	25	Dec 21	2 mo	Feb 21	Not known	Refused	"

The transactions shown illustrate, also, the way in which the various kinds of paper are tendered to the bank. For example, the first two sets of notes, those of Brown and Ashton, are regular commercial paper, and were probably dropped in the discount box without any special comment or explanation. This is the usual course with regular depositors. Clark Bros., on the contrary, are note brokers. Brokers commonly hand their paper directly to the Discount Clerk or to the Cashier. Very often the notes themselves are not sent in at all, but simply a memorandum of name, time and amount. This is possibly what was done in this case. The book shows the action of the Board. The next note, that of Merchant for \$10,000, might be called "gilt-edged and copper-fastened." It commands the very lowest rate that the bank's funds and the general condition of the money market will warrant. It sometimes happens that a capitalist will require a temporary supply of ready money. Rather than disturb existing investments that have been made with care and judgment he prefers to borrow in the open market, pledging bonds or stocks as collateral. Sometimes very large loans are placed in this way, especially in New York. The last note, that of H. Peirsone, is one of those curiosities that turn up every now and then at Board meetings and usually meet the same fate. No one knows Mr. Peirsone or has ever heard of him. He came in, dropped his note in the discount box, and went away without attracting any one's attention. Under such circumstances, of course, it has to be refused. But the Cashier will look out for Mr. Peirsone when he comes after his note, and may possibly grant the discount on his own authority, for Peirsone may be one of those close saving men who, in spite of every disadvantage, somehow manage to accumulate considerable money. In such a case a valuable account may be secured for the bank. The column, giving the names of the Directors present, is very desirable as showing upon whose responsibility any special note was accepted.

Furnishing a Bank.—Much more attention is paid at the present time than formerly to the furniture and general equipment of a bank. True, we have somewhat outgrown the "barbaric opulence" that displayed itself so profusely about ten years ago, and which was partly an outcome of rapid fortunes and vigorous reaction from the severe, not to say dingy, simplicity of *ante-bellum* days. The best furnished of the new banks aim rather to secure comfort and convenience than to make any special impression upon the casual visitor; indeed, it is astonishing how many little conveniences can be placed in a bank without taking up room or costing much money. Among these conveniences may be enumerated small, separate closets, where the clerks may hang their coats and hats, wire "cages" for the accommodation of customers, suitable shelving for the storage of stationery and blank books and such filled-up account books as are of too recent date to be consigned to the attic, and so on through quite a little list. The portion of the bank used by customers should be nicely and comfortably furnished with chairs, desks, and one or two small tables, to be used by those who prefer to sit while writing a check or filling up a deposit ticket. Resting against the partition that separates the clerks from the customers, and at the height of a man's waist, there should be (immediately in front of the Teller's window) a wide ledge, which, for convenience, might be rounded off to a width of two or three inches, affording customers a convenient place to count their money after receiving it from the

Paying-Teller or to indorse a check without having to go half-way across the room to find a desk. As to the arrangement of the clerks' desks, every bank has its own peculiar plan, governed usually by the way the bank happens to be built. It is a point, however, to have every clerk who is brought by his duties into contact with the public so placed that he can readily talk to a customer without leaving his desk. It is also a convenience to have every desk furnished with a shelf underneath to hold account books that have to be referred to occasionally but are not in daily use. There is one point, however, to which attention should be specially called because it is so generally neglected—keeping the desks provided for customers in proper order. The inkstands should be nicely cleaned and filled and fresh blotters and *new pens* placed on these desks every day. Nothing is more annoying to a business man, accustomed to having things neat and clean around him, than to pick up one of those cheap, common holders that seem to stick to one's fingers, and to have to *mark* his name with an old steel pen thick with ink and dirt. A vault or closet used for storing books should be fitted up with metal shelving as being more fire-proof than wooden shelves, which become dry as tinder and are ready to burn from the least spark.

Letters of Administration.—Many banks have a custom of requiring administrators to leave a copy of their letters of administration with the bank before transferring the account of a deceased person to the administrator. This is an excellent rule for the bank, but it is doubtful if it could be enforced if strenuously objected to. The relation of a bank to its depositors is simply that of debtor and creditor, and surely there is no rule of law requiring an administrator to leave a copy of his letters with every debtor from whom he endeavors to collect what may be due the estate. An administrator may be required to exhibit his letters, but, if the bank wishes to retain a copy of them, should not the bank pay the fee charged by the Court clerk for the same?

Assistant-Tellers.—A line of customers at the Teller's desk, each patiently waiting his turn, is no uncommon sight in a city bank toward the hour of closing. In some banks it seems to be regarded as a regular occurrence, and no one stops to consider whether it is objectionable or not. But it is an objectionable practice in various ways. In the first place, it is unbusiness-like and unreasonable to keep customers waiting any longer than necessary. In the second place, business men, appreciating the value of time, fall more and more into the habit of sending junior clerks and boys to the bank—an undesirable habit, because it is always better for a bank to deal with its patrons direct and not through subordinates. A Cashier, seeing heads of firms, business managers, etc., every day, can pick up considerable information that may be very useful at critical moments. Again, a Teller who is pressed by a long line of customers cannot stop to give personal and courteous attention to inquiries, messages and complaints, nor has he the time to enter into explanations with new and inexperienced persons. It may be said that these and similar objections are too trivial to require serious attention. But, in the eyes of a careful and conscientious manager, nothing that affects the interests of the bank is too trivial to be considered. The remedy is to be found in assigning one or more clerks to assist at the Teller's counter whenever a press of business occurs. This should not be put on extra, but as a part of their regular duties in the

general distribution of work. It is a good plan to take the assisting clerks from those next in the line of promotion, so that they may become gradually familiar with the Teller's duties.

About Discounting.—It is no small task to control and keep well in hand the discount line of a large and active bank. This duty properly falls to the lot of the Cashier. He is expected to keep all the details in his head and to be able to inform the Board exactly how the bank's funds stand. There is a point about discounting worthy of consideration. Small notes in the long run pay better than large ones and regular paper better than single-name notes. By regular paper is meant paper that a wholesale dealer gets from jobbers and retailers and brings to the bank for discount. As a matter of general policy, every effort should be made to get the more desirable paper in the bank by giving it preference when money is scarce and shading rates when money is plenty. Some banks seem to have a special fancy for big notes, and appear more willing to discount a single-name note for ten thousand dollars than to go to the trouble of examining into a batch of little notes, though year in and year out the latter are more likely to be paid than the former, and so small notes offered by regular customers, and undoubtedly good, are done at the regular rate, while big notes get the benefit of any special rates that the condition of the market will warrant.

A rough classification of loans in the order of their preference is: loans secured by regular collateral, paper given for goods actually sold and delivered and offered by the seller for discount, loans secured by speculative collateral, and, lastly, single-name paper. Rates should be graded, accordingly, so far as it can be done.

Executive Ability.—A man may be a very good bank clerk and yet make a very poor Cashier. For the latter office, to be properly filled, there is needed, not only knowledge and experience, but also a large degree of that rare mental quality known as executive ability. It is sometimes for lack of this qualification that clerks, who might otherwise have succeeded to a Cashier's vacancy, are passed over and an outsider of less experience called in. The ability to manage, coupled with force of character, are the chief requisites of an efficient Cashier. It is for this reason that the training a bank clerk gets is not in every respect calculated to fit him to be the responsible head of the institution. Men who are not called upon until near middle life to assume heavy responsibilities are not always equal to the occasion. Hence clerks should systematically seek to counteract the narrowing influence of routine work, and to avoid getting into a "rut," as it were. Careful reading of standard works on subjects connected with banking and finance will not only be found instructive but tend to keep the mind fresh and vigorous. Indeed, it takes a pretty vigorous brain to follow the reasoning of writers like Mill and Montgredien. Not only must books be read, but men must be studied also. At the Cashier's desk half the battle is to know how to deal with the different class of people that come to transact business.

The bank often loses or gains according to the intelligence displayed by the Cashier in his treatment of customers. To be sure, this special kind of ability is rather a natural gift than an acquired qualification, yet in this, as in every case, much may be done by perseverance, practice and, above all, self-control.

BANKING LAW.

* Legal Decisions Affecting Bankers.

DEPOSIT OF NOTE FOR COLLECTION WITHOUT RESTRICTING THE INDORSEMENT—FAILURE OF BANK—CAN CORRESPONDENT TO WHOM IT HAS BEEN TRANSMITTED HOLD PROCEEDS AS AGAINST TRUE OWNER FOR A BALANCE DUE BY FAILED BANK?

On January 3, 1884, F, of Oil City, made and delivered to the plaintiff, H, of Pittsburgh, his promissory note for \$424.12, payable five months after date to the order of H at the Oil City Savings Bank, of Oil City. In February, 1884, plaintiff placed the note in the Penn Bank, of Pittsburgh, for collection, indorsing his name thereon in blank. About May 20th the Penn Bank forwarded the note to the defendants, R. L. & Co., bankers at Oil City, and indorsed the note: "Pay S. H. Lamberton, Cashier, or order, for account of the Penn Bank, Pittsburgh. G. L. Reiber, Cashier." The defendants were the regular correspondents of the Penn Bank, and had been for several years. They kept mutual accounts. They collected for the Penn Bank and placed the proceeds of collections to its credit, and the Penn Bank did the same for them. On May 26th, at noon, the Penn Bank failed, and defendants heard of it at once by telegraph. Mr. Lamberton, about half-past 3 o'clock of the same day, called on F for payment. He could not pay, but gave two notes at thirty and sixty days, which were paid when due. About May 31st, the old and new notes being in the defendants' possession, plaintiff called on them and notified them that the note belonged to him and demanded it. He was informed that it was paid and credited to the Penn Bank. When defendants received the note there was a balance of about \$7,000 due them from the Penn Bank. It did not appear that there was any money advanced by the defendants to the Penn Bank on the credit of this note or that the balance was in any way increased after plaintiff's note came into their hands. Plaintiff sued defendants, who claimed that, in the absence of notice of plaintiff's title, the defendants had a right to treat its correspondent as owner of the note.

Judgment was rendered for defendants, and plaintiff appealed. •

Held, Although the indorsement by the plaintiff was in blank, it is undisputed that he was the real owner of the note; that the Penn Bank received it for collection only, but remitted it to defendants as if it were the paper of the bank. It is also established that defendants had no notice whatever that the apparent relation of the Penn Bank to the paper was not its real relation to it. They had an undoubted right to treat the Penn Bank as the actual owner of the note. If, therefore, they had purchased it for a valuable consideration, or made advances upon it, or given new credit upon the faith of it, they would have been protected as *bona fide* holders or owners of the note. But it is not alleged that defendants bought the note or advanced or gave credit upon it. It is contended that there had been mutual dealings between the Penn Bank and R. L. & Co.; that they had an account current between them in which they credited each other with the proceeds of all paper remitted for collection; that their accounts were from time to time settled on these principles; that upon the credit of these remittances, in their usual course of dealing, balances were suffered to remain in the Penn Bank to be met by the proceeds of these remit-

*All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL'S Law Department as early as obtainable.

Attention is also directed to the series, "Powers of Bank Cashiers," "Law Notes and Comments" and "Replies to Law and Banking Questions," which are included in this Department.

tances, and that the proceeds of the H note were in good faith credited to the Penn Bank under this course of dealings. The Court below instructed the jury that, if this was so, their verdict should be for the defendants. Upon an examination of the whole case, we fail to find any evidence showing or tending to show that any balances were, in point of fact, suffered to remain to be met by these remittances, and which, but for this course of dealings, would have been drawn. It does not appear for what particular purpose these balances were suffered to remain. We might as readily suppose they were kept for convenience or to facilitate exchanges, or for both or all these purposes, as for the purpose stated. There is not the slightest evidence that the balance in the Penn Bank to the credit of the defendants had been suffered to remain upon the faith of and to be met by remittances for collection from the Penn Bank. We are of opinion, moreover, that, if there had been evidence to this effect, in order to avail the defendants in this case, it must be shown that the balances were suffered to remain upon the faith of remittances received, or, under some circumstances, perhaps, in the process of transmission, and that R. L. & Co., relying upon such remittances, actually did something or forbore to do something by which their condition was worse than it would otherwise have been. To this extent we are willing to follow the rule laid down in *Bank of Metropolis vs. Bank of England*, 1 How., 284; S. C., 6 How., 232. A purchaser or holder of a legally-executed negotiable instrument can hold it against all claims and defenses where he has acquired it not only in good faith but upon a valuable consideration. This, in Pennsylvania, is a rule of general application, equally binding upon banking companies in their dealings with each other as upon individuals. We cannot consent to the doctrine that a mere usage and course of dealings between banks, in transmitting bills and notes for collection, by which they mutually credit the avails in account to over-balances due, can, without more, deprive a third person, the real owner of the notes or bills, of his rights. The case is distinctly ruled by *First National Bank of Clarion vs. Gregg*, 79 Pa. St., 334. The language there employed by Mr. Justice Williams, when applied to the case under consideration, *mutatis mutandis*, expresses with the greatest clearness and accuracy, the proper determination of this case. The Penn Bank did not become the owner of the note by the plaintiff's indorsement and delivery of it to it for collection, and had no right to pledge it or direct its proceeds to be placed to its credit in payment of its indebtedness to R. L. & Co. It is true that the Penn Bank was the apparent owner of the note, and, in the absence of notice of the plaintiff's title, R. L. & Co. had the right to treat that bank as the real owner. If R. L. & Co. had made advances or given credits to the Penn Bank on the faith of the note they would undoubtedly be entitled to retain the amount or the proceeds; but just at this point the defense wholly failed. The testimony of the Cashier does not show that R. L. & Co. made advances or gave any new credits on the faith of the note, nor does it show that they incurred any liability or did anything by which their condition is worse than it would have been if they had not received the note for collection and credit, or that they will suffer any loss or damage if the credit is not allowed. If so, they clearly have no equity which entitles them to withhold the proceeds from the owner of the note.

Judgment reversed.

Hackett vs. Reynolds, Supreme Court of Pennsylvania, November 1, 1886.

USURY BY PRIVATE BANKERS—DOES TAKING OF A PERCENTAGE IN ADDITION TO INTEREST AS COMPENSATION FOR LETTER-WRITING AND COLLECTING CONSTITUTE?—THE NEW YORK STATUTE.

Plaintiffs, the surviving members of the firm of E. J. & Co., who were engaged as partners in the banking business, but not organized or doing business under any statute of the State, brought suit to foreclose a mortgage given as security for certain notes drawn by one of the defendants, payable in New York city, and which were discounted by the plaintiffs at their banking house in Rochester. The defense was usury. The facts found were that, at the time of making the discounts, respectively, the plaintiffs intended to take, in addition to interest at the rate of 6 per cent. per annum, one-fourth of 1 per cent. upon

the face of said notes, respectively, calling the same exchange. Also, that said notes were made payable in New York at the desire and request of the plaintiffs; that there was then no rate of exchange between Rochester and New York in the sense of a premium for the greater value of funds in the one place over the value of funds in the other; that the maker had no bank account in New York, and the plaintiffs knew that fact; and that, by the one-fourth of 1 per cent., exchange was intended and meant a charge for letter-writing and collecting the notes in the city of New York, and the profits which would arise to the plaintiffs for making such collections by reason of the facilities which the plaintiffs, as bankers, had for making such collections; and that said charge was a reasonable one.

Held, Upon these facts the question of usury is to be determined. We will first consider the question, independently of the statutes, which provide that a reasonable charge made by any of the banking associations or bankers therein specified for collecting a note discounted by such an association or banker payable at another place than the place of such discount, in addition to the interest, shall not be considered as taking a usurious rate of interest. (Laws 1870, Ch. 163; amended, Laws 1880, Ch. 567; repealed, Laws 1882, Ch. 402, par's. 29, 37; Laws 1882, Ch. 409, Sec. 68.) The amount of the credits in the bank book show that the plaintiffs, on the discount of each note, retained the stipulated rate of exchange, in addition to interest at 6 per cent. for the time each note had to run. It has long been held in this State that it is not usurious or unlawful to take the interest out in advance without regard to the rules of rebate or discount. (2 Kern., 223.) The question of usury in this case depends, therefore, on the effect of taking out the so-called exchange in addition to the lawful interest in advance. It has also been held in this State that there is no usury in the discount of a note by a banker in the interior made payable in the city of New York, not for the accommodation of the maker nor upon the expectation that he will have any funds there at the time of its maturity otherwise than by the purchase of them at a premium, but with the purpose in both parties to enable the lender to realize a profit from a difference of exchange existing in fact and expected to continue. (19 N. Y., 184.) That decision proceeded upon the ground that there was no contract to pay more than the legal rate of interest and no more than the legal rate taken, and that the hope or expectation of realizing a profit in the difference of exchange was uncertain and speculative. That there was nothing in the law of the contract which secured the contemplated result, because the rule of damages, in an action upon the note, allowed no indemnity for the loss of exchange; and that the law recognizes no difference of value in money at different localities within this State. If, therefore, the plaintiffs in this case had done nothing more than to stipulate for and receive the interest in advance, and to receive the defendant's note made payable in New York, at their request, the transaction within the decisions would have been free from usury. But they went further by stipulating for and taking the so-called exchange in addition to the lawful interest at the time of the discount. The like feature existed in the case of *Price vs Lyons Bank* (33 N. Y., 55), and it was held to distinguish that case from that in 19 N. Y., *supra*, and to constitute usury. To the same effect is the case of the *Seneca County Bank vs. Schermerhorn* (1 Den., 132), where the bank, on the renewal of a debt, took, in addition to lawful interest, drafts on New York and Albany to the amount of the debt, which were at the time at three-fourths of 1 per cent. premium, under an arrangement by which the bank secured to itself the premium. The transaction was held usurious. We are not able to distinguish this case in principle from the two last cited. The finding that the charge was a reasonable one is immaterial; it was reasonable in amount, undoubtedly, if the debtor had needed the service, but he did not. He had no occasion to make his note payable in New York. It was made payable there at the request of the lenders, and for the sole purpose, so far as the case discloses, of enabling them to realize a profit in addition to the lawful interest. The finding is that the charge was not simply a reasonable remuneration for letter-writing and collecting, but it also included a profit which would arise to the plaintiffs from making the collection by reason of the facilities which they, as bankers, had for making such collections.

We are of opinion that, but for the statutes already referred to, the transaction would be usurious for the reasons above stated.

Further *Held*, The only question in respect to those statutes is whether the plaintiffs, being private bankers, are within their provisions? After an exhaustive review of the provisions of the statutes, the Court states: On the whole, we are of opinion that the plaintiffs are within the statute referred to, and should have judgment in their favor.

Perkins vs. Smith, N.Y. Supreme Court, General Term, Fifth Department, June, 1886.

ACTION AGAINST NATIONAL BANK—JURISDICTION OF CIRCUIT COURT.

Action was brought in a State Court against a National bank, and defendant sought to remove the suit to the Circuit Court.

Held, Section 4 of the Act of Congress of July 12, 1882, declares that the jurisdiction for suits thereafter brought by or against any National banking association, except suits between them and the United States or its officers and agents, "shall be the same as and not other than the jurisdiction for suits by or against banks not organized under any law of the United States which do or might do a banking business where such National banking associations may be doing business when such suits may be begun," and repeals all laws and parts of laws of the United States inconsistent with that enactment. This language is so explicit as to seem to leave no room for reasonable doubt that Congress intended to prohibit National banks from invoking any jurisdiction in suits in which they are either plaintiff or defendant not open to banks not organized under the laws of the United States. The defendant has sought to remove this suit from the State Court upon the sole ground that it is a corporation organized under the laws of the United States, and that, therefore, the suit is one arising under the laws of the United States. If its position is correct, the section referred to is practically nugatory legislation by Congress, because, in all cases, a National bank can resort to the jurisdiction of the Circuit Court by removal, where it is plaintiff, by bringing its action in the State Court and then removing it to the Circuit Court, and, where it is defendant, by removal merely.

Motion to remand granted.

Cooper vs. Leather Manufacturer's National Bank, United States Circuit Court, Southern District of New York, November, 1886.

PROMISSORY NOTES—NEGOTIABILITY.

A note in form negotiable is not rendered non-negotiable by the addition, at its close, of this stipulation: "We do hereby relinquish and waive the benefit of all laws exempting real and personal property from levy and sale." In the absence of any statute of the State, prescribing the effect of such a stipulation, it is merely a question of general commercial law in which Federal Courts follow their own opinions rather than necessarily the decisions of the State Courts. That stipulation is one which does not affect the time or amount of payment, or place of payment, or the party by whom or to whom payment is to be made. In short, it in no manner affects any of the essential elements of a negotiable promissory note.

A note otherwise negotiable is rendered non-negotiable by the stipulation in it to pay "with interest and exchange." This is a stipulation which affects the amount to be paid at the maturity of the paper, and in that respect it differs from those stipulations for the payment of attorneys' fees in case of collection. That is a distinction which should be borne in mind; for, if the amount to be paid at the maturity of the note is certain, then (although the Supreme Court of this State has held otherwise) the incorporation of a stipulation for the payment of a greater, though uncertain and contingent, amount in the future does not affect the negotiability of the paper. But this stipulation renders uncertain the amount to be paid at the maturity of the paper. It is interest and exchange, and what that exchange will be no one can tell. There is no law determining the amount of exchange. It all rests upon the modesty of the banks. Even if the note was made in the place it was made payable that

would not affect the question, because, wherever the party may be at the time the note becomes due, he is bound to add to the amount of the note and interest, the exchange to the place where the note is payable. Supposing he had removed to Texas, and an action was brought on this note there, the amount to be recovered would not be simply the principal and interest, but also the exchange from that place to Montgomery City, the place where the note was payable. So that, in any aspect of the question, here is a stipulation incorporated into the body of the note making uncertain the amount to be paid at the time of maturity, and that conflicts with a well-understood and essential element of negotiable promissory paper, viz., that the amount to be paid at maturity shall be a sum certain.

Hughitt vs. Johnson, United States Circuit Court, Eastern District of Missouri, September 30, 1886.

CHECK—FORM OF—MAKING IN SETS SIMILAR TO FOREIGN BILLS OF EXCHANGE.

The question for determination was whether an instrument in the following form was a check :

<p>\$2,000.</p> <p>Pay this, our first check (second unpaid), to the order of William Haerle, two thousand dollars.</p> <p>To Merchants National Bank, Chicago, Illinois.</p> <p>No. 190,283.</p>	<p>Original.</p> <p>STATE OF INDIANA. INDIANAPOLIS, July 15, 1884.</p> <p>BANKING HOUSE OF A. & J. C. S. HARRISON.</p> <p>A. & J. C. S. HARRISON.</p>
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Indorsed across the face was : "\$2,000. WILLIAM HAERLE."

Held, It is not contended, and it could not be on authority, that the fact that the above instrument is drawn by parties in Indiana on a bank in this State can be held to determine that it is not a check. Parsons, in his work on "Notes and Bills" (Vol 2, pages 58, 59), says : "They (*i. e.*, checks) are much used here in drawing from one State upon houses of deposit in another ;" and *Union National Bank vs. Oceana County Bank*, 80 Ill., 212, and *National Bank of America vs. Indiana Banking Co.* 114 Ill., 483, disregard the fact that the drawer resides in one State and the drawee in another upon the validity or character of instruments as checks. The only reason urged why this instrument is not a check is the fact that it contains the words "Original" and "(second unpaid)". These, it is contended, make its payment conditional. We cannot concur in this view. The practice of making more than one copy of an instrument ordering or requesting the payment of money, we concede, is generally confined to foreign bills of exchange : but there is nothing, in our opinion, in the purpose or effect of that practice which should render it inapplicable under all circumstances to checks. The purpose is to guard against loss or question in case of miscarriage, the chances of the bill reaching in due season the party to whom it is transmitted being increased by the number of copies. (1 Pars. N. & B., 58, 59.) But this does not render the instrument a conditional one in any sense. The whole of the set constitutes, in the law, but one bill, and, therefore, payment or canceling of either of the sets is a discharge. (1 Pars. N. & B., 59.) The essential characteristic of a check is that it shall be instantly payable on demand (2 Daniel on Neg. Instr., 8d Edition, Sec. 1572 ; 2 Pars. N. & B., 59, 60), and that demand is effected, unconditionally, the moment either copy is presented.

Merchants National Bank of Chicago vs. Ritzinger, Supreme Court of Illinois, November 13, 1886.

PURCHASE OF BONDS BY CASHIER AS AGENT FOR DEPOSITOR—SPECIAL DEPOSIT—CONVERSION—AGENCY.

On the 17th of March, 1882, B employed H, defendant's Cashier, to purchase for him four Roseville Township Railroad Aid bonds of \$1,000 each. H purchased the bonds and paid for them from the proceeds of a check drawn by B on the defendant. On the same day B made a special deposit of these bonds with the defendant. H, having embezzled funds from the defendant while

acting as Cashier, subsequently, and while still acting as defendant's Cashier, without the knowledge or consent of B, in order to conceal in part the fact or extent of his embezzlement, took these bonds from their place of special deposit in the bank and put them with the assets, including other like bonds of the defendant, and thereafter reported them to the defendant as so much of its assets. The defendant afterwards became insolvent, and its assets and also these bonds were taken charge of by a Bank Examiner on the 8th of April, 1884. Since that time defendant has been demanded by B to deliver the bonds to him, and has refused. This action is brought by the administrator of B against defendant for negligence and for the conversion of the bonds. Judgment was rendered against defendant, who (as plaintiff in error) appeals.

Held, Although, in the mere act of purchasing the bonds, H was the agent of B, when the purchase was completed that agency ended. As Cashier in receiving the bonds on special deposit he was the agent of the bank, and it was as Cashier and agent of the bank that to hide, in part, his embezzlement from the bank, he took the bonds from the special deposit and placed them among, and reported them as, assets of the bank. His knowledge was its knowledge, and it could not in this way acquire a legal title to the bonds without the knowledge or consent of B.

Judgment affirmed.

First National Bank of Monmouth vs. Dunbar, Adm'r, Supreme Court of Illinois November 12, 1886.

INDORSEMENT OF NOTE AFTER THAT OF PAYEE—INDORSER OR GUARANTOR
—LIABILITY OF GUARANTOR.

C indorsed the note in suit below the name of the payee before maturity in order to give it credit, and the payee then transferred it for value to R. The note was dishonored, but C never had notice of any demand of payment on the maker and of its dishonor. In a suit by R against C,

Held, The question arises whether C is to be regarded as an indorser of negotiable paper, with the liabilities and rights incident to such an engagement; or a guarantor whose guaranty was of such a nature as to render it unnecessary to prove either demand or notice in order to make out a *prima facie* case for recovery. We are of opinion that C was such a guarantor. It was held in 13 Ohio, 228, and afterwards approved in 17 Ohio, 36, that the mere indorsement upon a note of a stranger's name in blank is *prima facie* evidence of guaranty, there being no proof that his indorsement was made at the time of the making of the note. This presumption, it is true, may be overcome by parol evidence that a different agreement was intended. (28 Ohio St., 52; 18 Ohio, 441; 9 Ohio, 139; and cases *supra*.) But the evidence as disclosed by the record shows that C's name was not upon the note at the time of its execution or before it was drawn, and so he could not be charged as an original promisor. Not then being in the chain of title—having no ownership in the note—he could not, in the capacity of indorser, vest title thereto in an indorsee. M, the payee, was at the time in possession of, and the sole owner of, the note, and was the only person competent as an indorser to enter into the contract implied in the act of indorsement, namely, that he had a good title to the instrument. As an indorser he did not transfer the paper to C, who might in turn indorse it to pass title; but M, by indorsement, vested title directly in R, with no indorsee intervening. R, however, demanded other security than a recourse to those who were parties to the paper, and therefore required that C, a stranger to the paper, should place his name upon its back and thus add strength and credit to it and render it more easy of circulation. C, in signing his name under that of the payee and indorser, assumed the obligation of a guarantor, and did not contract to pay the note, if dishonored, only upon condition that it would be duly presented for payment at maturity and due notice would be given to him of the dishonor. The rule as laid down by Judge Story is that, if subsequent to the time when the note is made a party indorses it, not being a regular indorsee from or under any of the antecedent parties, he will be deemed a guarantor if there be a sufficient consideration. (Story on Prom. Notes, Sec. 183.) The guaranty of C was not dependent upon

any condition or contingency expressed in or implied from the terms of his contract. In legal effect it was as absolute and unconditional as if he had written on the back of the note "I guarantee the payment of the within note," words held in 19 Ohio St., 549, to be an absolute and unconditional guaranty, and which rendered it unnecessary to aver or prove either demand or notice in order to make out a *prima facie* case for recovery. As said in 31 Ohio St., 15, "a breach of the agreement of the guarantor results from the non-payment of the debt." There being no condition as regards presentment or notice implied in the terms of such a guaranty, the guarantor must enquire of his principal, or take notice of his default, at his peril. By such guaranty, the guarantor is made a party to the note, and his contract, unlike that of an indorser, is governed by the rules of common law and not by those peculiar to the law merchant. "It is an undertaking to do a thing in a certain specified event. The event is a default in the payment of the bill or note by the parties. When this happens the liability of the guarantor, by the terms of his guaranty, is complete." (Story on Prom. Notes, 7th Edition, 623; note by Thorndyke.)

Castle vs. Rickly, Supreme Court of Ohio, December 7, 1886.

PROMISSORY NOTE—INDORSEMENT BY PAYEE—PAROL EVIDENCE.

In an action on a note against the payee, who had indorsed the same, and who sought to show by parol evidence that when he put his name on the back of the note it had already been paid, and that his name had been so put on the note at the request of the plaintiff as evidence of such payment, it was claimed that the indorsement of a promissory note constituted a certain and well-defined contract with as much force and meaning as if all the conditions and stipulations had been written out at full length, and that parol evidence was inadmissible to either modify or contradict such a contract of indorsement; and the case of *Stack vs. Beach*, 74 Ind., 571, was relied on as supporting that doctrine.

Held, The doctrine, as thus stated, was in that case only made to apply to indorsements upon a note or bill which regularly follow that of the payee, and, as to that class of indorsements, many exceptions to the general rule announced were recognized. So far as we are advised, so strict a rule has never been applied to indorsements upon a note or bill by the payee. It is true that, where the law attaches a definite meaning to an indorsement upon a note or bill, parol evidence will not be admitted to qualify or contradict the contract of indorsement; but this rule for the exclusion of parol evidence does not extend to evidence offered to attack the validity of the contract itself for want of consideration, or on account of fraud, or because the consideration has failed. So the fact that it would be inequitable or fraudulent to enforce the contract of indorsement, as that the indorser was an agent, or that the note was indorsed for a special purpose, such as the creation of a trust, or for collection, or for the accommodation of the indorsee, may be proved by parol. (Edw. on Bills, Sections 393, 399, 440, 442; 3 Kent Comm., 80.)

In the case of *Smythe vs. Scott*, 106 Ind., 215, it was said that, "where an indorsement is made by a payee without consideration or upon some trust arising out of an antecedent transaction, or to accomplish some special purpose, the facts which go to show the transaction may be shown. This for the purpose of showing the equities between the parties and to determine the consideration upon which the indorsement was made." From what has been said the inference would seem to be plain that the defendant is entitled to show by parol evidence the circumstances connected with his indorsement of the note.

Spencer vs. Sloan, Supreme Court of Indiana, November 6, 1886.

PLEDGE OF COLLATERALS FOR A PRE-EXISTING DEBT—SUFFICIENCY OF CONSIDERATION.

Whether a previous debt is sufficient to constitute a holding for value of collateral paper is a question upon which there has been a very sharp conflict of authority in this country ever since the case of *Coddington vs. Bay*, 20 Johns., 636, was decided by Chancellor Kent. That case in effect declared

that a previously existing debt did not constitute a sufficient consideration for such a holding of collateral paper, and the doctrine of that case has obtained full recognition in a large number of the States. But the Supreme Court of the United States has uniformly held a contrary doctrine. In the case of *Swift vs. Tyson*, 16 Pet., 1, this latter Court declined to follow the case of *Coddington vs. Bay*, and has ever since continued to dissent from the rule recognized in that case. (See *Jones*, "Pledges," Section 107 *et seq.*; 1 How., 234; 20 How., 343; 21 How., 432; 100 U. S., 239; 102 U. S., 14.) It may therefore be now regarded as an established legal proposition in the Supreme Court of the United States that an existing debt affords a sufficient consideration for the pledge of collaterals as security for its payment, and that seems to be in accord with the English decisions on the same subject. (See *Jones*, "Pledges," Section 111, and authorities cited.) This Court, in the case of *Straughan vs. Fairchild*, 80 Ind., 598, accepted the rule of construction thus established by the Supreme Court of the United States as the correct rule under the laws of this State, and still adheres to that rule as being more in the interest of commerce than the contrary doctrine.

Spencer vs. Sloan, Supreme Court of Indiana, November 6, 1886.

DEPOSIT OF TRUST FUNDS—INSOLVENCY OF BANK—RECOVERY.

Fletcher & Sharpe, bankers, doing business in the city of Indianapolis, became insolvent on the 15th day of July, 1884, and, on their application to the Court, a Receiver was appointed, who took possession of the assets, and, through its Receiver, the Court continued in the administration of the insolvent concern. On the 29th of September, 1884, F & V, administrators of the estate of V, in an intervening petition to the Court, alleged that, soon after their appointment as such administrators, they had deposited in the Fletcher & Sharpe Bank about \$40,000 of the funds of the estate for safe keeping. That, at the time of receiving such funds, Fletcher & Sharpe had full notice that they belonged to the estate, and that the same were placed in their custody by the petitioners in their trust capacity, and the petitioners aver that the fund was so received by Fletcher & Sharpe. The petition alleges the insolvency of the bank, the appointment of the Receiver, and his possession of the assets, and it is shown that about \$22,000 of the money so deposited remained in the bank at the time of its suspension. The petitioners aver that the Receiver has in his possession a large amount of assets, consisting of bills receivable and choses in action, in which Fletcher & Sharpe had wrongfully invested the moneys so deposited by the petitioners, and they ask that the Court shall order the Receiver to pay over to them the full sum of money so deposited and yet remaining unpaid by the bank at the date of its suspension. Denial was made on behalf of the Receiver, and, upon a hearing, the prayer of the petition was denied and judgment rendered that the petitioners take nothing. On appeal,

Held, The question arises upon the evidence. There was no disagreement as to the material facts in the case. The funds were deposited in the bank from time to time to the credit of the petitioners. It may be assumed that the account was opened and continued on the books of the bank in the name of the petitioners as the administrators of the estate of V, although this does not very distinctly appear. It does appear, however, that Fletcher & Sharpe were notified, when the first deposit was made, that the funds thus deposited, and such as should be thereafter deposited by the petitioners, were and would be the funds of the estate, and a trust fund, and that no checks would be drawn upon it except for the purposes of the estate, and that all checks would be signed by the petitioners as administrators. An ordinary bank account of debit and credit was kept, the petitioners having the customary pass book evidencing the amount of their deposits from time to time. When the bank suspended the amount due the petitioners on their account was \$22,042.52. A sufficient sum of money went into the hands of the Receiver when he took possession of Fletcher & Sharpe's affairs to have paid the amount due the petitioners. The total amount of the assets was about \$500,000; the liabilities aggregated \$1,500,000. Upon this state of facts it is now argued that the petitioners are entitled to an

order giving them a preference over other general depositors. Whether the loss to the fund occasioned by the suspension or insolvency of the bank will ultimately fall upon the petitioners is a question in no way directly involved in the decision of this case. The principles which determine the liability of trustees who become depositors of trust funds were considered to some extent in the case of *Naltner vs. Dolan* (an abstract of which appears in the January, 1887, number of the JOURNAL, page 21,) and cases cited. Nor does the case involve any question as to the right of the bank to appropriate the fund for an indebtedness due from the depositors as in 84 Ind., 114. There are many cases in which the question has arisen as to the equitable right of a *cestuis que trust* to pursue a trust fund which has been misapplied or diverted by the trustee or which the creditors of the latter are seeking to subject or appropriate to the payment of debts due them. The general doctrine is well established that equity will follow a fund through any number of transmutations and preserve and protect it for the real beneficiary so long as such fund can be identified and followed. (104 U. S., 54; 4 DeGex M. & G., 372; 2 Hem. & M., 417; 18 Ch. Div., 696; 3 Maule & S., 562; 57 Pa. St., 202; 52 N. Y., 1.) The class of cases above cited are relied on by the appellants for a reversal of the ruling below. The distinction between the cases relied on and the case being considered is obvious. Those are cases in which the aid of a Court of equity was invoked by the rightful owners to preserve a trust fund from misappropriation by a trustee or his creditors. This is a case in which trustees with others have become general depositors in a bank which has become insolvent and whose assets are in the hands of a Receiver for distribution among all its creditors according to law. The question is: Do persons who become general depositors of trust funds in such manner as to create the relation of debtor and creditor between themselves and the bank in which the funds are deposited stand upon a different level from other general depositors? There is no question but what the fund was properly deposited. The propriety of the conduct of the trustees in making the deposit or of the bank in receiving it is not in dispute, nor does the evidence suggest any wrongful misappropriation or diversion of the fund either by the bank or the trustees. When deposits are received, unless they are special deposits, they belong to the bank as a part of its general funds, and the relation of debtor and creditor arises between the bank and the depositor. This is equally so whether the deposit is of trust money, or funds which are impressed with no trust, provided the act of depositing is no misappropriation of the fund. If, in receiving a trust fund, a bank acted with knowledge that it was taking the fund in violation of the duty of a trustee the rights of the *cestuis que trust* might be different. In respect to such a case we decide nothing here. In this case, where no impropriety is imputed to the bank in receiving the money, it becomes the debtor of the petitioners, and its debt to them was of the same character as its debt to any other depositor, and must be paid in the same proportion. The rights of other creditors stand on a level with those of the petitioners and are to be guarded and protected by the Court with the same vigilance. (103 Ind., 563; 31 Kan., 173; 46 N. Y., 82; 71 N. Y., 325; 10 Wall., 152.)

Judgment affirmed.

Fletcher vs. Sharpe, Supreme Court of Indiana, November 20, 1886.

POWERS OF BANK CASHIERS.

Continued from page 32, January number of the JOURNAL.

XIII. Power to Bind a Bank as Accommodation Indorser or Acceptor.—The Cashier of a bank has no authority by virtue of his office to bind the bank by an accommodation indorsement or acceptance of the paper of third parties. Although he may lawfully indorse the negotiable paper of the bank, with a view to raise money on it by way of discount, or for any other lawful purpose, still he has no right to indorse, in behalf of the bank, the paper of other persons in which the bank has no interest, or to make the bank a party to paper for the accommodation of any one. Such an indorsement would be

void in the hands of every person having notice of the fact. (13 N. Y., 316; 16 N. Y., 128; 1 Dougl., Mich., 457; 26 Wis., 663.) But, though such an indorsement is entirely beyond the scope of the Cashier's powers, if the paper is negotiable and is upon its face in all respects such as the bank, by its Cashier, would have authority to indorse, and its only defect consists in the extrinsic fact that the indorsement is in reality for accommodation, and without authority, a *bona fide* holder before maturity, without notice of the purpose for which it was indorsed, can hold the bank on such indorsement. (16 N. Y., 128; 29 N. Y., 619; 35 N. Y., 505; 26 Wis., 663.)

Where, however, the Cashier of a bank made his individual note to the order of the plaintiff, and indorsed it as Cashier, it was held, not only that he had no authority as Cashier to bind the bank by the indorsement of his individual note, but that the very form of the paper itself was notice of a presumptive want of authority to make the indorsement, and was sufficient to put a purchaser on his guard; and that, if such purchaser failed to avail himself of the notice and make inquiry as to the authority of the Cashier to bind the bank by such an indorsement, it was his own fault, and, as against the bank, he must bear the loss. (*West St. Louis Savings Bank vs. Shawnee County Bank*, 3 Dill., 403; same case, 95 U. S., 559.)

Not only is there an entire absence of authority in the Cashier of a bank to bind the institution as an accommodation indorser or acceptor, but it would seem to be still an open question whether a banking institution, acting through its regularly-constituted Board of Directors, has itself the power to incur such a liability. In the case last above cited (*West St. Louis Bank vs. Shawnee County Bank*), in the United States Circuit Court for the District of Kansas, and in the Supreme Court of the United States, it is assumed that such a power exists. The opinion of Judge Dillon, in the Circuit Court, after stating that the plaintiff had notice of a presumptive want of authority by the form of the instrument (it being made by the Cashier, individually, who indorsed as Cashier), states that "to hold the defendant bank on such indorsement the onus to show *authority, express or implied, from the Directors of the defendant bank* is upon the plaintiff." The case being carried to the Supreme Court of the United States, that Court, in affirming the decision of the Circuit Court, in its opinion states that "one who accepts an indorsement of that character, if a contest arises, *must prove actual authority* before he can recover." It will thus be seen from these extracts that the power to bind the bank as accommodation indorser or acceptor is considered, so far as the Federal Courts are concerned, to reside in the Board of Directors, and that the holder of paper, having notice that it has been indorsed for accommodation by the Cashier, must prove *actual authority from the Directors* before he can recover, and, if such authority is shown, it is sufficient.

Turning to the decisions of the Court of Appeals of New York, however, we find a denial of any such power, and the contrary doctrine asserted, as follows: "It is quite clear that the officers of a banking association have no power to engage the institution as the surety for another in a business in which it has no interest. Such a transaction is without the scope of the business of the company. * * * The officers of a bank have no right to indorse in its behalf the paper of other persons in which it has no interest. Such contracts are void upon the same principle that an indorsement by a partner of the firm name without the consent of the co-partners for the accommodation of a third person would be inoperative against the firm. But, if a co-partner of a mercantile firm affixes the partnership name to paper in which the firm has no interest, and such paper is negotiated to an innocent holder for a valuable consideration, the firm is bound. The same principle applies to the acts of the officers of a corporation." (18 N. Y., 309.)

And again: "It is a sound proposition that a banking corporation exceeds its powers when it becomes the mere surety for another upon a contract in which it has no interest or lends its credit in any form for the exclusive benefit of third parties. Such a contract is *ultra vires* and cannot be enforced against the bank by any person cognizant of the facts."

It would thus seem to be unsettled whether an indorsement or acceptance of the paper of third parties, for accommodation, is *ultra vires* a banking

institution, and not enforceable by any party having knowledge of the facts, or whether the Board of Directors, as the managing body, are vested with such power. However this may be, there is no question but that such a contract is entirely beyond the powers of the Cashier.

LAW NOTES AND COMMENTS.

THE MASSACHUSETTS SAVINGS FUND AND LOAN ASSOCIATIONS.—Section 5 of Chapter 117 of the Public Statutes of Massachusetts relative to these associations provides that "the capital to be accumulated shall not exceed one million dollars, and shall be divided into shares of the ultimate value of two hundred dollars each." A few of these associations have issued more than five thousand shares, which, at \$200 each, constitute the limit of capital; but it is claimed by the officers of these associations that the shares are not now, and are never likely to be, worth par, as they are constantly losing in value. The Savings Bank Commissioners have taken the ground that the limit of \$1,000,000 should not be increased, and they have obtained the opinion of the Attorney General that the banks have no power, under the law, to issue above five thousand shares. In view of the fact that these shares are deteriorating in value, it is considered as a great hardship upon these associations that they should be forbidden to issue more than five thousand shares, and they claim that this discrimination as to the amount of shares to be issued by them interferes greatly with their workings. The Legislature will probably be petitioned to increase their powers.

NEGOTIABILITY OF PAPER PAYABLE "WITH EXCHANGE."—In the case of *Hughitt vs. Johnson*, in the United States Circuit Court for the Eastern District of Missouri, reported in this number, it is held that a note is rendered non-negotiable by the addition of the stipulation in it to pay "with exchange." As there has not been an entire uniformity of decision on this question, we submit in connection with that case a brief abstract of the decisions of other Courts on the question.

In *Lowe vs. Bliss*, 24 Ill., 168, the action was on a promissory note dated at New York, payable at a bank in Illinois "with current rate of exchange on New York." The Court held that the instrument was not negotiable, as the words quoted made the sum payable uncertain.

In *Hill vs. Todd*, 29 Ill., 102, the note was dated at Chicago, payable to B., H. & G., at their office in that place, "with current rate of exchange." The Court held that there could be no such thing as exchange on this note. That exchange is the difference in value of the same sum of money at two different and distant places or countries. If the coins of the two places are of equal fineness and weight there can be no difference in their value except the expense of transporting from one place to the other, which would constitute the rate of exchange between the two places. It is said that the relative abundance or scarcity of money is what forms the exchange between those countries. This, doubtless, enters largely into, and probably is, a material circumstance determining the rate of exchange; yet the necessity of transmitting from one place to another without reference to its abundance or scarcity has no doubt a more controlling influence on the rate than any other circumstance. As this note was payable in current coin, and payable at the office of the payee, there could be no exchange on that place, as there was no cost of transfer of the funds. The language "with current rate of exchange" in this note is, therefore, without meaning, and should be rejected as surplusage; and the note is negotiable.

In *Clauser vs. Stone*, 29 Ill., 114, the note sued on was dated at Boston, payable at a bank in Illinois, and promised to pay the sum of \$405 "with exchange." *Held*, The simple words "with exchange" are unmeaning; they can be rejected as surplusage, and do not affect the negotiability of the note.

In *Philadelphia Bank vs. Newkirk*, 2 Miles (Pa.), 442, the note contained the words "current rate of exchange to be added." *Held*, The instrument

sued on is not a promissory note. To constitute a promissory note, the instrument on its face must be for the payment of a sum certain, not susceptible of contingent or indefinite additions, nor subject to indefinite or contingent deductions. In this instance the "current rate of exchange to be added" is clearly indefinite.

In *Smith vs. Kendall*, 9 Mich., 241, the action was on a promissory note payable "with current exchange on New York." *Held*, The fluctuation to which exchange is subject is not such a contingency or uncertainty as the rule requiring a note to be for a sum certain was intended to guard against, and the note was held negotiable.

In *Bullock vs. Taylor*, 39 Mich., 137, a note was dated at Mount Pleasant, payable at a banking house in East Saginaw, and promised to pay the sum of \$70 "with exchange or express charges." The Court held that the provision for the payment of the exchange or express charges was merely nugatory. By the terms of the note it was payable at East Saginaw, and it therefore became the duty of the promisors to be at any expense necessary for the transmission of the money to that place. Whether they sent by draft or by express the expense would equally fall on them, and an express promise to pay it could add nothing to their liability.

In *Johnson vs. Frisbie*, 15 Mich., 286, a promissory note made in Michigan and payable "with current rate of exchange on New York" was held to be a negotiable instrument.

In *Leggett vs. Jones*, 10 Wis., 34, the note in suit promised to pay \$224 at a bank in Wisconsin "with exchange on New York." *Held*, Although these words might seem to be a slight modification of the general rule that a promissory note must be for a sum fixed and certain, we have no doubt such instruments have everywhere been treated as commercial paper both by the business world and by the Courts.

DEPOSITING PAPER FOR COLLECTION WITHOUT RESTRICTING THE INDORSEMENT.—The case of *Hackett vs. Reynolds*, in the Supreme Court of Pennsylvania, reported in this number of the JOURNAL, affords an example of how unsafe it is to deposit paper for collection in a bank without indorsing it specially "for collection," or in some other manner restricting the indorsement for that purpose. An ordinary, unrestricted indorsement vests the apparent title to the paper in the bank, and a correspondent to whom it has been transmitted who, on the faith of such apparent title and believing it to be the property of the bank, purchases it for a valuable consideration, or makes advances upon it, is protected as a *bona fide* holder against the real owner.

The Supreme Court of the United States have laid down the rule that where bank A and bank B have had mutual and extensive dealings, and have kept mutual accounts, in which each credited the other with the proceeds of paper received for collection, and bank B has treated bank A as the owner of negotiable paper which it has transmitted for collection, and had no notice to the contrary, and where bank B has, upon the credit of such remittances, made or anticipated in the usual course of dealing between them, suffered balances from time to time to remain in the hands of bank A to be met by the proceeds of such negotiable paper, bank B is entitled, where bank A has failed, to retain against the true owner the proceeds of such paper for the balance of account due from such bank A. (1 How., 234; 6 How., 212.)

The Supreme Court of Pennsylvania, however, do not carry the rule to this extent.

In the present case plaintiff had indorsed a note in blank and deposited it in the Penn Bank for collection, and the latter transmitted it to a bank in Oil City. These two banks kept mutual accounts, and each credited the other with the proceeds of collections. The Penn bank failed, and at the time of its failure owed a balance of account to the Oil City bank of some \$7,000. The latter, who had no notice of plaintiff's title to the note, had treated it as the property of the Penn Bank and applied the proceeds on such indebtedness. In a suit by plaintiff against the Oil City bank to recover the proceeds, the Court held that, although, if defendants had made advances upon the note or

given new credit for it, they would have been entitled to retain the proceeds against the plaintiff, yet it was not alleged that defendants bought the note, or advanced or gave credit upon it; that there was no evidence that any balances were, in point of fact, suffered to remain to be met by remittances from the Penn Bank, and which, but for this course of dealing, would have been drawn; that, even if there had been evidence to this effect, in order to avail the defendants it would have to be shown that the balances were suffered to remain upon the faith of remittances received or, under some circumstances, perhaps, in process of transmission; and that defendants, relying upon such remittances, actually did something or forebore to do something by which their condition was worse than it would otherwise have been. The Court say that to this extent they are willing to follow the rule laid down by the Supreme Court of the United States, but they cannot consent to the doctrine that a mere usage and course of dealing between banks in transmitting bills and notes for collection, by which they mutually credit the avails in account to over-balances due, can, without more, deprive a third person, the real owner of the notes or bills, of his rights; and they hold that plaintiff is entitled to recover, as defendants did not show that they made advances or gave any new credits on the faith of the note, or incurred any liability or did anything by which their condition was worse than it would have been if they had not received the note for collection and credit.

See, also, on this general subject, 64 Ala., 595; 3 How., 769, 770; 1 Otto, 814; 1 McCrary, 494, 497, 500; 129 Mass., 360; 15 Mo., 343; 1 Wall., 166; 5 Colo., 34.

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—and which are not to be published. See advertisement on another page.

Editor of Rhodes' Journal of Banking: ST. PAUL, Minnesota, January 21, 1887.

Please state the right tender in payment of draft as per copy below:

\$1,000.	NEW YORK, September 28, 1886.
Sixty days after date pay to the order of ourselves one thousand dollars in	
Exchange on New York and charge on account.	JNO. DOE.
To Richard Roe, Duluth, Minn.	

Across the face of the note is written: "Accepted. Payable at Union National Bank, Duluth. RICHARD ROE." Yours truly, AN INQUIRER.

A National bank draft on New York was offered to one of our banks at this place in payment of such a draft, and was refused on the ground that they had the right to make an exchange charge the same as if the draft had been drawn with exchange.

Answer.—The draft by its terms is payable *in exchange*, not in money; and we are of opinion that the tender of a bill of exchange of a banker in good credit, on New York, would be sufficient to answer its terms. Of course, if satisfactory to both parties, the amount in cash, with exchange, might be tendered in satisfaction; but we do not think the drawee is obliged to tender cash.

Editor Rhodes' Journal of Banking: VICTORIA, Tex., December 29th, 1886.

SIR:—To settle a dispute, we write for your opinion on the following questions, the parties having agreed to abide by your decision in the matter:

What is the proper date of maturity (in Texas, where three days grace are allowed by Statute on all negotiable paper,) on a bank check post-dated January 1, 1887? If the check should prove not to be good at maturity, on what day should the collecting bank protest it? We would state, however, that no grace is claimed or taken on bank checks in Texas. Yours truly, TEXAS.

Answer.—The check in question is post-dated January 1, 1887, which fell on Saturday, and was a legal holiday. The following day, January 2d, was

Sunday. What is the proper date of maturity of this check, and when should it be protested?

Treating the question as one of general commercial law, and irrespective of any Statute in Texas, it has been held that when a bill or note without grace falls due on a Sunday or holiday it is not payable until the following business day; and this for the reason that the payer is not compelled by law to pay on the exact day named when that day falls on a Sunday or holiday; and the next business day is the first day that the creditor can demand payment.

Avery vs. Stewart, 2 Conn., 69; *Salter vs. Burt*, 20 Wend., 205; *Barrett vs. Allen*, 10 Ohio, 426; *Kuntz vs. Tempel*, 48 Mo., 75; *Colms vs. Bank*, 4 Baxter, 422.

Also, with reference to a post-dated check, it has been held that, if it falls due on a Sunday or on a legal holiday, presentment for payment cannot be made until the day following; that presentment on the day preceding is irregular, and the bank is not bound to pay on that day.

Salter vs. Burt, 20 Wend., 205.

Under the general commercial law, therefore, the check in question being post-dated, as well as being payable without grace, should not be presented for payment until the next business day after its date, viz., January 3, 1887, unless some statutory provision exists in Texas changing this rule.

The only statutory provisions in Texas on the subject of holidays, and relating to the presentment and protest of paper falling due thereon, are the following, contained in the Revised Statutes:

"ARTICLE 2,835. The first day of January, the 22d day of February, the 2d day of March, the 21st day of April, the 4th day of July and the 25th day of December of each year, and all days appointed by the President of the United States or by the Governor of this State as days of fasting or thanksgiving, and every day on which an election is held throughout the State, are declared holidays, on which all the public offices of the State may be closed, and shall be treated and considered as Sunday or the Christian Sabbath for all purposes regarding the presenting for payment or the acceptance and of presenting for and giving notice of the dishonor of bills of exchange, bank checks and promissory notes placed by the law upon the footing of bills of exchange.

"ARTICLE 2,836. All the exemptions and requirements usual on legal holidays may be observed on the days above-named.

"ARTICLE 2,837. If any of the days named shall occur on Sunday the next day thereafter shall be observed as a holiday; but bills of exchange or other paper may be presented for payment or acceptance on the Saturday preceding such holiday, and proceeded on accordingly."

These provisions, in effect, say that the enumerated holidays shall be treated and considered as Sunday for all purposes relating to the presentment, protest and notice of dishonor of bills, bank checks and promissory notes; and, further, that, when any holiday falls on Sunday, the following Monday is a holiday; but bills or other paper may be presented on the Saturday previous, and proceeded on accordingly. So far as the last provision is concerned, it does not fit this case, as the holiday on which this check would be otherwise payable does not fall on Sunday; so that the only provision which might have any bearing on this case is the first, which says that "the first day of January * * * shall be treated as Sunday * * * for all purposes regarding the presentment, etc. * * * of bills of exchange, bank checks, etc. * * *"

If, then, a bill of exchange or a bank check falls due on a holiday, it is treated as if it fell due on Sunday for the purpose of presentment, etc. What, then, is the rule when it falls due on Sunday.

When the paper is entitled to grace, and the third day of grace expires on a Sunday, it falls due on the day preceding, for the reason that, as grace is a matter of indulgence, the debtor cannot require the creditor to extend his indulgence more than three days.

Bussard vs. Levering, 6 Wheat., 192; *Kuntz vs. Tempel*, 48 Mo., 75; *Barrett vs. Allen*, 10 Ohio, 426; *Tassell vs. Lewis*, 1 *Ld. Raym.*, 743; *Reed vs. Wilson*, 18 *Vroom*, 29; *Morris vs. Richards*, 45 *L. T. R. (N. S.)*, 210.

But we have already stated the rule, and cited authorities, that where a bill or note is payable without grace, and falls due on a Sunday or holiday, it is

not payable until the next succeeding business day. The bank check in question was not entitled to grace. According to the Statute, it was to be treated as if it fell due on Sunday, and paper without grace falling due on a Sunday would not be payable until the next business day.

We are, therefore, of opinion that the check became payable on Monday, January 8, 1887.

Editor Rhodes' Journal of Banking:

CHARLEVOIX, Mich., January 20, 1887.

SIR:—Should space and time permit I would like you to answer the following through the next JOURNAL, not having seen anything on the point in any previous number:

The firm of A. & B. made a note for \$1,500, and, as security for the same, attached several notes due at different times. Among them was one for \$125, which was taken before it was due, in fact a few days after it was made. The firm of A. & B. failed, and the maker of the note refused to pay all of the note, saying he had been paying at different times on the note in goods, and has a book account with A. (of the firm of A. & B.) which he proposes to offset the note with. The note, however, is now one year and four months past due. It seems to me his book account is good as against the note in the hands of A. or A. & B., but not against the note in the hands of the bank, as collateral security.

Your reply will be thankfully received through the interesting columns of the JOURNAL.

F. A. SMITH, Cashier.

Answer.—Our correspondent, as we understand, made a loan on a note for \$1,500, and received from the makers, as collateral security, certain notes, among which was one for \$125, which was indorsed to our correspondent before due. This latter note the maker refuses to pay, claiming certain payments and offsets against the pledgers. The rule is well settled that the pledgee of negotiable instruments (such as bills of exchange and promissory notes) before maturity by indorsement and delivery, so that he becomes a party thereto for a present advance, and, as a part of the transaction of a loan, and without notice of antecedent equities, is a holder for value in the due course of business. (Colebrook on Collateral Securities, Sec. 16, and cases cited.)

Our correspondent, therefore, having taken the note before maturity, and being a holder for value, is entitled to recover the amount from the maker, if he had no notice, at the time it was received, of any antecedent equities between the original parties.

Editor Rhodes' Journal of Banking:

SINCLAIRVILLE, N. Y., January 21, 1887.

SIR:—What are the conditions of a note given "on or before 60 days?" Can the payee ask for payment before due, or is the form for the benefit of the maker only?

E. B. CRISKEY & Co.

Answer.—The option to pay before due is for the benefit of the maker only. A note so drawn is due on the day named and not before, but it gives the maker the option to pay it before if he chooses.

DIGEST OF RECENT DECISIONS IN COMMERCIAL LAW.

ASSIGNMENT FOR BENEFIT OF CREDITORS—LAW OF PLACE.—The validity of an assignment of real property situated in Iowa for the benefit of the creditors of the assignor, made in another State, must be determined by the laws of Iowa; and, if such an assignment gives preference to creditors, it is void as to the real property within this State conveyed by the assignment. This decision is based upon the familiar rule of law that the validity of a conveyance of real estate must be determined by the *lex loci rei sitae*. The fact that the plaintiffs and defendants were all residents of New York does not modify the rule and require the application of the law of that State to the transaction. It has been held that it would not have this effect in a case wherein the right to personal property was involved. The same, or stronger reasons, require the application of the rule to cases involving the title to real estate. [*Moore vs. Church, Supreme Court of Iowa, December 8, 1886.*]

ATTACHMENTS—NEBRASKA.—To authorize an attachment, at least one of the causes mentioned in the Statute must exist. Mere insolvency is not a ground of attach-

ment. A man may be unable to pay his debts in full and still be doing all in his power to pay them, and so long as he furnishes no statutory cause of attachment against him no attachment will lie against his property. Neither will denials of the validity of the claim sued upon, and a determination to fight it, furnish cause to attach the defendant's property. The rule might be different, however, if such expressions were accompanied with acts constituting a cause of attachment. [*Walker vs. Haggerty, Supreme Court of Nebraska, December 1, 1886.*]

BANKRUPTCY—DISCHARGE—EXTINGUISHMENT OF DEBT.—In a suit brought to recover a claim which has been barred by a discharge in bankruptcy the following distinct principles may certainly be considered as settled by the decisions of this Court: 1. The effect of the certificate in bankruptcy is to extinguish the debt, not merely to bar the remedy for its recovery. 2. The prior legal obligation is a sufficient consideration for a new promise to pay it. 3. The promise, to be effective, must be clear, distinct and unequivocal, without qualification or condition. 4. In an action upon such a claim, the declaration must be upon the new promise and not upon the original obligation. [*Murphy vs. Crawford, Supreme Court of Pennsylvania, November 8, 1886.*]

CHattel Mortgage—Evidence—MINNESOTA.—When a chattel mortgage is acknowledged the certificate of acknowledgment entitles it to be read in evidence "in all Courts of justice." (General Statutes of 1878, Chapter 73, Section 67.) A copy of such mortgage, when certified by the proper Town Clerk to be a true copy of the original on file in his office, is receivable in evidence in like manner and with like effect as the original mortgage; that is to say, it is, under the Statute, entitled to be read in evidence "in all Courts of justice." [*Ellingbor vs. Brakken, Supreme Court of Minnesota, December 9, 1886.*]

CLAIM AND DELIVERY—ACTION OF—MINNESOTA.—An action of claim and delivery is one for the recovery of specific property, and hence, to maintain it, a right to specific property must be alleged and shown. But when the property sought to be recovered is a certain undivided fractional part of a certain specified quantity of property, uniform in quantity and value, and susceptible of a fair and equal division by count, measurement or weight (as, for instance, grain in bulk,) the description and proof of the property sought to be recovered, as such undivided fractional part, is sufficiently specific. Under such a description in his writ, an officer may properly seize such part of the whole quantity as is equal to the undivided fractional part claimed. [*Ellingbor vs. Brakken, Supreme Court of Minnesota, December 9, 1886.*]

COMMON CARRIER—LIMITATION OF LIABILITY—NEGLIGENCE.—In 55 Pa. St., 53, this Court decided that a common carrier might, by a special contract, and perhaps by notice, limit his liability for loss or injury to goods carried by him as to every cause of injury except that arising from negligence. In 55 Pa. St., 140, the doctrine was repeated that common carriers may limit their liability by a special contract or special acceptance of the goods, and thus become subject to the laws of bailment only, but that there could be no limitation of liability where the loss or injury resulted from the negligence of the company or its servants. In the present case the lower Court further charged the jury that a common carrier could limit its liability even as against its own negligence. This was done in obedience to a decision of the Supreme Court of the United States, in the case of *Hart vs. Pennsylvania R. R.*, 112 U. S., 331. An examination of that case shows that such is the law as declared by that Court; and, if the decision were of binding authority upon us, we would be obliged to follow it. But our own decisions for a long time have established the opposite doctrine, until it has become firmly fixed in our system of jurisprudence. We could not depart from them now without overruling them all, and we are not willing to do so. The authorities upon the general subject are very numerous and conflicting, but with us the rule has been uniform, and we prefer to adhere to it. [*Grogan vs. Adams Express Co., Supreme Court of Pennsylvania, November 17, 1886.*]

CONSTITUTIONAL LAW—CITY TAX ON FOREIGN MERCHANT.—The General Council of the city of Louisville passed an ordinance in February, 1879, entitled "An ordinance to license sample dealers," which provided that "any person whose principal place of business is not in this city, or who conducts his principal place of business

without this city, who shall sell or offer to sell any goods, wares or merchandise by sample or representation in this city to any person other than persons living in or doing a license business in this city, must first obtain an annual license therefor, and shall pay for such license \$200;" and that "every person violating this ordinance shall be fined not less than twenty nor more than fifty dollars for each offense." *Held*, Invalid under Section 2, Article 4, of the Constitution of the United States, which provides that "the citizens of each State shall be entitled to all privileges and immunities of citizens in the several States." [*Fechetner vs. City of Louisville, Court of Appeals, Kentucky, October, 1886.*]

FRAUD—RIGHT TO RETAKE PROPERTY—LIEN.—Plaintiff entered into an agreement with B to manufacture a large quantity of paper for him to be used for printing a book, and received from B the promissory note of M, which was, in fact, a forgery. Under the directions of B, plaintiff delivered to the defendant, L, a printer, 150 reams of such paper, on which L commenced the work of composition, electrotyping and printing. Plaintiff, on discovering the fraud, and finding that 146 out of the 150 reams delivered to L had not been printed upon nor used, made a demand and brought suit against L for its recovery, the latter claiming a lien thereon for the work done for B. *Held*, The defendant cannot stand upon his lien on the paper in question. Independent of the fact that he performed no service and bestowed no labor upon that paper, the fraud perpetrated by B upon the plaintiff vitiated his transactions with the latter; and, as plaintiff's sale to him was induced by such fraud, plaintiff had the right, after its discovery, to retake and reclaim his property from any person except a transferee in good faith for a valuable consideration. The defendant was not such a transferee. In fact, the property was never transferred to him at all, as the title of B was vitiated by his fraud. He had nothing to transfer to the defendant, and never did, and never could, vest the latter with any right or title to the property. The lien which defendant claims is against B, and must attach, if at all, to his title or to his property in the goods; as, therefore, he had no property in the goods, and as the title to the property never passed from the plaintiff, the defendant could acquire no lien upon it by virtue of any arrangement with B. [*Conrow vs. Little, New York Supreme Court, General Term, Second Department, 1886.*]

JUDGMENT LIEN—DEATH OF DEBTOR—ENFORCING JUDGMENT.—Under Section 3,082 of the Code of Iowa a judgment lien can be enforced against the land of a judgment debtor after his death without filing the judgment as a claim against the estate; and there is nothing in the amendment of the Statute that would require one who obtains his judgment before his debtor's death to file the judgment as a claim against the estate. [*Boyd vs. Collins, Supreme Court of Iowa, December 13, 1886.*]

RECOVERY OF MONEY PAID—WHEN JUDGMENT IS NO BAR TO SUBSEQUENT ACTION.—Where a party sued to recover money as being obtained by fraud, and, failing to establish the fraud alleged, judgment was rendered against him, *Held*, Such a judgment presents no obstacle to an action for the recovery of the money as having been paid under mistake of fact. [*Belden vs. State of New York, New York Court of Appeals, October, 1886.*]

MUNICIPAL CORPORATION—USE OF STREETS FOR PRIVATE RAILROAD—GRAIN ELEVATOR.—A city has no authority to permit a private railroad, or a railroad for merely private purposes, to be constructed or operated upon the public streets of such city. It does not follow from the fact that a grain elevator is public to the extent that its charges may be regulated by law that a private railroad, operated only for the purpose of carrying grain to and from the elevator, is a public or common carrier. A railroad which carries only grain for only the proprietors of a grain elevator, and only to and from the elevator, lacks many of the essential elements of a public or common carrier. Indeed, it is no more a public or common carrier than the farmer who transports his own grain by his own wagon from his own farm to the elevator. It is only such railroads as are operated by public or common carriers, and such only as are required by law to carry all kinds of carriable goods, and for all persons or corporations who may desire to have goods carried, that can be permitted by a city, under the Statutes, to be operated upon the public streets of the city. [*Mikecell vs. Durkee, Supreme Court of Kansas, December 2, 1886.*]

NEW YORK STATE BANKS.**ANNUAL REPORT OF BANK SUPERINTENDENT PAINE.**

The annual report of Hon. Willis S. Paine, Superintendent of the Banking Department of the State of New York, shows that four new banks, with an aggregate capital of \$250,000, were organized during the year, and one additional with a capital of \$100,000, since the close of the fiscal year. There were 96 State banks on October 1, 1886, against 92 at the beginning of the preceding year. The following statement shows the resources and liabilities on September 12, 1885, and September 18, 1886:

RESOURCES.	Condition Sept. 12, 1885.	Condition Sept. 18, 1886.
Loans and discounts, less due from Directors.....	\$97,928,129	\$110,589,711
Due from Directors.....	2,948,779	2,775,838
Overdrafts.....	92,277	51,432
Due from Trust Companies, State, National and private bankers and brokers.....	13,588,077	11,581,784
Real estate.....	2,929,414	3,024,445
Bonds and mortgages.....	521,665	426,673
Stocks and bonds.....	4,482,565	4,484,850
Specie.....	18,627,201	12,871,266
United States legal-tender notes and circulating notes of National banks.....	7,973,743	6,112,368
Cash items.....	22,453,047	26,745,231
Loss and expense account.....	898,083	853,499
Assets not included in either of above heads.....	723,236	279,816
Add for cents.....	283	299
Total resources.....	\$167,667,499	\$179,247,274
LIABILITIES.		
Capital.....	\$22,350,700	\$22,095,700
Surplus fund.....	6,894,223	6,845,592
Undivided profits.....	4,711,552	6,043,675
Circulation.....	8,075	8,075
Due depositors on demand.....	118,774,018	130,416,652
Due to Trust Companies, State, National and private bankers and brokers.....	14,408,263	11,140,305
Due individuals and corporations other than banks and depositors.....	1,441,698	1,794,975
Due Treasurer of the State of New York.....	250,081	250,148
Amount due not included in either of the above heads.....	823,793	851,996
Add for cents.....	151	166
Total liabilities.....	\$167,667,499	\$179,247,274

One bank increased its capital from \$100,000 to \$200,000, making, with the increase of capital of new banks, a total of \$350,000. Four banks reduced their aggregate capital \$106,000, and one bank with a capital of \$500,000 went into the National banking system, making a net decrease in capital of \$255,000 since October 1, 1885.

A table is published, showing the principal items and resources at the close of each fiscal year since 1886, from which the following comparative statement is taken:

	Sept. 29, 1886.	Sept. 26, 1885.	Sept. 18, 1886.
Capital.....	\$15,448,477	\$11,578,200	\$22,095,700
Due depositors on demand ..	40,573,591	40,980,922	130,416,652
Loans and discounts.....	37,420,710	39,455,487	110,589,711
Profits and surplus.....	4,579,440	5,758,181	12,889,267
Total resources.....	72,632,008	67,869,319	179,247,274
No. of banks.....	85	44	95

While the number of banks has not increased much since 1886, there has been a large increase in the capital and other items, deposits being over three times as large and loans and profits surplus nearly three times greater.

In reference to the old State bank circulation, the Superintendent reports that

the final redemption of all secured circulation has been advertised save only that issued by the Mechanics' Bank, of Brooklyn. The report says:

The amount of circulation of that bank now outstanding is \$5,500, the redemption of which is secured by \$7,000 of public stocks held by the Superintendent. Under the existing law this bank will be compelled to deposit for six years \$5,500 in cash with a bank located in the city of Albany, and, as the banks located there refuse to allow interest on such deposit, the Mechanics' Bank has declined to advertise the final redemption of its outstanding circulating notes. To enable this bank to advertise the redemption of its notes on a stock deposit, the re-enactment of Sections 1 and 2 of Chapter 191 of the Laws of 1887, which were repealed by Chapter 402 of the Laws of 1882, is recommended. It is desirable that all of the old State bank circulation be retired at the earliest possible date in view of the existing doubt as to the future of paper circulation. If the exigencies of the financial situation become such as to render it expedient or necessary for the State banks to again issue circulating notes, the old issues should be wholly retired. During the past fiscal year none of the outstanding circulating notes which are redeemable at this Department has been returned to it for redemption and burning.

There are 20 Trust, Loan, Mortgage, Security, Guarantee or Indemnity Companies in existence in the State, and their resources on July 1, 1886, aggregated \$189,168,059 against \$165,023,132 on July 1, 1885.

On October 1, 1886, the Superintendent held \$1,459,829 of securities for banks, bankers and Trust Companies, of which \$1,320,188 were deposited by Trust Companies which receive deposits of money in this State.

The Superintendent calls attention to the need of legislation relative to private banks and individual banking, as follows:

"A list of private bankers doing business under corporate names will be found in the Appendix. Experience has shown that the change in the law in this connection was most advisable, but no reason has been given to modify the previously expressed opinion that it is the imperative duty of the Legislature to enact by statute that the present concerns shall be known to their customers as private banks. It is noticeable that none of these institutions using corporate names are located in the large cities; it is only in the smaller communities, and especially in the rural districts, that such concerns flourish. In assuming the name of 'The Patchogue and Suffolk County Bank,' its owner possibly used the name without the desire to deceive, but there is abundant evidence to show that its depositors were misled and believed it to be precisely what a bank is generally supposed to be, viz., an establishment for the custody and loaning of money, with stockholders and their representative Directors acting in their corporate capacity, and subject to Governmental inspection and control.

"The banking laws are incomplete in several material respects concerning individual bankers. While the statutes recognize their existence and place them under the same restrictions as banking associations, the law makes no provision for their organization, nor does it specify the minimum amount of capital on which they may operate. At this date but two individual bankers are engaged in the business of banking under the provisions of the State laws—one with a paid-up capital of \$30,000 and the other with a capital of \$5,000. The first organized in 1863 and the last in 1879, at a time when each bank, banking association and individual banker was required to deposit \$5,000 (since reduced to \$1,000) with the Superintendent of this Department as a guarantee of good faith. The Attorney-General, to whom the question was at that time submitted, held that individual bankers were not restricted as to the minimum capital to be employed by them. The statutes should be made plain in respect to these important particulars. They now authorize the organization of banking associations with a capital stock of not less than \$100,000,000; provided, however, that banks with a capital of not less than \$50,000 may be organized in any city, village or place the population of which does not exceed thirty thousand inhabitants; and, with the approval of the Superintendent of the Banking Department, banks with a capital of not less than \$25,000 may be organized in any village or place the population of which does not exceed six thousand inhabitants. The law is silent on both the mode of organizing and the minimum capital required for individual bankers. Throughout the State are numerous small villages without the necessary banking facilities for the convenient transaction of local business which is not of a sufficient volume to justify the organization of a banking association of even \$25,000 of paid-in capital. It is

therefore recommended that the banking laws be so amended as to authorize individual bankers to conduct a banking business in places of three thousand population or less with a minimum capital of \$10,000."

There are sixteen Safe Deposit Companies in the State, eleven of which are located in New York city. The Superintendent recommends that the law of 1875 be amended so as to place restrictions on their future organization so that the ill-advised multiplication of this class of corporations may be avoided.

The report contains suggestions as to State bank circulation which are open to criticism and are not likely to be adopted. It says:

"If Congress were to enact a statute, permitting the issue of circulating notes by the Government to State banks upon certain conditions, a uniform currency would be provided of inestimable value to the country having all the advantages now claimed for that of the National banks. Such currency should be a first lien upon the assets of each bank, and securities satisfactory to the Comptroller of the Currency should be held by him to be sold for the purpose of redeeming the circulating notes in cases where banks failed to redeem them. The Directors of any bank of deposit and discount desiring to exercise the privilege of circulating its notes should be required to deposit with that officer, subject to substantially the same conditions that now exist in connection with the deposit of Government bonds, the best obtainable stocks, for example:

"1. The stocks or bonds of any State in the Union that has not within ten years defaulted in the payment of any part of either principal or interest of any debt authorized by any Legislature of such State to be contracted.

"2. In the stocks or bonds of any city, county, town or village in such States, issued pursuant to the authority of a law of that State. Stocks or bonds of a body politic to be unavailable when the indebtedness exceeds a certain percentage of the assessed valuation of its real estate.

"With an efficient force in the office of the Comptroller of the Currency this plan would not prove cumbersome, nor does it invest that officer with unlimited power, provided an appeal may be taken from his decision to that of the Secretary of the Treasury. It is no objection to the plan to say that it will strengthen the credit of one State and impair that of another. The Legislature of this State has made a like discrimination concerning the securities in which its savings institutions are authorized to invest, and distinction is practically made everywhere in connection with all classes of securities. But, even if it were not, certainly when State Legislatures countenance theft (for successful repudiation has in many cases been nothing less), they must suffer the natural and necessary result, while those that have displayed a decent regard for the rights of others should meet with encouragement.

"In convenience of use this proposed bank currency would be preferable to coins. It would be taken as freely at one end of the Union as at the other because of its undoubted security. The saving to business men in the sums paid out under the old system of inter-State exchange would be great. It would thus prove an important factor in accelerating business transactions and developing the resources of the country."

The suit of 19 State banks in conjunction with certain National banks, to test the legality of taxing bank shares, is reviewed. The case has been very fully reported in the *JOURNAL* and it is unnecessary to mention its features here. The Superintendent says that the banks are clearly justified, and that the laws of this State governing the taxation of banking capital are inequitable.

That portion of the report devoted to the Trust Companies of the State merits general approval. These institutions have come to do a general banking business while they are relieved of many of the duties and obligations of banks of deposit. We quote Mr. Paine fully on this subject, as it is one that calls for legislative action. He says:

"An inspection of the first charters granted to Trust and Loan Companies of the State will show that they were originally designed to insure property of all kinds against loss or damage by fire; to make insurance on lives; to grant and buy annuities; to make other contingent contracts involving the use of money and the duration of life; and not for the reception and execution of trusts of every character. They have been variously styled Trust, Loan, Indemnity, Improvement, Security, or Guaranty Companies. Some have been authorized to do a safe deposit business: and one was created in the year 1868 which had, among other powers, not only an express authorization to carry on the business of a Safe Deposit Company, but also of a Savings bank. In creating the first company in the State, the Legislature made use of the fol-

lowing careful language: 'And also provided, that nothing in this Act shall be so construed as to authorize the said corporation to receive any deposit or deposits, nor to discount any promissory note, bond, due-bill, draft, or bill of exchange, nor shall it be so construed as to allow any banking privileges or business whatever.' If the same care had always been exercised there would be no grounds for the present complaints. A vague belief exists that these corporations act only as care-takers of funds belonging to estates, or such as are in the custody of the Courts, or generally in a fiduciary capacity—*i. e.*, as the trustee of mortgages. At the present time some of them are conducted in such a manner that there is no practical difference between the business transacted by them and that of the State banks of deposit and discount. They make loans on collaterals, purchase commercial paper, and receive deposits subject to checks. At every recent session of the Legislature, bills to incorporate Trust Companies have been introduced, and when, perchance, charters are obtained they have in some instances been hawked about the streets of New York to be sold to whoever might desire to buy. The Governor sent to the last Legislature a veto of a measure of the character mentioned which commanded universal approval; and it is in accordance with the views expressed by him that a proposed general law has been framed, a draft of which will be found in the appendix. Undoubtedly, if the practice of creating Trust Companies by special charters is to meet with no check the evil results which afflicted thousands of the thrifty but poor depositors of savings banks during the year 1873 and subsequent years will on a larger scale be again experienced. The evils caused by the multiplication of savings banks were only remedied by an amendment to the Constitution, November 3, 1874. If the rapid increase of Trust Companies is permitted there is reason to believe that in time not a State bank of deposit and discount will exist in the metropolis.

"One difference of a vital character between banks and Trust Companies is in connection with the taxation imposed upon them by law. The former are the only corporations in the State the shares of which are taxed; the latter are placed in the same category with railroad, insurance and manufacturing corporations, and their capital may be invested in Government bonds, which are not taxable. The report of the Comptroller of the State, transmitted to the Legislature in January last, shows that the 15 Trust Companies transacting business in the city of New York during 1886, with an aggregate paid-up capital of \$12,775,900, paid to that officer in taxes the sum of \$37,091. The Commissioners of Taxes and Assessments of the city of New York have recently stated that the assessed value of the banks of deposit and discount in that city for the year 1886, after allowing all legal deductions, is given at \$59,012,843, while the actual par value of the same is \$59,337,700. On the other hand, the Trust Companies of that city, with the capital at par of \$11,190,000, are assessed only upon \$64,681 of the same.

"General statutes exist providing for the organization of Banks, Safe Deposit, Manufacturing and Insurance Companies, Building, Mutual Loan and Accumulating Fund Associations, and, by parity of principle, Trust Companies should form no exception.

"There would be no demand for the creation of Trust Companies, especially in the city of New York, were it not that the equivocal and unsettled (legally-speaking) terms of their charters give them powers beyond those which it has been thought wise either by the National or State Legislatures to grant to banking associations. The last-named are organized either under the National Bank Act or under the general Act of 1838, as required by the State Constitution (Art. VIII.), the theory being that all who wish to engage in a banking business should be enabled to do so upon an equality, with like privileges and liabilities, and under uniform restraints. And, while the Legislature has the discretion of creating corporations, other than banks, by special charter, yet equality between corporations themselves, as well as equality between corporations and individual citizens, so far as the latter was practicable, was in the minds of the Convention in framing this part of the Constitution. (49 N. Y., 458.)

"In preparing the proposed general law for the organization of Trust Companies, the charters heretofore granted by the Legislature since 1821 have been carefully examined; and, in submitting the same to the Attorney-General, copies of the main portions of such charters have been handed to him. Printed copies of the proposed law have been sent, for suggestions, to each of the now existing Trust Companies, savings institutions and banks of deposit and discount in this State."

THE FINANCIAL SITUATION IN ENGLAND.

[The following letter from a member of the staff of RHODES' JOURNAL OF BANKING, who is spending a few months in England to recuperate his health, will be found to contain an interesting survey of the financial situation abroad.—Editor JOURNAL.]

LONDON, January 3, 1887.

To any one accustomed to view the dealings at the New York Stock Exchange from the lofty height of the "visitors gallery," or to drop into a New York stock brokers office to take a look at the tape and find out how stocks are going, the methods of the Stock Exchange here are very certain to occasion surprise. The Exchange is kept rigidly closed to the public, while a visit to a stock broker's office is sure to be met by a respectful inquiry "What can we do for you?" in about the same way that a stranger, wandering aimlessly in one of New York's great retail stores, would be addressed by a floor-walker anxious to put him in the right track.

There are none of the off-hand, free and easy ways of doing business in and about the London Stock Exchange which is a feature of Wall street. It is easy enough to speculate here if one wants to and has the means or credit to back his desires. From a casual view, I should say that stock speculation is not the plaything of that class of people who are in ordinary circumstances to anything like the extent that it is in New York and other American cities.

As to the general financial situation here, the view most generally entertained is that the outlook for the New Year is quite favorable. Home and foreign politics and labor difficulties have been the chief obstacles to improvement in the year just closed. Yet 1886 is looked back upon as having been altogether a very favorable year both for business and speculation.

The "rumors of wars" in Europe have a depressing effect upon large enterprises for the time being. The prevailing opinion regarding American securities is very favorable. A number of the best-informed men in London on these matters with whom I had the privilege to converse are unanimous on this point.

There has been considerable appreciation in the value of securities during the past year, although the rise appears to have been largest in foreign securities. While the advance in English funds has been from $\frac{1}{4}$ to 1 per cent., Spanish 4 per cents. advanced 12%, Egyptian unified 10%, and other international securities from 1 to 11 per cent. While there were declines in some English railway stocks, a number shows gains ranging from 2 to 23 per cent., the latter for London and Brighton shares. Nearly all American railway securities dealt in have advanced, the gains ranging from 3 to 21 $\frac{1}{4}$ per cent.

There has been a large increase in new issues of securities, the total application for new capital during the year amounting to nearly £94,000,000 (irrespective of about £8,000,000 partly subscribed abroad) against £78,000,000 in 1885.

The Bank of England made seven changes in the rate of discount during the year, the same as in 1885, ranging from 2 to 5 per cent., and the rate for money in the open market fluctuated between 1 and 5 per cent.

The *Morning Post* of yesterday makes a very exhaustive review of the financial situation, and remarks that "the opening of the year 1887 shows a distinct improvement in the financial position of the country as compared with that of twelve months ago." As to the outlook, it says: "It is, of course, impossible to say what the coming months have in store for us, but we certainly meet this year under better auspices than the last, and, with a firm Government at home and peace abroad, there is every reason to hope that the opening of 1888 will see a still larger improvement than that which we chronicle at the commencement of 1887."

Although the year 1886 opened under favorable auspices, political complications connected with the advent of Mr. Gladstone into power caused disquiet among investors. The possibility of trouble between Germany and Russia also cast a cloud upon the financial horizon. The Bulgarian question was another important factor for some time in unsettling confidence. But, in spite of this, there was a general

improvement, and the prospects of business are now better than they were a year ago.

As there are even now rumors of wars on the Continent, I cannot do better than quote the following from the *Post*, which bears upon the question of future complications: "The enormous armaments maintained by the great Continental powers are at all times not only a burden on the people but a menace to peace. Yet everywhere during the last year these armaments have shown a tendency to increase rather than diminish. The rulers of Germany desire to make a large addition to their military strength. The French Government and, there is little doubt, for some time past been working steadily in a similar direction, for there can be no other explanation of the accumulated deficits which last year made a large fresh loan a fiscal necessity. The recent reluctance of the Bank of France to part with gold has not been unnoticed as an omen of possible war."

How sensitive public confidence here is to labor outbreaks, even in remote countries, is shown in a single remark of the paper from which I have just quoted. It says that the outbreaks of Socialism in various forms both in Europe and America have had their effect in retarding commercial enterprise. The labor riots in Belgium and the scarcely less determined and savage strikes in America have not unnaturally tended to frighten the holders of capital.

I am indebted to the manager, Mr. Darbyshire, for an early copy of the report of Sir John Lubbock, containing the London Clearing-House statistics for 1886. It shows that there has been a substantial improvement during the year. The total clearings for the year amounted to £5,901,925,000, an increase of £300,854,000 over 1885. The payments on Stock Exchange Account Days increased £238,478,000 and on Consols Account Days £14,170,000, while the amounts passing through on the 4ths of the months decreased £3,354,000. The following statement, prepared by the Inspector of the Clearing-House, gives the figures for the past nineteen years:

Year.	Totals for the Years.	On Fourths of the Month.	On Stock Exchange Account Days.	On Consols Account Days.
1868.....	£3,425,185,000	£155,068,000	£523,349,000	£134,552,000
1869.....	3,626,396,000	169,729,000	564,935,000	149,932,000
1870.....	3,914,220,000	176,137,000	634,914,000	163,230,000
1871.....	4,826,034,000	211,095,000	806,356,000	210,647,000
1872.....	5,016,452,000	256,899,000	1,015,959,000	246,922,000
1873.....	6,070,948,000	272,156,000	1,038,287,000	249,755,000
1874.....	5,936,772,000	265,427,000	1,010,456,000	260,244,000
1875.....	5,685,793,000	245,810,000	1,043,464,000	251,572,000
1876.....	4,963,480,000	225,936,000	761,091,000	225,948,000
1877.....	5,042,383,000	232,630,000	744,085,000	228,254,000
1878.....	4,992,398,000	217,753,000	795,443,000	227,241,000
1879.....	4,885,937,000	213,348,000	842,937,000	225,381,000
1880.....	5,794,238,000	236,809,000	1,151,867,000	255,224,000
1881.....	6,357,059,000	253,133,000	1,383,430,000	278,864,000
1882.....	6,221,206,000	238,150,000	1,228,916,000	278,387,000
1883.....	5,929,404,000	239,080,000	1,058,703,000	254,620,000
1884.....	5,798,555,000	242,659,000	960,623,000	268,352,000
1885.....	5,511,071,000	221,873,000	935,084,000	249,327,000
1886.....	5,901,925,000	215,519,000	1,198,557,000	263,497,000

Mocatta & Goldsmid's annual circular, just issued (which is universally recognized as a first-class authority), gives an interesting review of the silver market. The price of silver was 47d. in January, 1886, and fluctuated between 46½ and 47 until April, when a rapid decline began, and, on August 3d, it touched 42d. The price then began to advance, and, on November 20th, it reached 47d. again. On November 27th it was 46½d., and no buyers for the silver offered could be found after that until December 2d, when only 45d. was paid. A rally followed, and in a fortnight it was up to 46½d., and at the close of the year it was 46½d.

The cause of the depression, which began in April, the circular says, was the continual succession of lower rates of Exchange in India, produced by the anxiety of Manchester houses to obtain cover for future shipments to India. The subsequent improvement was due to the purchase by the French Government for the coinage of dollars for Tonquin.

The shipments of silver to India during the year amounted to £4,500,000 against £3,300,000 in 1885.

Mexican dollars were in moderate demand for China early in the year, and afterwards for the French Government. The price was about 45¼d. per ounce in the first four months of the year, but fell to 41¼d. in August, subsequently advancing to 46d., the highest point for the year, on November 19th. At the close of the year the price was 45¼d., the average for the year being 44¾d. against 47 15-16d. in 1885.

The total import of silver in bars and coin for the last seven years is as follows:

	Imports.	Exports.
1880	£8,500,000	£7,250,000
1881	6,700,000	7,000,000
1882	9,100,000	8,950,000
1883	9,800,000	8,700,000
1884	9,585,000	9,720,000
1885	9,300,000	9,600,000
1886	7,015,000	7,195,000

The gold exports and imports for the past seven years were as follows:

	Imports.	Exports.
1880	£9,000,000	£11,500,000
1881	10,000,000	15,500,000
1882	14,350,000	12,100,000
1883	7,700,000	6,525,000
1884	10,870,000	11,735,000
1885	13,450,000	11,500,000
1886	13,090,000	13,500,000

C. D.

THE BANKERS' DIRECTORY AND COLLECTION GUIDE.

The new *Bankers' Directory and Collection Guide* will be mailed to nearly all subscribers a day or two in advance of this issue of the JOURNAL. Copies for remote points being sent first, near-by subscribers will please not become impatient should their copies not be received until a day or so after the JOURNAL. It requires a large number of books to supply every subscriber—more than some people have any idea of—and, besides, we have a long list of orders from those who are not JOURNAL subscribers. The latter, as a rule, are outside of the banking line—mainly merchants and others who have considerable business with the banks.

As may be seen by an examination of its pages, the new *Directory* is corrected up to January 21st—this fact is sufficient apology for its non-appearance in January.

We submit two important points wherein this work excels all others:

1st. Best arranged for ready reference.—Bankers are busy men, and they can turn to just what they want in this book without loss of time. Being arranged in the natural way, and not padded with out-of-date maps and other cumbersome insets, the desired information can be referred to and used in considerably less time than is required in making a tedious examination of any other Directory or list-book by whatever name known.

2d. Correctness, and all Changes brought down to past the middle of January.—It is a fact that all the other January Directories (so-called) close their corrections and PRINT the larger part of their edition—with the exception of their advertisements and the list of banks in a few of the large cities—in December (and some even in November) of the old year. Their edition is, therefore, comparatively useless (because lacking so many changes made in January) the very first day it comes to the banker's desk.

This fact can be verified by comparing the new *Directory* with any other January book published.

ESPECIAL attention is asked to the ADVERTISERS' REGISTER supplementing the new *Bankers' Directory*—see page 319. It contains the advertisements of very many of the Leading Banks and prominent Banking-houses of the United States and Canada. They are arranged by States in alphabetical order for easy reference. All the advertisements therein have been prepared especially for this book, giving facts and figures of much interest not only to the banking community but to the Merchants, Investors, Capitalists and others who so generally refer to this Directory for reliable information.

The New York City Cards appear on the pages immediately after the States.

BANKING AND FINANCIAL NEWS:

WITH COMMENTS ON THE MORE IMPORTANT MATTERS. THIS DEPARTMENT ALSO INCLUDES: RAILROAD AND INVESTMENT NEWS, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

E. D. S. on National Banks.—Some of the JOURNAL's readers may be interested to know the spirit which prompts our correspondent to write against the "Constitutionality of the National Bank Act." In a personal note to the Editor, enclosed with his letter, which appears in this issue, he says:

"My article will no doubt be criticised and attacked—I hope it will be—at this end we will be prepared to defend the stand taken therein. I am directly and indirectly largely interested in the National banks, but, all the same, they (the National banks) are eternally throwing clubs at the banks organized under State laws, and I am tired of it, and am prompted to stand in their defence."

New York's New Bank.—Secretary of the Treasury Daniel Manning, on February 9th, was elected President of The Western National Bank, of the city of New York, and United States Treasurer C. N. Jordan was elected Vice-President. Although the capital stock of the new bank is to be \$3,000,000, subscriptions amounting to nearly \$5,000,000 have been received, and we understand that the allotment of shares has already been completed.

Mr. Ferdinand Blankenhorn—for about twenty-two years past Assistant Cashier of the Third National Bank of this city—has been elected to the position of Cashier. He is a young man of marked ability and varied experience in banking.

Among the subscribers, in addition to Messrs. Manning, Jordan and Blankenhorn, are Assistant Treasurer Charles J. Canda, Congressman W. L. Scott, of Erie, Pa.; John R. McLean, of Cincinnati; Henry B. Hyde and John A. McCall, officers of the Equitable Life Assurance Society, of New York; F. O. Matthieson, Marcellus Hartley, Eduardo Gogorza, Joseph Tilney, Ferdinand E. Canda, Sidney Dillon, of New York; Evans R. Dick, of Philadelphia, and W. C. Hall, of Louisville, Ky. The Board of Directors will shortly be elected.

The bank will occupy commodious banking rooms in New York city in the new Equitable building, on the north-east corner, fronting on Broadway and Cedar street. It is expected that the institution will be ready for business on May 1st.

Mr. Valentine P. Snyder, the newly-appointed National Bank Examiner, it is understood, will make no changes in his office, but will retain the services of the assistants of his predecessor, Mr. Scriba. These assistants, Mr. H. C. Knox and Mr. Wm. H. Mellins, are both experienced Bank Examiners, and have earned a reputation for efficiency and faithfulness in the service of the late head of the office. Mr. Knox received his training in the Public Examiner's office of Minnesota, which position he relinquished to accept one in the Pacific National Bank, of Boston. Mr. Mellins received his appointment under Mr. Scriba after the failure of the Metropolitan National Bank in 1884. He was previously connected with the National Bank of the Commonwealth until its failure, subsequently being employed in the office of the Receiver of that bank.

Comptroller Trenholm on the National Banks.—Comptroller Trenholm, on January 10th, appeared before the House Committee on Banking and Currency, at the request of the Committee, for a preliminary talk with reference to the formulation of a report upon the present condition of the National banks. He stated that he had prepared a digest of all the suggestions that had been made, and that he was preparing a commentary upon those suggestions. Mr. Trenholm declared the existing banking system to be of great merit and value, but recognized the impossibility of continuing its existence without supplemental legislation in view of the rapid redemption of the bonds. He stated that he had received a number of letters from officers of National banks indicative of their intention to abandon the system if they were compelled to replace their

called bonds with other bonds at the present high market prices. At the conclusion of Mr. Trenholm's remarks the Committee requested him to complete the work he had undertaken of preparing a commentary upon the various schemes for the continuation of the National banking system.

A Growing Life Assurance Society.—Below will be found a summary of the annual statement of the Provident Savings Life Assurance Society, of New York city, for the year ending December 31, 1886, as published by Mr. Sheppard Homans, President and Actuary of that Society. The facts and figures given bear evidence of material growth both in finances and membership.

The net assets on January 1, 1886, were \$217,404.45. The premiums received in 1886 amounted to \$648,823.50; interest, \$3,730.99. Total income, \$874,961.94, an increase during the year of \$337,567.30. The net assets increased 40 per cent. during the year.

The disbursements were: Claims by death, \$203,218.00; dividends to policy-holders, \$300,284.73; paid surrendered policies, \$7,356.53. Total amount paid to policy-holders, \$410,859.26, an increase during the year of 91 per cent. The total disbursements amounted to \$569,028.16.

The net assets on December 31, 1886, amounted to \$304,490.28. These are invested as follows: In bonds and mortgages, \$80,500.00; railroad bonds, \$28,496.25; loans on policies, \$738.55; cash on hand and in banks, \$39,809.82; agents' ledger-balances (secured), \$28,041.34; not deferred and unpaid premiums, \$14,703.34; accrued interest, \$1,707.43.

The gross assets on January 1, 1887, amounted to \$319,552.30. The liabilities (New York State standard) amounted to \$126,234.00. The Actuaries 4 per cent. amounted to \$134,241.00. The surplus (New York State standard) over all liabilities amounted to \$193,318.30. The Actuaries 4 per cent. over all liabilities amounted to \$185,311.30.

The policies in force on January 1, 1886, were 6,266. The policies in force on December 31, 1886, numbered 8,779. There were 3,630 policies issued in 1886, amounting to \$15,196.100. There were 1,117 policies terminated from all causes amounting to \$4,346.700. The total number of policies in force on December 31, 1886, numbered 8,779 and amounted to \$36,000,666.

Something of interest to business men appears in the Society's advertisement on the back cover of this issue of the JOURNAL.

A Distinguished Director.—President Dwight, of Yale College, has been elected a Director of the National New Haven Bank to fill a vacancy caused by the death of Treasurer Henry C. Kingsley.

New York City Savings Banks.—The Bank Department of New York has just completed its semi-annual statement of the savings banks of New York city, and the exhibit is important as illustrating the thrift and industry of the people of the metropolis. There are twenty-four banks in this city, and their total resources reached the large sum of \$320,475,726, while their net surplus is \$49,905,313. As indicating the improvement in the trade and industries of the country in 1886, it can be stated that the deposits increased \$14,623,318 against \$11,520,810 in 1885. It is estimated that the gain in deposits by the savings banks of the whole State for 1886 will approximate \$25,000,000, and it is gratifying to know that the institutions now in existence are generally in a prosperous and sound condition.

Of the city savings banks, the Bowery comes first with total resources of \$55,011,889 and a surplus of \$11,271,543. This is certainly a remarkable exhibit for one institution, and shows how rapidly savings will accumulate. The German has resources of \$22,873,424 and a surplus of \$1,963,083, and the Dry Dock shows resources of \$14,571,897 and a surplus of \$1,826,248.

Defaulted Southern Bonds.—Mr. Edward L. Andrews, of New York, representing a number of holders of bonds of Southern States which have been defaulted, has addressed a letter to Secretary Lamar, asking that the Interior Department bring a suit to collect the principal and interest of the bonds. The letter states that the United States Treasurer holds as custodian, in trust for certain Indian tribes, about \$1,710,000 of bonds, issued by the States of Arkansas, Florida, Louisiana, North Carolina, South Carolina, Tennessee and Virginia, the principal or interest of which, or both, have been in default for many years. Since March, 1865, Congress has appropriated for the Indian beneficiaries sums equal to the interest due and unpaid. In view of the continued disbursements from the Federal Treasury to make good the unfulfilled liabilities of these defaulted States the holders of similar repudiated bonds, who are also taxpayers, deem that they

are subjected to a peculiar hardship in being compelled to contribute to repair these deficiencies of debtors from whose acts they are also individual sufferers. The taxpayers of the country, including holders of similar bonds, have been mulcted to the extent of nearly \$100,000 per year (making an aggregate sum of more than \$2,000,000) to discharge the debts of these defaulting States, the aggregate of which is nearly \$4,000,000, and they think that the time is come, considering the financial ability of the debtor States, when further indulgence is not only unjust toward the taxpayers of the whole country, but conveys demoralizing encouragement to the States in question.

Growth of the National Banks.—The number of new National banks organized in 1886 was larger than for any previous year, although the official figures fail to show this, owing to the fact that in some recent years banks whose charters expired and were reorganized were included in the number of new banks. The following table shows the number and capital of banks organized in each month of the past two calendar years:

	NUMBER OF BANKS.		CAPITAL.	
	1885.	1886.	1885.	1886.
January	17	16	\$2,625,000	\$ 975,000
February	15	15	1,406,000	2,100,000
March	13	16	1,225,000	1,355,000
April	10	16	885,000	1,350,000
May	9	16	460,000	3,005,000
June	13	10	1,450,000	960,000
July	9	20	1,110,000	2,973,000
August	17	7	1,418,000	535,000
September	8	10	685,000	3,050,000
October	10	16	721,000	850,000
November	8	14	535,000	1,860,000
December	12	18	1,100,000	2,375,000
Total	141	174	\$13,623,000	\$20,988,000

Freedman's Savings Bank.—There is a fair prospect that Congress will at last reimburse the depositors of the defunct Freedman's Savings Bank for the deposits which they lost through the failure of that institution. A bill introduced by Mr. Dibble, appropriating \$1,000,000 for that purpose is now pending in the House. On January 11th, Senator Sherman introduced a similar bill in the Senate. It provides that the successors in office of the Commissioners of the Freedman's Savings & Trust Company be directed to pay to all depositors of the defunct company whose accounts have been properly verified and balanced a sum of money equal to the verified balance due the depositors at the time of the company's failure, less the amount of dividends which may have been declared from the assets of the company. The sum of \$1,200,000 is appropriated for this purpose.

Kansas City.—Mr. W. P. Rice, Vice-President, and E. E. Parker, Director, of the new AMERICAN NATIONAL BANK, of Kansas City, Mo., visited New York recently in the interest of their bank, and while here called at this office to express their appreciation of the good results the bank is receiving from their advertisement in the JOURNAL. As many of our readers already know, the AMERICAN NATIONAL is conducted by experienced men who are fully acquainted with the various interests as well as the requirements of the entire West and South-West, and they are rapidly building up a large business and making strong connections throughout that section. The bank has organized an exclusive Collection Department, with exceptional facilities for handling collections satisfactorily and securing prompt returns. The AMERICAN NATIONAL was organized on August 9, 1886, and the bank's many friends will be glad to hear of its progress. It has the largest paid-up capital of any bank in the South-West, amounting to \$1,250,000. On December 31, 1886, or less than five months from its organization, its deposits aggregated \$1,331,412, and its undivided profits \$41,657.

Mr. M. C. Curtis has been promoted to the position of Assistant-Cashier of the bank. He was connected with different banks in New York and Boston for several years, and was Paying-Teller and Cashier of the House of Representatives, at Washington, D. C., for four years. He resigned the latter position on January 1, 1886, and was with the

Safe Deposit & Savings Bank of Kansas City until the AMERICAN NATIONAL was started. He went with the latter bank as Paying-Teller, after two months was made Second Assistant-Cashier, and now has been made Assistant-Cashier. Mr. Curtis has obtained wide experience in the various positions he has filled which will be of great service to him in his new field.

New York and Brooklyn Trust Companies.—The annual examination in December of the Trust, Loan and Mortgage Companies of New York and Brooklyn, under the direction of Bank Superintendent Willis S. Paine, shows resources, liabilities and surplus for each company as follows:

	Resources.	Liabilities.	Surplus.
United States Trust Co.	\$41,058,204	\$34,793,912	\$6,264,092
Farmers' Loan & Trust Co.	23,320,041	20,697,471	2,622,570
American Loan & Trust Co.	5,781,189	5,698,282	81,907
Manhattan Trust Co.	201,727	180,882	20,844
United States Mortgage Co.	2,786,569	2,628,175	158,394
Union Trust Co.	26,524,967	24,130,623	2,394,344
Brooklyn Trust Co.	9,476,398	8,815,994	660,403
Knickerbocker Trust Co.	1,297,710	1,200,941	96,769
New York Life Insurance Trust Co.	18,968,204	16,296,042	2,671,962
Mutual Trust Co.	543	50,680	*50,136
Central Trust Co.	22,204,643	19,665,102	2,539,540
Title Guarantee & Trust Co.	779,093	762,000	17,093
Equitable Trust Co.	4,458,303	4,824,538	*366,144
Mercantile Trust Co.	20,599,988	19,876,736	723,252
Metropolitan Trust Co.	5,787,174	5,503,487	283,686
Long Island Loan & Trust Co.	2,247,404	2,135,167	112,237
*Deficit.			

The Hoke Extradition Case.—Chief Justice Dorlon, at Montreal, on January 7th rendered a decision on the application for a writ of *habeas corpus* in the J. F. Hoke extradition case, sustaining the decision of the Judge who committed Hoke for extradition. The Chief Justice holds that the filling-in of regular-signed drafts without authority is forgery under the law of England. He also holds that, if there was sufficient evidence upon which a petit jury could bring in a verdict of guilty, and which verdict could not be set aside as being a verdict without evidence, it was the duty of the committing magistrate to commit the accused. He therefore committed Hoke to await the final order for extradition.

Cleveland Banks.—The final statements of the banks of Cleveland for the year 1886 make the best showing in a number of years. Compared with the statements of the previous year, there is a large increase in both deposits and loans. The nine banks of the city report an aggregate capital of \$6,700,000 and surplus of \$991,854. Following are the loans and deposits of each bank on December 28, 1886, compared with December 24, 1885:

	LOANS.		DEPOSITS.	
	Dec. 24, 1885.	Dec. 28, 1886.	Dec. 24, 1885.	Dec. 28, 1886.
National Bank of Commerce....	\$2,387,162	\$3,254,101	\$2,630,162	\$3,296,982
Commercial National Bank....	2,644,248	3,281,576	2,605,876	2,839,489
Mercantile National Bank....	1,965,182	2,194,950	2,584,822	2,531,851
Union National Bank....	1,445,049	2,140,445	1,378,710	1,604,133
First National Bank....	1,202,089	1,178,105	781,185	989,905
Cleveland National Bank....	873,406	1,209,565	643,648	774,838
Euclid Avenue National Bank..		850,015		495,796
Ohio National Bank....	822,591	1,067,385	652,085	1,150,297
National City Bank....	514,194	716,036	640,109	791,833
	\$11,704,021	\$15,662,678	\$12,172,097	\$14,461,624

Baltimore.—The National Mechanics' Bank, of Baltimore, on January 11th, elected Mr. John B. Ramsay its President. Mr. Ramsay is a young man who has had wide experience in the banking business, and in every way is well qualified for the position to which he has been called. He came to Baltimore from Port Deposit, Md..

where he was Cashier of the Cecil National Bank. He was elected Cashier of the People's Bank, of Baltimore, which he made a flourishing institution. He resigned that position to become the head of the banking firm of Ramsay, Clabaugh & Co., which also became a very successful house. When Mr. Orson Adams resigned as Bank Examiner for that district Mr. Ramsay was appointed his successor, and performed the duties of the office up to the present time in a most able and satisfactory manner. He has won the respect and esteem of all with whom he has been in any way connected, and the National Mechanics' Bank is expected to prosper under his care as it never did before. The Directors are Messrs. William F. Lucas, Robert Lehr, S. Hamilton Caughy, Thomas Deford, Robert Garrett, Alexander Brown, George C. Jenkins, Jesse Hill and John B. Ramsay.

Values of Foreign Coins.—The following estimation of the value of foreign coins, made by the Director of the Mint, I hereby proclaim to be the values of such coins expressed in the money of account of the United States, and to be taken in estimating the values of all foreign merchandise, made out in any of said metallic currencies, imported on or after January 1, 1887.

DANIEL MANNING, *Secretary of the Treasury.*

TREASURY DEPARTMENT, BUREAU OF THE MINT, {
WASHINGTON, D. C., January 1, 1887. }

Hon. Daniel Manning, Secretary of the Treasury:

SIR:—In pursuance of the provisions of Section 3,564 of the Revised Statutes of the United States, I have estimated the values of the standard coins of the various nations of the world, and submit the same in the following table:

Country.	Standard.	Monetary Unit.	Par of exchange or equivalent value in terms of U. S. gold dollar.	Coins.
Argentine Rep'lie.	Double.....	Peso	\$0.965	Gold: argentine (\$4.82,4) and $\frac{1}{2}$ argentine. Silver: Peso and divisions.
Austria	Single silver	Florin .....	.36,9	Gold: 4 florins (\$1 92,9), 8 florins (\$3.85,8), ducat (\$2 28,7) and 4 ducats (\$9.15,8). Silver: 1 and 2 florins.
Belgium.....	Double.....	Franc.....	.19,3	Gold: 10 and 20 francs. Silver: 5 francs.
Bolivia.....	Single silver	Boliviano....	.72,7	Silver: Boliviano and divisions.
Brazil	Single gold.	Milreis of 1,000 reis.....	.54,6	Gold: 5, 10, and 20 milreis.
Brit'h Poss's, N.A.	Single gold.	Dollar.....	1.00	Silver: $\frac{1}{2}$, 1, and 2 milreis.
Chili.....	Double.....	Peso .....	.91,2	Gold: escudo (\$1 82,4), doubloon (\$4.56,1) and condor (\$9.12,3). Silver: Peso and divisions.
Cuba.....	Double.....	Peso .....	.98,2	Gold: doubloon (\$5.01,7). Silver: peso.
Denmark	Single gold.	Crown .....	.26,8	Gold: 10 and 20 crowns
Ecuador.....	Single silver	Sucre.....	.72,7	Gold: doubloon (\$3.85,8), condor (\$9.84,7) and double-condor. Silver: sucre and divisions.
Egypt.....	Single gold.	Pound (100 piastres)...	4.94,8	Gold: pound (100 piastres), 50 piastres, 20 piastres, 10 piastres and 5 piastres. Silver: 1, 2, 5, 10, and 20 piastres.
France.....	Double..	Franc.....	.19,3	Gold: 5, 10, 20, 50 and 100 francs. Silver: 5 francs.
German Empire..	Single gold.	Mark.....	.23,8	Gold: 5, 10 and 20 marks.
Great Britain.....	Single gold.	Pound sterling.....	4.86,64	Gold: sovereign (pound sterling) and $\frac{1}{2}$ sovereign.

Greece	Double.....	Drachma .....	.19.3	Gold: 5, 10, 20, 50 and 100 drachmas. Silver: 5 drachmas.
Hayti	Double.....	Gourde .....	.96.5	Gold: 1, 2, 5 and 10 gourdes. Silver: gourde.
India	Single silver	Rupee of 16 annas .....	.34.6	Gold: mohur (\$7.10.5). Silver: rupee and divisions.
Italy	Double..	Lira .....	.19.3	Gold: 5, 10, 20, 50 and 100 liras. Silver: 5 liras.
Japan	*Double.....	Yen (Gold .....	.99.7	Gold: 1, 2, 5, 10 and 20 yen. Silver: yen.
Liberia	Single gold.	Dollar	1.00	
Mexico	Single silver	Dollar .....	.78.4	
			.79	Gold: dollar (0.96.3), 2½, 5, 10 and 20 dollars. Silver: dollar (or peso) and divisions.
Netherlands	Double.....	Florin .....	.40.2	Gold: 10 florins. Silver: ¼, 1 and 2½ florins.
Norway	Single gold	Crown .....	.26.8	Gold: 10 and 20 crowns. Silver: sol and divisions.
Peru	Single silver	Sol .....	.72.7	
Portugal	Single gold.	Milreis of 1,000 reis	1.08	Gold: 1, 2, 5 and 10 milreis.
Russia	Single silver	Rouble of 100 copecks.....	.58.2	Gold: imperial (\$7.71.8) and ½ imperial + (\$3.65.9). Silver: ¼, ½ and 1 rouble.
Spain	Double.....	Peseta of 100 centimes.....	.19.3	Gold: 5, 10 and 25 pesetas. Silver: 5 pesetas.
Sweden	Single gold.	Crown .....	.26.8	Gold: 10 and 20 crowns.
Switzerland	Double..	Franc .....	.19.3	Gold: 5, 10, 20, 50 and 100 francs. Silver: 5 francs.
Tripoli	Single silver	Mahbub of 20 piastres .....	.65.6	Gold: 25, 50, 100, 250 and 500 piastres.
Turkey.....	Single gold.	Plastre .....	.04.4	Gold: condor (\$9.64.7) and double-condor. Silver: peso.
U. S. of Colombia.	Single silver	Peso .....	.72.7	Gold: 5, 10, 20, 50 and 100 bolivars. Silver: 5 bolivars.
Venezuela	Double.....	Bolivar .....	.19.3	

* Gold the nominal standard. Silver practically the standard.

† Coined since January 1, 1886. Old half-imperial = \$3.94.6.

NOTE.—The "Standard" of a given country is indicated as follows, namely: *Double*, where its standard silver coins are unlimited legal-tender, the same as its gold coins; *Single gold* or *Single silver*, as its standard coins of one or the other metal are unlimited legal-tender. The par of exchange, of the monetary unit of a country, with a single gold, or a double, standard is fixed at the value of the gold unit as compared with the United States gold unit. In the case of a country with a single silver standard, the par of exchange is computed at the mean price of silver in the London market for a period commencing October 1st and ending December 26, 1886, as per daily cable despatches to the Bureau of the Mint.

JAMES P. KIMBALL, *Director of the Mint.*

Pennsylvania Banks.—The annual message of the Governor of Pennsylvania states that there are eighty-one banks incorporated by the State, of which more than sixty have special charters. Nearly one-fifth of them pay no dividends. There are 266 private bankers and banks in the State. Of these the number reporting an annual income exceeding \$10,000 is forty-one; exceeding \$5,000 and under \$10,000, twenty-seven; exceeding \$4,000 and under \$5,000, eleven; exceeding \$3,000 and under \$4,000, nineteen; exceeding \$2,000 and under \$3,000, thirty-two; exceeding \$1,000 and under \$2,000, thirty-eight; exceeding \$500 and under \$1,000, twenty-five; less than \$500, forty-four; and reporting no net earnings or income, twenty-nine. Some of these private banks have large lines of deposit for which the depositors have no security but the property of the individual bankers, which, in case of disaster, is generally found to be mortgaged for all that it is worth, or to have changed hands clandestinely. The Auditor-General cites one instance in which a private bank with \$300,000 on deposit returned an income of \$68 for 1883, for 1884 reported no income at all, and then closed its doors with a promise to pay the depositors twenty cents on the dollar. During the last three years four incorporated banks went into liquidation, and eleven private banks failed, causing a loss to depositors of between \$1,500,000 and \$2,000,000.

Texas—Fort Worth.—A new bank, to be known as the Merchant's National, has been organized at Fort Worth, Texas, through the efforts of Mr. A. B. Smith, formerly Cashier of the State National Bank of that city. Mr. Smith resigned his position, to take effect on January 13th, for the purpose of organizing the new bank. Mr. Smith

is highly thought of in Fort Worth, and, when the fact that he was about to resign became known, some fifty of the leading business men of the city signed a letter addressed to him in which some very complimentary things are said.

Production of Precious Metals.—Mr. John J. Valentine, of Wells, Fargo & Co., who for years has published trustworthy statistics on the production of gold and silver in the United States, has issued his annual statement for the year 1886. The amount produced in the States and Territories west of the Missouri River (including British Columbia, and receipts by express from the West Coast States of Mexico) he states as follows: Gold, \$30,773,759; silver, \$53,776,055; copper, \$9,276,755; lead, \$9,185,192; total, \$108,011,761. The net product of gold and silver in the States and Territories west of the Missouri (exclusive of British Columbia and the West Coast of Mexico) for the last seven years is reported as follows:

	Gold.	Silver.
1880.....	\$32,559,067	\$38,033,055
1881.....	30,653,959	42,987,613
1882.....	29,011,318	48,133,639
1883.....	27,819,840	42,975,101
1884.....	25,183,567	43,529,925
1885.....	26,393,756	44,516,569
1886.....	29,561,424	52,136,851

The product of gold and silver in Mexico from 1877 to 1886 is reported as follows:

	Gold.	Silver.	Total.
1887-78.....	\$661,385	\$21,451,785	\$22,113,170
1878-79.....	662,524	21,405,380	22,067,854
1879-80.....	474,632	23,383,448	23,858,082
1880-81.....	380,301	28,583,135	23,963,436
1881-82.....	382,752	24,009,525	24,392,277
1882-83.....	380,419	22,921,921	23,302,340
1883-84.....	420,000	24,240,000	24,660,000
1884-85.....	385,000	25,087,356	25,472,356
1885-86.....	450,000	26,000,000	26,450,000
Total.....	\$4,197,013	\$212,082,500	\$216,229,513

Michigan.—The Second National Bank, of Hillsdale, Mich., went into voluntary liquidation on December 18, 1886, and a new bank, to be known as "The Waldron Bank," was organized as its successor by Messrs. C. W. Waldron and E. L. Koon, former President and Vice-President of the old bank. Messrs. Waldron and Koon are the principal owners, and they retain Mr. J. R. Wyllie as Cashier. The new bank is even stronger than the old bank, as the owners are individually liable for the deposits of the bank. Both the owners are well-known as careful and able bankers, and under their guidance the new institution will secure public confidence and patronage.

Duluth, Minn.—Two very important movements have been inaugurated in Duluth which will give that point largely increased banking facilities. One bank, called the Union National Bank, of Duluth, has been organized with an authorized capital of \$2,000,000, and opens with a paid-up capital of \$500,000. It is owned principally by a syndicate of Chicago capitalists, interested in the Union National Bank, of Chicago. Mr. J. J. P. Odell is President, Mr. C. P. Cummings, Vice-President, and H. A. Ware, Cashier. Mr. N. B. Ream, the wheat operator of Chicago, and President Fisher, of the St. Paul & Duluth road, are interested in the enterprise. Another bank is to be organized under State charter with a capital of \$200,000. George V. Foreman and Mr. Barch, of Olean, N. Y., are interested, and Mr. E. H. Bond, of Buffalo, N. Y., is to be made Manager. These two banks will more than double the banking capital of Duluth, making the total amount \$1,300,000, divided among six banks.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

—Shannon's Bank, of Terre Haute, Ind., closed its doors on January 19th. The liabilities are \$39,000 and assets \$10,000. The bank was established in 1839. Mr. Shannon

died last spring, and since then the bank's affairs have been conducted by an administrator.

— The surplus silver brick in Uncle Sam's hat is getting heavier and heavier.—*Philadelphia Record*.

— Mr. W. G. Deshler, a banker of Columbus, Ohio, has given \$100,000 to the Columbus Female Benevolent Society.

— A bill has been introduced in the New York Legislature authorizing savings banks to invest in city scrip.

— The new \$5 silver certificates are almost ready to be issued. They have on them a vignette of General Grant.

— Jesse B. Abrahams, of Virginia, has been appointed Deputy-Comptroller of the Currency *vice* Snyder, resigned.

— Ex-Bank Examiner A. M. Scriba, has accepted the position of Cashier of the Shoe & Leather Bank, of New York.

— The Court of Appeals of Canada has decided against J. F. Hoke, the Peoria, Ill., defaulter, in the extradition proceedings.

— It is reported that Mr. John H. Rogers will retire from the Presidency of the Freeman's National Bank, of Boston, Mass.

— The Albany National Bank, of Laramie City, Wyo., has been authorized to commence business with a capital of \$100,000.

— The calls for the redemption of Government bonds in 1886 aggregated \$127,000,000 against \$10,000,000 in 1885 and \$70,000,000 in 1884.

— The Riverside Bank, located at the corner of Eighth Avenue and Fifty-seventh street, this city, began business on January 13th.

— London's *per capita* tax is \$7.40, while New York's is \$36.65. The difference is not due to the relative sizes of the heads, either.

— William A. Duer has been appointed Receiver of the Guardian Savings Institution, of New York City, in place of John T. McGowan.

— A bank has been established at Hammononton, N. J., the requisite number of shares of stock being subscribed for by leading citizens.

— Silver dollars are finding their way back into the Treasury almost as rapidly as they were put into circulation in November and December.

— Charles E. Cooper, of Keene, N. H., has been appointed Bank Commissioner for New Hampshire, in place of B. C. Carter, of Dover, deceased.

— The Comptroller of the Currency has declared a 10 per cent. dividend in favor of the Richmond (Indiana) National Bank, making 46 per cent. in all.

— "What becomes of all the counterfeit coins?" excitedly asks an exchange. Most of them eventually find their way into the contribution boxes.—*Chicago Tribune*.

— William A. Heard, of Sandwich, N. H., has been appointed National Bank Examiner for Maine and New Hampshire, which are now consolidated into one district.

— Bank Superintendent Willis S. Paine has authorized the organization of a savings bank at Amsterdam, N.Y. There is no other savings institution in Montgomery County.

— The depositors of the Hush Bank, of Minneapolis, Minn., have agreed to a settlement of 85 cents on the dollar, with a promise of payment of the remainder.

— Calvin Platt, who forged \$14,000 of checks on the Pacific Bank, of San Francisco, and was extradited from Japan for the crime, has been sentenced to 14 years in State Prison.

— The Northern Savings Fund, Safe Deposit & Trust Company, of Philadelphia Pa., has called in the balance of its unpaid capital (\$250,000), which will make the total \$500,000.

— The Comptroller of the Currency has declared a first dividend of 50 per cent. in favor of the creditors of the First National Bank, of Blair, Neb., on claims amounting to \$54,278.

— Mr. Wm. F. Whiting has been elected a Director of the Holyoke (Mass.) National Bank by a full vote to fill a vacancy caused by the resignation of his father, Congressman

Wm. Whiting. The directors unanimously re-elected President George W. Prentiss and Vice-President R. B. Johnson thus conferring a high compliment on those gentlemen.

— Mr. Percy M. Lewis, Cashier of the Third National Bank, of Philadelphia, Pa., has been elected President of that bank in place of Mr. David B. Paul, who declined a re-election.

— The new Ninth Avenue Bank, in New York city, will be opened for business on March 1st at Ninth avenue near 59th street. The capital is \$100,000. Mr. William H. Bellamy is the President.

— George M. Bain, Jr., Cashier of the insolvent Exchange Bank, of Norfolk, Va., has been sentenced to five years in the Albany Penitentiary for making false entries in the books of the bank.

— The Comptroller of the Currency has appointed Mr. James W. Hyatt, of Norwalk, Conn., to be National Bank Examiner in Connecticut and Rhode Island in place of Mr. A. B. Mygatt, who resigned.

— The new \$2 silver certificates have been issued. They are—but, hold on, if the United States Treasurer wants us to notice his publications he had better send along some sample copies.—*Independent*.

— The International Trust Company, of Boston, has made an application for offices covering over 10,000 feet of floor room in the new banking building to be erected on State street by the Porter syndicate.

— Of the \$10,000,000 3 per cent. bonds called for redemption on December 28th, \$8,636,000 were held by the Treasury to secure bank note circulation. This is the largest proportion so held under any call yet issued.

— The South Cleveland Banking Company has re-elected its old board of officers, with Mr. Joseph Turney as President. The deposits of the bank aggregate nearly \$400,000, an increase of \$40,000 in the past six months.

— Mr. S. A. Carlton, President of the Security National Bank, of Boston, sailed on January 19th for a six months trip in Europe. Before his departure he was presented with an elegant silver service by the Directors of the bank.

— The safe of the Belmont Savings Bank, of Belmont, Mass., was blown open by burglars about midnight on January 18th. A large amount of securities was stolen and a small sum of cash. Only two bonds valued at \$1,500 were negotiable.

— The City of New Bedford, Mass., has begun suit in the State Courts against the National banks which have refused to pay their taxes this year and are seeking in the United States Courts to recover the taxes which they paid under protest last year.

— The Fidelity National Bank, of Cincinnati, O., which has been in operation only since March 1, 1886, has paid a dividend of 1½ per cent. on its \$1,000,000 capital stock and carried \$50,000 to its surplus account, besides having \$10,548 of undivided profit.

— The Comptroller of the Currency has ordered an assessment of 50 per cent. on the stock of the Rahway National Bank. The assessment is understood to have been made on the recommendation of President Price, who desired to have the bank put on a sound financial basis.

— Receiver John T. McGowan, of the Guardian Savings Bank, after a judgment for \$77,000 had been rendered against him by the Referee, applied to Judge Barrett to reopen the case. The Court denied the motion. The Receiver claims that only \$152 is owing by him to the bank.

— C. N. Wheeler, a member of a banking firm in Chicago, which did business in Western farm loans, has been arrested on the charge of larceny. The firm used the money received in investments which proved disastrous, and Wheeler left Chicago, but was arrested in Connecticut.

— The East End Savings Bank Company is the title of a new bank organized in Cleveland. It has been started as a savings institution, but also does a general commercial banking business. Mr. J. H. McBride is President; V. C. Taylor, Vice-President, and Charles A. Post, Secretary and Treasurer.

— The Germania Savings Bank, of Jersey City, N. J., closed its doors on January 29th. Claus M. E. Schroeder, the Secretary and Treasurer, disappeared, and is believed

to have taken \$30,000 of the bank's funds. He left at the bank a six months' note for that amount, payable to the order of President Leinan, dated January 31st.

— A bill has been introduced in the House by Mr. Findlay of Maryland (by request) to make gold and silver coin jointly legal-tender; to authorize the issue of legal-tender certificates for half gold and half silver coin, and to provide that the fund for redeeming Treasury notes and the coin reserves of National banks shall be held one-half in gold coin and one-half in silver coin.

— Howard T. Blackstone, the defaulting Cashier of the Canal National Bank, of Portland, Me., was arrested at Winnipeg, Man., on January 12th. He was traced to Winnipeg by detectives who followed his wife. Blackstone defrauded the Canal Bank of \$78,500 by forging drafts, and has been in Winnipeg for two months, where he has been employed as collector by several firms.

— The Canadian Bank of Commerce has appointed Mr. A. M. Crombie as Manager of the Montreal branch in place of Mr. Robert Gill, who takes another important position in the same bank. Mr. Crombie for seven years past has been Local Manager of the Merchant's Bank, of Montreal, and has been Manager of the Merchant's Bank at Hamilton, and of the Commercial Bank at St. Thomas, Ont.

— Mr. I. R. Holmes, of Garden City, Kansas, has sold his bank at Lamar to Messrs. J. H. Borders and A. V. Scott, who will continue the business under the firm name of Borders & Scott until a charter for a National bank can be obtained. Mr. Borders was Cashier of the Bank of Coolidge, and Mr. Scott is a well-known capitalist of Creston, Iowa. Mr. Holmes has started a new bank at La Junta, Col., called the Bank of Commerce. He is the President and Lester Hays is the Cashier.

— Messrs. Ellis & Saunders have transferred the ownership of the Linn County Bank, of La Cygne, Kansas, to a stock company, organized under the laws of the State of Kansas. The Trustees for the first year are W. P. Rice, George J. Miller, George C. Wynkoop, G. R. Saunders, A. Freidman, W. O. Fuller, Jr., and B. Ellis. The capital stock has been fixed at \$50,000. The bank has been very successful, and the names of the gentlemen who have gone into the company assure a continuance of its prosperous course.

— The Marble Savings Bank, of Rutland, Vt., during the year ending February 1, 1887, issued 421 deposit books to pupils of the graded schools, aggregating \$1,037. It is believed that the Rutland schools were the first to adopt this system of savings in this country, though the practice has obtained in several other cities. The method adopted is for the pupils each day to bring whatever pennies they have to their teachers till the end of the month, and then all individual amounts of fifty cents or over are deposited in the savings bank.

— On the application of the depositors of the insolvent Bowling Green Savings Bank, of New York City, Judge Lawrence, on January 13th, appointed Charles H. Hall as Receiver of the bank in place of the late Shepherd F. Knapp. Mr. Hall was a depositor in the bank and had become familiar with its affairs. At the time of Receiver Knapp's death he had \$7,000 of cash assets in his custody, and was prosecuting several suits to recover money he claimed to be due the bank, which failed in 1871 at the time the Tweed ring concern known as the Guardian Savings Institution went to pieces.

— The Secretary of the Treasury has recommended to Congress the amendment of the laws governing the issue and redemption of minor coin. He points out that the coins frequently accumulate in the Treasury and Sub-Treasuries of the United States, which are the only agencies for the redemption of minor coin, while there may be a pressing demand for the coin in parts of the United States remote from the Treasury and its branches. The Secretary suggests that authority be conferred upon him to transfer coin from the Treasury to the Mint, and allowing him to retain from the balance of the minor coinage profit fund, which is now covered into the Treasury, a sum not exceeding \$35,000 in any one year to defray the expenses of the distribution.

— In the suit of the Shackamaxon Bank, of Philadelphia, Pa., against William Bumm & Sons, Thomas L. Huggard, the Cashier, Samuel P. Milligan, the Teller, and Joseph Conklin, a contractor, the Master, Edward Barry has filed a report holding the President, Cashier and Teller responsible for the defrauding of the bank by Conklin. He finds that neither George W. Bumm nor William H. Bumm, the sons of the dead President, had any knowledge of the fraud. Mr. Barry finds that the bank

lost \$130,210.29, and he annexes a decree for this amount against Huggard and Milligan; \$149,538.23 against Conklin; \$235,823.42 against the estate of William Bumm; \$138,233.19 against George W. Bumm and William H. Bumm, surviving partners of their father, and \$4,720.39 against George W. and William Bumm as partners of the new firm after their father's decease.

— The St. Paul *Pioneer Press* of January 16th mentions the annual meeting of the stockholders of the First National Bank, of Anoka, Minn., which took place on the 15th ult., the old officers being re-elected, as follows: *President*, H. L. Ticknor; *Vice-President*, R. M. Taylor; *Cashier*, P. F. Pratt; *Directors*, H. L. Ticknor, A. C. Franman, E. L. Keed, C. T. Woodbury, D. C. Dundam, R. M. Taylor, P. F. Pratt. The *Pioneer Press* adds that the condition of the bank is first-class. Since the great fire at Anoka the bank has made good the heavy loss sustained by the conflagration and is now paying a handsome dividend.

— Some remarkable communications are sometimes addressed to United States Treasury officials. The Assistant Treasurer at New York recently received a letter written on paper with the heading of a country bank asking how many of the standard silver dollars must be purchased in order to secure the discount, and what the discount is. An answer was returned that the United States is not in the habit of depreciating its own currency. Another letter, from a merchant, contained an order for \$50 worth of 5 cent pieces to be sent by express C. O. D. The coin was not delivered, as the United States collects in advance.

— The National banks of Chicago, Minneapolis and St. Paul have sent a petition to Congress to have the bill making certain cities reserve cities amended so that banks in reserve cities may deposit one-half their reserve with bank in cities outside of New York. The Chicago banks ask that Chicago be placed on an equality with New York, the St. Paul banks that Chicago, St. Louis, Milwaukee and Boston be granted equal privileges with New York and the Minneapolis banks that Chicago and St. Louis be raised to equal dignity with New York.

R. R. AND INVESTMENT NEWS.

New Issues.

STOCK EXCHANGE LIST.—The following securities have been listed at the New York Stock Exchange:

Illinois Central Railroad Company.—An additional \$1,000,000 capital stock, making the total amount now listed \$30,000,000.

Denver & Rio Grande Western Railway Company.—Capital stock, 75,000 shares of the par value of \$100 per share, amounting to \$7,500,000.

Union Pacific Railway Company.—An additional \$1,016,000 collateral trust 5 per cent. bonds, making the total amount now listed \$5,583,000.

Fort Worth & Denver City Railway Company.—An additional \$820,000 first mortgage 6 per cent. bonds, making the total amount now listed \$3,820,000.

James River Valley Railroad Company.—An additional \$228,000 first mortgage sinking fund 6 per cent. gold bonds, making the total amount now listed \$963,000.

Northern Pacific Railroad Company.—An additional \$1,000,000 first mortgage and land grant 6 per cent. bonds, making the total amount now listed \$52,500,000.

East Tennessee, Virginia & Georgia Railway Company.—An additional \$1,995,000 consolidated first mortgage gold bonds, making the total amount now listed \$12,770,000.

St. Paul & Northern Pacific Railway Company.—Registered bond certificates as issued in exchange for general mortgage 6 per cent. forty-year gold coupon bonds.

The Wheeling & Lake Erie Railway Company.—First mortgage 5 per cent. gold bonds, due October 1, 1926, \$3,000,000 and \$3,800,000 capital stock of the par value of \$100 per share.

Milwaukee, Lake Shore & Western Railway Company.—An additional \$160,000 of first mortgage Michigan Division 4 per cent. bonds, making the total amount now listed \$1,281,000.

Chicago, Rock Island & Pacific Railway Company.—An additional \$2,000,000 first mortgage extension and collateral 5 per cent. bonds, making the total amount of issue now listed \$6,860,000.

Norfolk & Western Railroad Company.—An additional \$400,000 of improvement and extension 6 per cent. bonds, making the total amount now listed \$3,300,000, and

an additional \$208,000 general mortgage 6 per cent. bonds, making the total amount listed \$6,902,000.

Chicago, Milwaukee & St. Paul Railway Company—An additional \$420,000 first 5 per cent. bonds of the Chicago & Pacific, Western Division, making the total amount now listed \$21,100,000.

Tennessee Coal, Iron & Railroad Company—An additional 70,000 shares of the capital stock issued for the acquisition of and consolidation with other properties, making the total amount now listed \$10,000,000.

Cincinnati, Washington & Baltimore Railroad Company—An additional 1,000 shares of preferred and 750 shares of common stock, making the total amounts now listed \$12,993,200 of preferred and \$5,886,100 of common stock.

St. Louis, Arkansas & Texas Railway Company—Central Trust Company certificates for \$9,529,000 first mortgage bonds, Mercantile Trust Company certificates for \$9,529,000 second mortgage bonds, and \$9,550,000 capital stock.

The Cameron Iron & Coal Company—Is a reorganization of the old Cameron Coal Company with a capital stock of \$3,000,000, and free from debt. Of the capital stock \$290,000 remains in the company's treasury and \$2,720,000 issued is listed. On February 1st the stock of the Cameron Coal Company will be stricken from the list.

Chesapeake & Ohio Railway Company—Extended 4's of 1886, coupon and registered, which are the assents of series B 6's, to an extension of the maturity of the bond from 1906 to 1966, and to a reduction of the annual interest to 4 per cent., which assent is stamped upon such bonds as have been presented. The assents up to January 12th amounted to \$2,693,900 out of an issue of \$15,000,000.

FORT WORTH & WESTERN.—The stockholders will meet on March 19th to vote on the proposed issue of first mortgage forty-year 6 per cent. bonds at the rate of \$15,000 per mile.

BALTIMORE & OHIO.—This company has arranged to issue \$2,000,000 4½ per cent. mortgage bonds secured by a mortgage on rolling stock. They are payable (\$200,000 each year) in ten years.

CHICAGO, BURLINGTON & QUINCY.—An issue of \$11,000,000 4 per cent. bonds were sold by this company to a syndicate headed by Lee, Higginson & Co. and Kidder, Peabody & Co. last month at 95½.

DISTRICT OF COLUMBIA DEBT.—The United States Treasurer reports that the total funded debt of the District of Columbia is now \$21,041,000, being \$1,903,350 less than it was at its highest point on July 1, 1878.

CINCINNATI, HAMILTON & DAYTON.—The stockholders on January 5th voted to issue \$50,000 new stock and the issue of \$50,000 in bonds to run fifty years with interest at 4½ per cent. The proceeds will be used in betterment of the track and in giving better terminal facilities.

ILLINOIS CENTRAL.—On January 18th the stockholders voted to increase the capital stock from \$29,000,000 to \$30,000,000, the new stock to be issued at \$136 per share. The proceeds are to be used in payment of elevator property at Chicago, for double tracking the line to Kankakee and buying car equipment.

BOSTON & LOWELL.—At the annual meeting the stockholders voted to authorize the issue of \$500,000 of bonds for the purchase of real estate and the improvement of the property of the company. On January 5th the company sold 2,000 shares at auction in Boston at 138¼ to Lee, Higginson & Co.

NEW YORK, CHICAGO & ST. LOUIS.—An agreement between the first mortgage bondholders of this company and the Lake Shore Company is reported to have been made under which new \$20,000,000 4 per cent. mortgage bonds will be issued by the New York, Chicago & St. Louis, which will be guaranteed by the Lake Shore. The stocks of the former will be reduced one-half to \$11,000,000 of preferred and \$14,000,000 of common stock.

RICHMOND & WEST POINT TERMINAL.—The Directors have authorized the issue of \$14,000,000 new common stock and a new 6 per cent. 10-year collateral trust bond for \$6,500,000. Of the new stock \$10,000,000 will be given for the Richmond and Danville outstanding stock, four shares of Richmond Terminal for one of Richmond and Danville stock. The remaining \$4,000,000 will be given to the East Tennessee syndicate as part payment for 60,000 shares of East Tennessee first preferred stock. The terms

of purchase of East Tennessee first preferred stock are \$4,400,000 in cash and 40,000 shares of Richmond Terminal stock. The collateral trust bond is given to the syndicate as security for the loan of \$8,500,000. Of this amount \$4,400,000 will be used to pay for the East Tennessee stock and the balance will be used for retiring the floating debt.

Railroad Reports.

NEW YORK CENTRAL & HUDSON RIVER.—The annual report of this company covers the year ended September 30, 1886. It shows the following:

	1884-5.	1885-6.
Total gross earnings.....	\$21,640,175	\$28,048,804
Operating expenses.....	16,819,372	18,610,377
Net earnings.....	\$5,320,803	\$9,438,427
Summary of income account:		
Total net income.....	\$8,110,066	\$11,895,985
Total disbursements.....	9,063,717	10,823,017
Balance.....	Deficit, \$953,651	Sur., \$1,072,968

The total surplus at the end of the fiscal year is reported at \$11,473,468 against \$10,508,332 for the previous year.

NEW COUNTERFEITS, SPURIOUS COINS, ETC.

COUNTERFEIT TEN-DOLLAR Canadian Bank of Commerce notes are reported in circulation in Ottawa.

BOGUS TEN-CENT PIECES, which are described as being among the best counterfeits yet seen, are being circulated in Kingston City and elsewhere along the Hudson river.

DURING THE YEAR 1886 thirty-three arrests were made by the United States authorities in New York city of persons passing counterfeit money. In these cases twenty-four prisoners were convicted and sentenced and nine were acquitted.

JOSEPH H. WHITE, of Waco, Texas, who was arrested in St. Louis in August, 1886, on the charge of counterfeiting Brazilian Treasury notes, has been sentenced to three years in the Penitentiary. His brother, Lucius White, who turned State's evidence, will be released.

A LARGE NUMBER of counterfeit silver dollars bearing the date 1881, 1882 and 1885 have been circulated in Chicago. Almost daily some of them appeared at the Sub-Treasury in that city having been received from various careless bank Tellers that in turn received them from retail stores. The 1885 counterfeit is reported to be quite deceptive.

A COMPARATIVELY NEW COUNTERFEIT silver dollar of the date 1882 is in circulation in the West. The weight is nearly correct and the milling good. The ring is the same as that of the genuine coin, but the color is not good. The counterfeit is reported to be deceptive and not easily detected except by expert bankers.

THE ANNUAL REPORT for 1886 of Chief Brooks of the United States Secret Service shows that 433 persons were arrested for various crimes connected with counterfeiting. There were 97 persons convicted and 49 pleaded guilty. The aggregate terms of imprisonment imposed were 465 years, 3 months and 6 days, and the aggregate fines \$13,739. Mr. Brooks says that the past year was prolific in counterfeits. In the South a \$20 counterfeit silver certificate of the series of 1880 appeared, but the work was so poor that little damage was done, and the criminals were quietly arrested. Next was a photographic counterfeit \$5 note on the West National Bank, of New Bedford, Mass. Then came the counterfeit \$2 and \$5 notes of 1880. These notes were in the hands of Italians. A neat \$5 note on the Central National Bank, of Norwalk, Conn., was discovered, and the counterfeiters were soon apprehended in Canada. An attempt was made to circulate a \$20 note of the Mohawk Valley Bank, of Mohawk, N. Y., but the counterfeiters were arrested before any were put in circulation, and are now awaiting trial. Chief Brooks states further that it is a remarkable fact that there are more Italians engaged in the manufacture of counterfeits than people of any other nationality.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

CONSTITUTIONALITY OF THE NATIONAL BANK ACT.*

Editor Rhodes' Journal of Banking:

SIR:—Your courteous answer in the December, 1886, number to my inquiry as to the constitutionality of the present system of National banks refers me to the decisions of the Supreme Court of the United States upon the subject and quotes from the text of some of them. As I cannot consider this an entirely satisfactory reply to my question I beg leave to recur to the subject.

I am not "a lawyer nor the son of a lawyer," but a banker who, like other business men, has made some study of the Constitution of the United States, and who has not been able to overcome his doubts of the authority of Congress, under the Constitution, to establish the existing system of National banks. The decisions to which you refer are, undoubtedly, those upon which the constitutionality of the Banking Acts of 1863-4 is sustained. But in those cases the direct question of constitutionality was not fully argued or considered. The truth is (and lawyers will sustain me in the statement, and these very decisions show), that the power of Congress to establish such banks was taken for granted and held to have been finally decided by the old cases of *McCulloch vs. Maryland*, 4 *Wheat.*, 316, and *Osborn vs. The Bank of the United States*, 9 *Wheat.*, 738, which decided that the Bank of the United States was constitutional as a means for carrying into effect the powers vested in the Federal Government. The States have long acquiesced in these decisions, and perhaps it may be regarded as finally settled. And this being so, the establishment of the National banking system in 1863-4 elicited but little discussion in denial of the power of Congress. (See Judge Cooley's note, in his edition of "Story on the Constitution," Vol. II, page 160.)

Admitting all this, my doubts are not resolved nor my inquiry answered. As a plain business man I look to the language of the Constitution as the source of the power of Congress upon the subject. I cannot find any words which justify the Supreme Court in deciding that Congress has constitutional power "to provide a currency for the country." The language of the Constitution is not ambiguous, and I find nothing in it relating to money, or anything representing money, except the power given to Congress "to coin money, regulate the value thereof," etc. (Art. I, Sec. 8). But the constitutionality of National banks has never, by the Supreme Court, been placed upon this provision of the Constitution.

The reasoning upon which the Court, in the cases above-mentioned held that a United States bank was constitutional, was that Congress, by virtue of its incidental powers, viz., those implied as necessary and proper to carry into effect the express powers granted, may establish United States banks. (See the cases cited, and "Story on the Constitution," Vol. 2, Book III., Chap. 25.) Judge Story expressly says, speaking of the Constitution: "It is true that, among the enumerated powers, we do not find that of establishing a bank or creating a corporation." So that I am right in thinking that the *letter* of the Constitution does not authorize Congress to establish National banks.

Now my difficulty is this: Even if it was long ago decided by the Supreme Court that the establishment of a United States bank was constitutional, it was upon the ground that it is a necessary and appropriate instrumentality for carrying into effect the powers expressly granted by the Constitution to the Federal Government. If National banks are held to be constitutional upon this reasoning, the door is opened wide, it seems to me, for serious departures from the Constitution. If National banks, with power to issue currency, and with other valuable franchises, can be organized by five or more individuals, in any State, under the authority of the Federal Government, and authorized to carry on the business of banking, why may not Federal charters be granted to five or more individuals, with similar franchises, authorizing them to carry on the business of mining or manufacturing in any State? It being

*An answer to this communication will be found in an article printed on page 125.—Editor JOURNAL.]

conceded that no power is *expressly* granted by the Constitution to Congress to confer franchises for the organization of private corporations in the States, it seems to me that to hold that Congress, under its implied powers, has authority to establish National banks, with power to issue currency, and with other special privileges as business corporations, justifies the establishment by Congress of business corporations of all kinds. This, in my judgment, is a violation of the whole spirit of the Federal Constitution, and tends in the wrong direction. And no one pretends that the letter of the Constitution upholds it.

The course of the Supreme Court on the legal-tender question is in the same direction. At first they decided that the Legal-Tender Act was unconstitutional as to debts contracted and due before its passage. The Secretary of the Treasury (Chase) had become Chief Justice, and as Judge he held that to be unconstitutional which as Secretary of the Treasury he had thought constitutional. It is to his honor that he followed his convictions as a Judge, for it required moral courage to declare that his policy as Secretary had not been constitutional. Then the composition of the Court was changed; two judges were appointed who were in favor of legal-tenders, and the former decision was overruled. And the latest decision of the Supreme Court on the subject is that Congress has complete power to authorize the issue of legal-tenders by the Government in time of peace as well as of war, and that Congress is the sole judge of the expediency and extent of the issues of currency by the Government.

All this, it seems to me, is a departure from the letter and spirit of the Constitution. like the decisions on the National bank question, and tends to subject the business of the country to the unlimited power and discretion of a majority in Congress.

Although National banks have been acceptable to the public, in providing a uniform currency, that does not prove their constitutionality.

We may, perhaps, hereafter see Congress establishing all kinds of business corporations in the States, but I think the people will have something to say in the matter, and they may overrule the Supreme Court. Very respectfully, E. D. S.

DETROIT, January 20, 1887.

NATIONAL BANKS WITHOUT CIRCULATION.

Editor Rhodes' Journal of Banking:

SIR:—I respectfully submit for the consideration of the JOURNAL's readers—as well as our law-makers—the following draft of an Act to amend the National Banking Law: "*Be it enacted, etc.*"

"That Section 5,150 of the Revised Statutes be and the same is hereby amended to read as follows:

"Every association, after having complied with the provisions of this Title, preliminary to the commencement of the banking business, and before it shall be authorized to commence the banking business under this Title, shall transfer and deliver to the Treasurer of the United States any United States registered bonds bearing interest to an amount not less than one quarter of their capital stock paid in. Such bonds shall be received by the Treasurer upon deposit, and they shall be by him safely kept in his office until they shall be otherwise disposed of in pursuance of the provisions of this Title:

"*Provided*, that the Board of Directors of such associations may, by a two-thirds vote, elect to issue no circulation, in which event the depositing of bonds will not be required:

"*Further provided*, that any National Banking Association, desiring to withdraw its circulation, may deposit with the Treasurer of the United States lawful money in an amount equal to its outstanding notes, and take up the bonds which such association has deposited for the security of circulating notes.

"All acts and parts of acts inconsistent with this act are hereby repealed."

The original purpose of compelling banks to buy bonds and issue circulation was to create a market for United States bonds. As that is unnecessary now, I can see no objection to giving banks the privilege of becoming members of the National Association without issuing circulation or depositing bonds, but subject to all the other provisions.

J. W. SPONABLE.

PAOLA, Kansas, January 20, 1887.

CIRCULATION OF NATIONAL BANKS.

Editor Rhodes' Journal of Banking:

SIR:—In the January number of the JOURNAL you have published two statements showing the loss to National banks by reason of taking out circulation. You have pointed out the error in Cashier Sherman's arithmetic, where he figures on the annual amounts to extinguish the premium account. It seems to me, however, there is one

item of some importance which should enter into the calculation, but which, so far as I have observed, has not been taken into the consideration of this question, namely, the *earnings or profits accruing to the bank from the semi-annual credits* to the sinking fund created for the purpose of liquidating the premium on the bonds, and which, with your permission, I will illustrate.

Suppose a bank commences business January 1, 1887, with a paid-up capital of \$128,000, and invests the whole in United States 4 per cent. bonds at 128, and deposits the bonds as security for circulation. Now, to retire this premium account of \$28,000 in the 20½ years by regular semi-annual payments, the bank should charge off 2-41 of this sum, say \$1,366 each time, to the profit and loss account before declaring dividends, and have this sum to the credit of the sinking fund, or left among the "undivided profits" as you please. In any event the money is *reserved* in the bank and becomes a part of its earning power. It is money uncapitalized the same as the surplus proper. The first credit so made will be July 1, 1887, and so continuously each six months until the last, or 41st credit, is made, at which time the amount will be \$28,000. The bonds have matured, and the sinking fund and premium account are both cancelled.

It is readily seen that the average amount of the sinking fund created as above will be \$14,000 for 20 years, upon which, with money at 5 per cent., the aggregate interest will be \$14,000, and this distributed over 20½ years will give \$683 as the average annual interest due to this account.

For the purpose of exhibiting the profit or loss on circulation, I would submit the following statement:

\$100,000 United States 4 per cent bonds earn.....		\$4,000
\$80,000 circulation, less 2 per cent. not in use, or, say \$88,000 at 5 per cent., earn.....		4,400
Average interest on the sinking fund as shown above.....		083
Total income.....		\$9,083
Less tax on circulation (1 per cent.).....	\$880	
Less redemption, etc., expenses.....	50	
Less 2-41 of the premium account.....	1,366	2,296
Net income from bonds and circulation.....		\$6,787
Interest on capital (\$128,000) invested at 5 per cent.....		6,400
Profit on circulation.....		\$387

With money at 6 per cent., and other things as above, the profits on circulation would be only \$124. In neither case, with the best possible showing, is circulation, under the present restrictions of 90 per cent. circulation and 1 per cent. taxes, worth anything to a National bank.

JAMES STOTT, Cashier.

CARBONDALE, Pa., January, 1887.

"THE ASSOCIATED TREASURERS' SAFE DEPOSIT & TRUST COMPANY."

The enormous amount of money abstracted by defalcations committed by men heretofore considered examples of honesty and integrity proves conclusively that the temptations now besetting the paths of men in custody of high trusts are such as to often lead to ruin and disgrace even the very best. Neither ample means, social standing nor happy homes seem sufficient safeguards against the unhealthy longing for more wealth without adequate labor and self-denial. It is, therefore, advisable to devise new means to protect the frequently immense interests of large organizations by curtailing the until now almost unlimited power vested in the head officers. The following is an entirely new plan to deal with this difficult subject. It is not claimed that the proposition will be adopted in its present shape, nor, in fact, that it ever will be adopted. It is claimed to be an effort in the right direction, and, if good for nothing else, will probably draw forth more practical suggestions from other quarters.

It is proposed that mills and other institutions having more or less common interests at stake, and doing their financial business in the same banking city, should agree between themselves to centralize the offices of their Treasurers around, and clear through, a concern to be especially brought into existence for this purpose. This concern, which we will call the "Associated Treasurers' Safe Deposit & Trust Company," may be organized either by the thus associated mills or, what is more preferable, entirely

independent by men of means and responsibility. Its capital should be nominal only or not more than needed for the acquisition of the proper premises and fixtures. The offices of the several Treasurers must needs be in the same building, and the duties of the Trust Company should be the following:

1. To receive on deposit, subject to order, all the funds held or to be received by the Treasurers thus associated.
2. To countersign and negotiate all paper either owned or held by these mills, and to receive for these services the customary brokerage.
3. To examine the books and accounts of the several Treasurers five times a year (without previous notice), or oftener if deemed proper.
4. To keep on hand 60 per cent. of the aggregate deposits, 10 per cent. of which shall be in cash and 50 per cent. on deposit with a number of city banks to be especially described.
5. The remaining 40 per cent. the Trust Company may invest in stocks and bonds for its own profit and benefit—the class of securities to be described and to be such as to be easily convertible or available as collaterals.
6. The Trust Company shall make no discounts out of its available funds, and shall transact no other business than that stipulated in the foregoing.
7. The Trust Company shall furnish ample bond for the proper administration of its affairs.

[NOTE.—Article 3 may be amended as follows: The respective Treasurers shall render to the Trust Company five times a year, true exhibits of their finances, when called upon, and the Trust Company shall examine each Treasurer's books at least once a year or oftener, if deemed proper. This will do away with the necessity of keeping the Treasurer's offices in the Trust Company's building, and permit the latter to expand its business over larger fields, embracing different classes of organizations.]

The writer has endeavored to put the plan in the most concise form, and hopes he is successful.

Considering the large amount of ready cash always held by the mills, and the brokerage on the immense amount of mill paper which would necessarily be handled through the agency of this Trust Company, it is evident that the same would prove a profitable undertaking. Besides, who can fail to see the great advantages of such an institution to the associated mills themselves.

The chance of fraud and defalcation being reduced to a minimum, mill paper would be benefited first of all; it would appreciate; there would be a perceptible saving on interest and less trouble in floating it during a tight money market. The compulsory and frequent examinations would force the Treasurers to faithfully administer their trusts; dishonesty, incapacity and neglect would be discovered forthwith, to the protection of the stockholders. Extravagant salaries of Treasurers would not be needed to keep them from defrauding their trusting employers.

The counter-signature of the Safe Deposit & Trust Company would be a palpable guarantee of the genuineness and legitimacy of all paper bearing it. The proceeds thereof floating back to the Trust Company for the credit of the respective Treasurers, an attempt at misappropriation would very likely soon be noticed by the officers of the same, and must come to light at the first examination of accounts.

The strict rules governing the disposition to be made of all funds held by the Trust Company forestalls effectively all attempts at speculation, preventing possible losses, and even providing against momentary tightness, whilst the provision of keeping 50 per cent. on deposit with the city banks will insure the good will and co-operation of the banking fraternity.

Without going into details, it may be mentioned that the system of the London Cheque Bank, known as the Hertz system, could be advantageously combined with such a trust company, and could prove a great convenience to the mills in more ways than one.

As to the privacy of each mill's financial transactions, it may be confidently asserted that it will not be interfered with by such an arrangement—only inasmuch that instead, as at present, the bankers, it will then be the business of the Manager of the Trust Company to become the convenient financial confessor. Owing to this delicate point, it would be more advisable to have outside parties organize the institution, and not parties intimately connected with the mills.

A. HANSEL.

SAN ANTONIO, Texas, January 29, 1887.

CASHING CHECKS OF UNKNOWN PARTIES.

Editor Rhodes' Journal of Banking:

SIR:—For the mutual protection of banks generally, I would be glad to see the JOURNAL advocate some measure whereby banks would be protected in the cashing

of private checks upon parties unknown. For instance, A presents a check, for \$100 on some Eastern bank, but is a stranger. The bank telegraphs to the Eastern bank and receives a favorable reply, and, upon such information, cashes the check. Now then, after all, the bank cashing the check has no assurance that A will have the money in his bank when the check reaches them. What I desire is that banks may adopt some plan upon matters of this kind. I would suggest that in case a telegram like the above is received, with the word "Hold!" that a bank should hold the amount until a draft or check arrives. I would be glad to hear from other parties on this subject.

COOLIDGE, Kan., January 22, 1887.

Respectfully, JOE H. BORDERS, Cashier.

LOSS ON CIRCULATION.

Editor Rhodes' Journal of Banking:

SRB:—Referring to the article, "Loss on Bank Circulation," in your January number, I do not think that either Mr. H. L. Sherman or the Editor arrive at correct results. Let me submit figures. Supposing money is worth 6 per cent. annual interest:

\$100,000 United States bonds at 4 per cent		\$4,000
\$90,000 in circulation, less 5 per cent. for redemption fund, amounting to \$4,500, leaving \$85,500, at 6 per cent., earns.....		5,130
Gross earnings		\$9,130
Less tax on \$90,000 circulation at 1 per cent.	\$900	
Less cost of redemption and Bank Examiner.....	100	
Less sinking fund to liquidate premium in 20 years.....	761—	1,761
Net earnings.....		\$7,869
\$128,000 for 1 year at 6 per cent.....		7,680
Loss on circulation each year.....		\$811

The loss in circulation in 20 years on money worth 6 per cent. is \$11,447.

Or, let me state it thus: I want to invest for 20 years (allowing the earnings to accumulate) in good mortgages:

\$128,000 for 20 years at 6 per cent. annual interest amounts to		\$410,513
I invest in bonds and get circulation:		
\$100,000 in 4 per cent. bonds earns.....	\$4,000	
\$85,500 net circulation at 6 per cent. earns.....	5,130	
Total.....	\$9,130	
I pay:		
Tax on \$90,000 circulation.....	\$900	
Cost of redemption and Bank Examiner.....	100—	1,000
My net annuity is.....	\$8,130	
Which in 20 years will amount to.....	299,066	
To which I add the value of my bonds.....	100,000	
And retire from National banking with.....		399,066
Mourning the loss on circulation of.....		\$11,447

With money worth 7 per cent. the loss on circulation would be nearly \$27,000 in 20 years.

SOUTH BEND, January 17, 1887.

Yours very truly, MYRON CAMPBELL.

Reply.—Our correspondent's calculations are accurate enough, but they do not put the estimate of the JOURNAL so far in the wrong as the first method of estimating the loss on circulation made by him, on its face, would seem to indicate. That the average annual loss is more than \$811 is evident when the aggregate for the 20 years is examined. That is, our correspondent shows that the total loss for the whole period is \$11,447, or an average of \$572.35 per year, which is \$287.65 less than the estimate we made. There is no question that \$311 per annum placed in a sinking fund and compounded at 6 per cent. per annum would produce \$11,447 at the end of 20 years; but in only one year (the first) would the loss be as small as \$811, and each subsequent year there would be a constantly increasing loss. Our first correspondent fell into the error of applying the sinking fund principle to the loss of premium, while failing to com-

pound the interest on the original principal sum. Mr. Campbell has figured the question down to a point of exactness which was not contemplated in our estimate, for compounding interest at 6 per cent. per annum is rather too good a thing, even for National banks.—Ed. JOURNAL.

A NATIONAL CODE OF COMMERCE.

Editor Rhodes' Journal of Banking:

SIR:—Why so much bankruptcy? Why so many assignments? Is there no practical scheme for diminishing these commercial misfortunes?

Business reverses are inevitable. There are people who, if engaged in speculative enterprise, though backed by the National Treasury, would not succeed. There are others who, with half a chance, will accumulate fortunes. Then there are others who succeed by failure—whose chief means of success lies in the benefits of bankruptcy.

We may now divide failures into two classes—the one kind caused by ignorance, the other by weakness. Failures of the first kind will continue until those in business become unerring in judgment, rich in prudence and exuberant in zeal. Each must decide for himself when that time will come. Much may be done, with proper effort, toward ameliorating that class of business failures which result from weakness.

The business man whose failure is purely the result of misfortune is entitled to every reasonable consideration. If, after having made every honorable effort to succeed, he fails, and then makes full and absolute surrender of his estate for the benefit of creditors, he is fully entitled to the charity of our most lenient bankruptcy proceedings. When bankruptcy, however, results from rash speculation, unwarrantable extravagance, or a morbid desire for gain, the bankrupt should be taught the importance of greater honesty and less prodigality. This seems to be the belief of good business men almost without exception. But here we meet a difficulty. In dealing with bankrupts how are we to determine which of the circumstances we have in hand? The scanty lawful measures we now have relating to insolvency and assignments are insufficient, poorly constructed, and often badly abused. Designing and unscrupulous tradesmen find in them ample opportunity for deceiving their creditors, hoodwinking Courts, and abusing the confidence so universal with American merchants. The law, as we see it, is as often invoked for the protection of artful traders in their mischievous practice as for benefiting creditors or aiding honorable bankrupts in their misfortunes.

At an early period there existed one generally recognized principle which shaped the ideas on questions of insolvency. With business failure was connected an odium which amounted almost to social ostracism and perpetual ridicule. This was extreme severity, especially when falling upon the truly unfortunate, but it wielded a powerful influence for good in checking unscrupulous merchants. Examining the first statute, so far as history tells us, which was promulgated during the reign of Henry III., we find this general thought strongly enforced in the definition of insolvent debtors as "those who obtain other men's goods on credit, and then suddenly flee to parts unknown, or keep house, and there consume their substance without paying their debts." And this only shows the trend of opinion as it prevailed in early times. The law was founded upon the supposition that there were no honest bankrupts. Failure to meet one's financial obligations was looked upon as thoroughly disreputable, and the bankrupt, in the eyes of the law, was deemed a criminal. All the early laws throughout Europe were based much upon the English idea that fraud of some kind had been committed, and the laws therefore were never intended as a relief for the bankrupt, but as a protection to creditors against the crime of failure. Gradually the old theories were modified and new statutes enacted. In each step was manifested a deeper sense of justice to all parties, so that the bankrupt was no longer looked upon as a criminal from the mere circumstance of his misfortune. At length a public feeling was aroused, tempered with charity and justice for the honorable unfortunate, and soon came laws looking, in some measure, to the good of the debtor.

One old English statute provided that during legal proceedings the bankrupt should have an allowance for his support; and, should it be found he had made a full and complete surrender of all his property; and, providing there was given the consent of three-fifths of his creditors in number and value, or nine-tenths in number alone, he was granted a certificate of conformity, or, as it was sometimes called, a testimonial, showing he had complied with all requirements. The purpose of this was to grant

relief, discharging the bankrupt's person and future estate from the debts then proved against him. When his estate amounted to ten shillings in the pound of his indebtedness he was given a reasonable allowance by the Court.

Prior to the liberal advance in France, the bankrupt law of that nation was severe in the extreme. It provided that all proceeds of the bankrupt's estate should be distributed among his creditors, and the bankrupt himself either imprisoned or condemned to forced labor according to the measure of his fault. In Holland the laws on this subject were never so harsh as in either France or England, though they were patterned much upon the common theory.

Tracing the law through the early history of the United States, we observe that but little sympathy was shown the unsuccessful in business. Under the Constitution, Congress is given power to establish "uniform laws on the subject of bankruptcies." On April 4, 1800, a general bankrupt law was enacted. It was limited in existence to five years, but before the time had expired (December 19, 1803) it was repealed. On August 19, 1841, another law was passed, and that, eighteen months later, was also repealed. The last of these differed widely from the first. The one of the year 1800 was founded largely on the old English notion of bankruptcy; but in the later law the bankrupt was shown some consideration. From that fact it was called by many an insolvency law rather than bankruptcy, and opinions were freely expressed that Congress had exceeded its authority in granting extraordinary relief to insolvent debtors.

From the repealing of the law of 1841 up to 1867 nothing in this direction was accomplished by Congress. An opinion seemed prevalent that the National Legislature was unable to form an acceptable permanent bankrupt law. But in March, 1867, the last (and by far the most satisfactory) National bankrupt law was enacted. The existence of this law was limited to ten years, but up to the year when it expired there was a strong general belief that it would be continued in force for another period if not made permanent. Contrary to this opinion, however, the law came to an end. Since then insolvency proceedings have been governed by State legislation and the common law.

Thus far, in State as well as in National legislation, serious difficulties seem to have been encountered in creating an equally just and charitable bankruptcy proceeding. Loop-holes have invariably been left through which unprincipled debtors might escape with pockets well lined from their peculations. In attempting to treat the honorable insolvent with fairness and reasonable charity the door has been left open for fraud and corruption.

The bill now awaiting the action of Congress, with its many modifications, is conceded in the main as an advance upon all previous measures, either State or National. This one, however, is by no means free from gross imperfections. It may be vastly improved by striking deeper at the root of prevailing evils. I shall not pretend that any law on the subject may be perfect, but I hope to show a possibility of creating something better than the proposed measure, and superior to existing State legislation.

Many other nations are more successful in dealing with bankrupts than the United States. And why? Because they possess systematic regulations for the guidance of those engaged in trade as a foundation upon which the superstructure for stringent, guarded and equitable bankruptcy proceedings may rest. The United States is destitute of such legislation. By way of definition, but keeping as far from details as possible, I will refer here to the laws and regulations of some foreign countries.

In France every person on engaging in business must obtain from the Council of Trade* a "journal," as it is called, which he finds ready stamped and paged. In this book, commencing with a statement of his assets and liabilities, the trader must enter the particulars of all his business transactions. In the event of his failure this book is open to the inspection of the proper authorities. His accounts are then systematically audited under authority of the Council, and the insolvent must be able to show that no fraudulent act has been committed. He must account for the loss of his capital. His accounts must explain the cause or causes of his failure. In the keeping of his accounts the merchant is not restricted to any book or books, and the "journal" furnished him by the Council is expected to serve only as one in the set which his business, according to its nature, may require.

The laws of Germany furnish a similar illustration, and are even more explicit. From the German *Handelsgesetzbuch* we learn specifically what the merchant in that

*An executive department of the general Government.

country in his business practice is and is not permitted to do. I will give the substance of a few Articles found in the guide book to which I refer so far as they bear, particularly, upon counting-room methods and commercial failures.

ARTICLE 28.—Every trader must keep authentic books of record in which his business transactions and his financial position are fully disclosed. He must also keep the business letters he receives and true copies of those he sends out.

ARTICLE 29.—On commencing business the trader must make an inventory, giving a correct description of his property, and all liabilities, showing the value of such property as is in hand. He must have made up a balance-sheet of his assets and liabilities. Each year thereafter a balance-sheet must be made.

ARTICLE 30.—The inventory and balance-sheets must be signed by the trader, or by each partner of the firm, if a partnership.

ARTICLE 31.—The property and debts must be entered according to their existing value. Doubtful debts must be estimated and bad debts must be written off.

ARTICLE 32.—Account-books must be bound and each page numbered. Spaces must not be left between the entries. Entries must not be erased nor left in any way illegible. Alterations of consequence are not permitted.

ARTICLE 33.—All books, inventories and balance-sheets must be kept at least ten years from the time they are made up or used.

These regulations, it will be observed, cover many of the most pertinent questions arising in bankruptcy matters. A strict adherence to them by the Government has done much towards diminishing failures in number and severity, for it has rendered bankruptcy, as a money-making scheme, a difficult undertaking.

In many other countries are laws and regulations similar to those of France and Germany.

In a number of South American States admirable precautionary measures have been adopted for warding off bankruptcy, as a business, while protection is given the unfortunate. Reference to the Chilian *Código de Comercio* (Commercial Code) will serve as an illustration. Under this law all merchants are required to keep a *diario*, (day-book or explanatory journal as it would be termed in this country), a *mayor* (ledger), a *libro de balances* (book of balances), and a *libro copiator de cartas* (copy-book of letters). In brief, the Code provides that the merchant must enter in his *diario* in chronological order, all his business operations, expressing in detail the nature and circumstance of each. It specifies how the books are to be opened and how financial statements must be made, prohibits alterations, erasures, interlineations and blank spaces in the body of the entries. Leaves of account-books must not be torn out. The binding and paging must not be changed or mutilated. Ample instructions are given in the Code for the correction of errors and omissions. If a merchant fails he must produce all his books, and they, being taken possession of by the Court, a strict examination follows. If the law has been faithfully kept the Court is able from the records to ascertain the condition of the bankrupt's estate, and may determine whether he be entitled to amelioration or subject to punishment. If the law has been broken punishment is certain.

But we need not ask what has been the experiences of other nations, nor turn, for example, to their legislation on this subject, before we determine what is needed in this country. Let past experiences teach us. What formulas have been engrafted in our laws relating to the practice of persons engaged in business, their records and accounts? None! What do we find on this subject in the proposed National Bankrupt Law? Nothing! What in the common law have we touching such duties and practice? Nothing! How can an equitable and adequate law on bankruptcy, or insolvency, be created without some consideration of the records and proofs of what the insolvent has been doing? Any business man will say a law so founded must be defective.

Now, what do we need? Not a National Bankrupt Law, but a National Code of Commerce. We want, as the foundation of bankruptcy proceedings, a general Code regulating the practice of merchants, and making book-keeping in some degree compulsory. The proposed law covers only a part of the needed legislation. A National Code of Commerce will serve every purpose in the settlement of insolvent estates and prove a powerful agency in preventing many failures. The bill now awaiting the action of Congress may serve as the superstructure for a complete bankruptcy law, but a Code of Commerce will provide a foundation upon which it may stand and prove of lasting service to the commercial interests of the nation.

I do not offer the rules of any foreign land as a suitable pattern for a commercial Code in the United States. An improvement upon those of foreign countries may be

readily suggested. With the true end in view, our law makers will experience no great difficulty in formulating a bill that will cover every needed requirement. As a basis, let us suggest an outline for such a Code:

First—Relating to the duties and practice of merchants and others engaged in business, who, in the event of failure, may be entitled to the benefits of the proposed Act.

Second—Relating to proceedings under the proposed Act—voluntary and involuntary bankruptcies, etc.

Third—Relating to arbitrations and awards for the adjustment of purely commercial controversies, and the enforcement throughout all the States and Territories of contracts arising in the purchase and sale of merchantable commodities.

Any provision under the first part of the Act, as above divided, need not specify particularly what book or books, account or accounts shall be kept; but it is important that every person, whose estate is to be settled in a Court of bankruptcy, should present to that Court his books of account, his inventories and balance sheets, and including all such which for ten years next preceding his failure he shall have made, used, or caused to be used or made in his business operations. The Code may properly describe the nature of the information these books, inventories and balance-sheets must furnish. The making of or offering for inspection any fraudulent or fictitious book, inventory or statement should be made a criminal offense.

Both under the old law and the present *regime* the keeping of business records is entirely a matter of choice. Persons who desire, for their own convenience, to keep books, do so; others keep none.

Under the present law of assignments, or the proposed National Act, no questions arise concerning the insolvent's business records. If he has kept books of account, and is willing his creditors should inspect them, he turns them over; but, if he fears they will disclose unpleasant facts, he secretes or destroys them.

With such a Code as I have outlined disgraceful practices of this kind will be abated. Creditors will be given a means of knowing what the debtor has been doing, and what disposition he has made of his property.

With more stringent measures for the prevention of fraud, greater charity may be dealt out to those justly entitled to receive it.

SELDEN R. HOPKINS.

NEW YORK, January 20, 1887.

NATIONAL BANKING—"A THRICE TOLD TALE."

Editor Rhodes' Journal of Banking:

SIR:—In treating the subject of this brief monograph* it is possible that I shall touch upon points that are, to many of your readers, more trite than a thrice-told tale. However, it is "precept upon precept, line upon line, or here a little and there a little," by which we slowly gather knowledge. Fortunate, too, will it be for us if, in receiving this knowledge by the rigorous teacher Experience, a practical application of it on our part will be transmuted into wisdom.

Our present system of National banking had its inception a little more than a score of years ago. Like many systems that preceded it, it was born of the necessities of the State, to be ancillary to it, and, as a fiscal agent in its straightened finances, to help the State out of debt already incurred, or to help it into debt by procuring money for its empty Treasury to carry on undertakings whether of peace or war.

The word "bank" etymologically carries us back to the country of its origin in modern Europe, being derived from the Italian word *Banco*, a bench—a very modest beginning for so potential a future.

Of these banks, State or National in their connection, the most ancient seems to have been that of Venice, established in the latter half of the twelfth century to help the Republic out of debt. In the first decade of the fifteenth century the Bank of Genoa was founded, and, like that of Venice, owed its origin to the debts of the State. The Bank of Amsterdam, founded in 1609, belonged to the city of Amsterdam, and was under the direction of four burgomasters. It was started with the paramount object of improving and regulating the coinage, which had become very much worn and clipped. The bank, however, became so involved in lending money to the Government of Holland that before long it was ruined. But the most noticeable of these banks

* This paper was originally written last July, to be read at the Bankers' Convention held at Boston in the following month; but the writer, not attending the meeting, the paper was not presented.

started with a Government connection—as a handmaid to help the Government in its financial troubles—is the Bank of England, established in the time of William and Mary. And the “Old Lady of Threadneedle Street” will, within eight years, commemorate her two hundredth anniversary, still ruling in a green and vigorous old age (or rather as *semper virens*—a perennial youth) the financial world. In 1808, though previously established, the Bank of France became the financial agent of the Government. In 1781, Congress chartered the Bank of North America (still existing as a bank under the present National system). It was started as an adjunct to assist the Government in its finances. Ten years afterward, under the auspices of Alexander Hamilton, the Bank of the United States was chartered with a capital of \$10,000,000, in which the National Government was a large shareholder. This bank expired by charter limitation in 1811. In 1816, the second Bank of the United States was chartered by Congress with a capital of \$35,000,000, of which \$7,000,000 was allotted to the United States.

Thus briefly referring to the establishment of preceding National banks—as primarily for financial aids to the Government—I now approach what is known as our present system of National banking. It, like its predecessors, was established as a financial auxiliary to the Government at a momentous and perilous time. In an adjudicated case by a Justice of the Supreme Court of the United States it has been announced that the purpose of the Currency Act was in part to provide a currency for the whole country and in part to *create a market for Government loans*. Now, as this two-fold purpose has been thoroughly subverted, it may be said of the National banks that, if not “played out,” their occupation is well nigh gone. The Government no longer stands in need of them as financial aids; and, coupled with the heavy tax of 1 per cent. from the Government a low rate of interest on United States bonds costing a high premium, there is no longer realized a *quid pro quo* to the banks in the National system. So far from there being a direct, absolute profit in the system *per se* there is, rather, a relative loss.

There is, however, an indirect benefit to be derived from the National system for banks in New York and other large cities growing out of a feature in the National currency law authorizing National banks to be named in certain cities as reserve agents. In these cities (especially New York), to render the National banks of the country more or less tributary to them, the banks nominally remain National by the minimum deposit of \$50,000 in United States bonds so as to continue as the reserve agents of the other National banks and thus secure their general business. In these cities, if all but a few banks went out of the National system, those remaining would have, and exercise, a tremendous power. It is this which causes so many banks to remain National that otherwise would go out of the system. If, therefore, the banks in the large cities would go out, it would be the beginning of the end.

It is true, then, that an indirect benefit is derived to National banks as a prestige—a prestige arising from the fact that depositors generally suppose that in some way or other they have greater security in a National bank than in a private bank or a State incorporated one—a faith certainly justified when comparing the National system with the so-called wild-cat banking too often prevalent a quarter of a century ago. But I doubt whether the same cause for preference exists now. Indeed, certain signal failures which have taken place among National banks within the past three years were of so aggravated a nature as to call in question whether the people as depositors have any more protection in the one than in the other.

There never has been any direct profit from the National system, to those engaged in the business of banking, other than that arising from circulation, and that was more apparent than real, and has long since been approximating to a vanishing point. To attain this profit on circulation those engaged in banking have had to surrender every manly sense of independence which all men ought to have in conducting a business to which they give their time, talent and means, and losing which they lose all. But the average National bank man has been so long accustomed to Government intermeddling and espionage that he feels so tied to an old woman's apron strings that his manly independence is well-nigh sapped.

That which officers and Directors should do in the way of bank examinations, etc., is almost completely ignored as a duty of their own, but to be devolved upon Bank Examiners.

In its relation to National banks the Government starts out upon the theory that—however honest and capable men may be to conduct other business, whether manu-

facturing, merchandising, etc., yet when they become bankers they become fools or knaves and require to be looked after—fools that they don't understand their own business and interest, or knaves that they are trying to cheat everybody else—a humiliating dilemma, let them take either horn they please.

Now this great boon, so-called, from the Government, of circulation—is no necessary adjunct to banking. People in the past in this country have got so accustomed to bank bills, bank money or currency, as they variously call it, that a person would hardly suppose that banking could be carried on without it. This *quasi* money is no money, for the bills recite a promise to pay dollars, and on their face thus confess that they are not money, but promises or promissory notes, and in the past, alas! too often made to the eye to be broken to the hope.

In the National currency, so well secured as it has been by Government indorsement, not a dollar has ever been lost to the note holder, even though the banks here and there have failed, and, in some notable cases, have made some very bad failures. The ample protection thus evinced for the note holder—the relatively very small creditor—is a marked anomalous feature in the present system as compared with the relatively small protection for the heavy creditor—the depositor. The notes are fortified, so to speak, by a deposit in the hands of the Government of a collateral security of its own naming—having a margin from 15 to 35 per cent. in excess of the note issues. So much for looking after the interest of the small creditor. On the other hand the depositor is protected to the extent of an assessment upon the shareholders of 100 per cent. more than their stock-holding. Thus, a National bank may owe note holders \$45,000—hardly any one of whom would hold \$100—to secure which there may be \$50,000 or \$60,000 worth of United States bonds as well as a 5 per cent. deposit in legal-tenders with the United States Treasurer. The bank may owe depositors millions of dollars with the relatively inadequate assessment of 100 per cent. on its shareholders. Towards this last and much the largest class of creditors the Government assumes no responsibility in the event of the failure of a National bank.

So far, however, am I, in pointing out this inconsistency, from advocating a closer relation or a more stringent oversight on the part of the Government toward National banks, that I disclaim the relation as at present existing as in its nature an intermeddling one, which should entirely cease.

The Government endorses certain promissory notes for banks that are not money nor legal-tenders, and it would be wrong for the Government to attempt to make them either one or the other. In the event of the promissors not fulfilling their promises the Government, as indorser, becomes responsible for their fulfillment just as in ordinary business any indorser becomes responsible. For this responsibility the Government demands its own security and its own price, paid by way of tax, for the responsibility thus assumed. This should be the beginning and end of the Government's relations to National banks.

The whole system of examination, reports, statements, etc., and all other statutory enactments by which the banks are "cabinéd, cribbed and confined," should not have had a beginning, much less a prolonged existence of more than twenty years, with an increasing tendency to become more and more intermeddling.

Why should the Government, because it indorses (with ample security) the notes of the banks, assume to meddle with and control the banking business any more than it does with the baking or bacon business, or any other business that men engage in? Far more ground could be shown for such an interference with other business than with banking.

I am opposed to all Government protection or intermeddling in business affairs, believing that if there ever was a form and genius of Government fitted for the *laissez-faire* theory it is the Government of the United States as laid down in its Constitution of 1787.

In some polemical passes between Huxley and Spencer, concerning the sphere and duty of government, the former throws out jeeringly, if not sneeringly, the paradoxical phrase of "administrative nihilism"—a logical illogical issue of the *reductio ad absurdum*—against his opponent, the stout maintainer of the *laissez-faire* theory in political economy. In this respect I am an humble disciple of Herbert Spencer.

The fewer and simpler the duties of the State, the more probable will be the efficient discharge of those duties. The more multifarious and mixed the duties

assumed, not only will the functional performance be lethargic, but sooner or later a political atrophy will set in, and the simple, essential duties of the State—the protection of person and property, and the general administration of justice—will be neglected.

If, therefore, banks or bankers fail in the performance of their contracts or the fulfillment of their promises, then let the State step in and perform its duty in the rigorous enforcement of contracts. Thus, with regard to banks—while the National system seems destined, as it now exists, ere long to disappear, and with it its currency, let there be a very large liability, if not unlimited liability (as in general copartnership in business), so that, in the event of the failure of a bank, its shareholders should be assessable for, at least, thrice the amount of their respective shares. They will then give close attention to the moral and mental fitness of those whom they select to conduct their business.

It may almost be said that the whole business of the country—agricultural, mining, manufacturing, mercantile, etc.—passes through the banks. And yet, compared to all this grand aggregate, how small is the loss! Far, far smaller than is sustained from any other source. Is a deposit in bank of \$5,000 or \$50,000 (conventionally called cash) of checks, drafts and notes (and relatively of but little money) put in to-day, drawn upon the same day, or next day—subject to be called for on demand—of any more sacred value than so many thousand dollars worth of merchandise sold on 30 days, 60 days or 4 months. In the case of the bank, the depositor has an opportunity, as a business man, of knowing its standing in the community, and he can very soon materially reduce or withdraw all his balance with little or no loss. Not altogether so with customers to whom he may sell his goods. Within 24 hours after the buyer has come into possession of the merchandise the seller may become perfectly aware that within 30 days the buyer will suspend, and is now in an insolvent condition, but he can do nothing at present to protect himself from the loss staring him in the face. The fact is, when we talk about money we forget that it is of a representative value, and are disposed to make a fetish of it, exalting it to a position beyond what it does represent. That I may not be misunderstood, however, I take the precaution to state that true money—say, coined of gold, that universal solvent—has an intrinsic value as the product of labor, as well as a representative, or exchange, value for all other commodities. In this intrinsic worth lies its true representative value in contradistinction to factitious money, made by legislative fiat, whether of some other less valuable metal or of paper promises to pay.

This latter kind of money, so-called, instead of being, like money coined of gold, a representative value, may be more properly called a re-representative, because, not being truly money, it is a promise or representative of money—of that which does represent the value of all wealth—that is to say, of lands, houses, merchandise, etc., the use and enjoyment of which make for our common welfare, and therefore, in the subsistence of life, in our daily wants and pleasures, as ministering to our use and comfort, is superior to that money, its exchange value, which represents it—that is to say, wealth as a general term.

In days gone by there was a class of men who seemed to love money in the abstract for itself, who doted on the glittering coins of gold, and who, for the sake of saving one little coin, would almost starve. These men were pre-eminently called misers. But this miserable class of money-getters and idolators, to whom coined gold was indeed a fetish, has well-nigh become extinct.

Money is now no sooner made than it is sought to be invested in merchandise, stocks, bonds, etc.; and, during the interim of making and investing, it seeks a temporary resting-place, generally of short duration, in a bank, to be immediately drawn out when the depositor can find his desired form or object of investment. Therefore, to make laws so especially binding and rigorous upon the temporary custodians, the bankers, of this money, is in marked contradistinction to what is required by those to whom is trusted merchandise; and hence, to repeat, money is still treated by public opinion and statutory laws as something peculiarly more sacred than values existing in other commodities; and thus it is, indeed, to treat money as a precious fetish.

It is, of course, evident from the foregoing that the writer is not wedded to the National banking system as at present prevailing. But, to satisfy those whose predilection is so strongly in favor of that system, I would suggest a means for its continuance—

and the only means that seems to me to be legitimate. Let the Government fund its Treasury notes (vulgarly known as greenbacks) into two per cent. bonds, to run for 20 years. Let the National banks deposit the bonds as security for circulating notes, dollar for dollar.

These greenbacks are, in one sense (as legal-tenders), a forced loan upon the people, which may have been condoned for, when issued as a war measure, under the pressure of necessity—"the tyrant's plea." But, now that twenty years and more have elapsed since the close of the Rebellion it is high time that they were retired, and that the Government, to this extent, should get out of the banking business—a pursuit for which it was never intended by its organizers. To continue as legal-tenders these notes is in flagrant violation of the Constitution of the United States. This I emphatically assert with all due deference to that august body—the Supreme Court of the United States—notwithstanding their decision to the contrary, so laid down and rendered in March, 1884, in the case of *Julliard vs. Greenman*. CLAYTON CANNON.

BALTIMORE, January 27, 1887.

NATIONAL BANK CIRCULATION—A QUESTION ANSWERED.

Editor Rhodes' Journal of Banking:

SIR:—On pages 75 and 76 of the January number of the *JOURNAL*—by far the best bankers' publication in the country—you show that a National bank starting in business with the full amount of circulation on a basis of 4 per cent. bonds at present prices will do so at a loss so far as circulation is concerned. Although that fact is proven by your figures, yet I would like to have you show me the fallacy of the following:

A bank holding \$100,000 in 3 per cent. bonds as a basis for circulation will soon be obliged to give them up at the call of the Secretary of the Treasury, and decides to take out the minimum of circulation on a basis of 4 per cent. bonds.

This proposition is made to the bank by its New York brokers:

"We will take your \$100,000 of 3 per cent. bonds and give you for them \$25,000 in 4 per cent. bonds and \$875 in cash, and will make a substitution of \$27,500 of legal-tenders in Washington to retire outstanding notes to that amount."

Now, please note the difference in income to the bank:

Present income:			
\$100,000 in 3 per cent. bonds earns.....			\$3,000.00
\$90,000 in circulation earns.....			5,400.00
			\$8,400.00
Less 1 per cent. tax.....		\$900.00	
Less estimated redemption charges.....		90.00	990.00
			\$7,410.00
Income under proposed change:			
\$25,000 in 4 per cent. bonds earns.....		\$1,000.00	
\$22,500 in circulation earns.....		1,350.00	
\$875 in cash earns.....		61.50	
		\$2,401.50	
Less 1 per cent. tax.....	225.00		
Less redemption charges.....	22.50	247.50	\$2,154.00
Showing a loss in income to the bank of.			\$5,256.00

These figures show a loss of over \$5,000 to a bank of \$100,000 capital that reduces its circulation to the lowest amount, and yet it is said that circulation does not pay.

I am quite confident that there is something I have failed to take into consideration, but what is it?

Remember, in the exchange the bank gets but \$875 in cash, and pays to the Government through its brokers \$27,500 to retire its notes. Please point out to me wherein I am wrong.

B. K., *Cashier*.

NEWARK, N. J., February 10, 1887.

Answer.—The bank has now \$100,000 in 3 per cent. bonds, which are deposited at Washington, and on which it has \$90,000 of circulation outstanding. In return for this

circulation, when issued, the bank received, presumably, an equal amount in resources. We assume it was invested in bills receivable at 6 per cent.

The present income is:	
\$100,000 in 8 per cent. bonds earns.....	\$3,000.00
\$90,000 invested in bills receivable at 6 per cent. earns.....	5,400.00
Gross income.....	\$8,400.00
Deduct tax and expense.....	990.00
The net income is.....	\$7,410.00

In the transaction with its brokers the bank appears to pay a premium of \$6,625 (see following table) upon the \$25,000 in 4 per cent. bonds to be received by it.

It receives in cash.....	\$875.00
In 4 per cent. bonds.....	25,000.00
For retiring circulation.....	67,500.00
Total.....	\$93,375.00
In return it gives 8 per cent. bonds.....	100,000.00
Making the apparent premium paid.....	\$6,625.00

Assuming this to be the correct premium paid, the bank, after the change, will have:

\$25,000 in 4 per cent. bonds (income).....		\$1,000.00
\$90,000 in bills receivable at 6 per cent.....		5,400.00
\$875 in cash at 6 per cent.....		52.50
Gross income.....		\$6,452.50
Tax and expense.....	\$247.50	
1-30 of premium paid.....	331.25	578.75
Net income.....		\$5,873.75
As against previous income of.....		7,410.00
A reduction of income of.....		\$1,536.25

This reduction is made up as follows:

A loss of 8 per cent. on \$75,000	\$2,250.00	
A loss in annual charges to premium account.....	331.25	\$2,581.25
A gain of 6 per cent. on \$875.....	\$52.50	
A gain on tax, etc.....	742.50	
A gain of 1 per cent. on \$25,000.....	250.00	1,045.00
Total.....		\$1,536.25

There is no change made in invested circulation, as the bonds only were disturbed to take up the outstanding circulation, and no new circulation has been issued. The \$22,500 protected by the \$25,000 in 4 per cents is included in the \$90,000 already invested.

If the law did not compel the bank to keep at least \$25,000 in United States bonds on deposit, it would be more profitable for it to wait until its 8 per cent. bonds are called, and then retire all its circulation. Under such circumstances its income would be:

\$90,000 in bills receivable at 6 per cent. earns.....	\$5,400.00
\$10,000 margin on bonds earns.....	600.00
Total.....	\$6,000.00
As against.....	7,410.00
A loss of.....	\$1,410.00

This loss is the amount of the annual profit of circulation based on 8 per cents, as long as they are not called, when held at par. The difference between the loss

(\$1,536.25) shown in the calculation based on the bank holding \$25,000 in 4 per cents at the assumed premium and the loss (\$1,410) shown by the last calculation (\$126.25) is just the annual loss on circulation taken by depositing \$25,000 in 4 per cent. bonds bought at a premium of \$6.625, thus:

\$25,000 in 4 per cent. bonds earns .....	.....	\$1,000.00
\$25,000 in circulation at 6 per cent. earns.....	.....	1,350.00
Gross income.....	.....	\$2,350.00
Tax and expense.....	\$247.50	
1-20 premium.....	881.25	578.75
Net income.....	.....	\$1,771.25
If the \$31,625 invested in 4 per cent. bonds had been loaned at 6 per cent. it would realize.....	.....	1,897.50
Loss by circulation in this case.....	.....	\$126.25

The bank will thus lose \$1,410 annual income which it now gains by circulation based on 3 per cent. bonds and \$126.25 more by the circulation it takes on the 4 per cent. bonds it is forced to deposit, making in all a loss of \$1,536.25.

BETTER POSITIONS WANTED.

Editor Rhodes' Journal of Banking:

SIR:—The subject about which I wish to inquire, namely, the promotion of bank clerks or officers, I do not remember having noticed at any time in your valuable JOURNAL. What is the best way in which a clerk, who sees no chance for bettering himself in the town where he lives, may bring himself into notice in a larger city? I am speaking of experienced men who have filled the positions of Discount Clerk, Book-keeper, Teller, and possibly Cashier, and have fitted themselves by general study for positions of larger trust than the place affords. Is there any demand in New York for young men like these? Would you advise them to seek positions there? If you could get the opinion of some of the prominent bank officials on this subject I think it would be of interest to a large number of your readers.

TELLER.

WATERTOWN, N. Y., January 19, 1887.

J. T. Dean, Cashier of the Bank of Lewisburg, Tenn., writes on January 31st:

"I have been a regular reader of the JOURNAL for several years and am bound to say that I could not well get along without it. It is an educator as well as a reliable helper in the every-day business of this bank."

Mr. Dean's note is similar in tone to very many recently received at this office. It is a real pleasure to everyone connected with the JOURNAL—editors, correspondents, clerks, printers, &c.—to know that their work is fully appreciated. Our constant aim is to make it the BEST BANKING PUBLICATION in the United States, and its assured success from a business point of view shows that it has attained the high standard of excellence set up for it. *We intend to keep it there.*

Western Pennsylvania's Greeting.—"Bradford Rhodes, a native of Beaver County is (and has been for some years) chief editor of the JOURNAL OF BANKING, published in New York city, which is justly regarded as the most valuable publication of its kind in the United States. Mr. Rhodes is yet a young man, but he is endowed with a level head, to which is added that degree of energy which wins success. The January number of the JOURNAL, which we have read with much interest, is one of rare value to bankers as well as to all others interested in the monetary affairs of the country."—*Beaver (Penn.) Times, January 13, 1887.*

The reproduction of this item is not intended to flatter the editor—he has by nature as much pride as is good for him—but to inform the bankers and others of Western Pennsylvania and Eastern Ohio who are interested in financial affairs—as well as all friends from whatever section they come—that they will be made welcome at the JOURNAL office, No 78 William Street, New York city, at any time when in New York. We are never so busy but that we can find time enough to see our friends, nor too deeply absorbed in every-day duties to fail to render them any service in our power.

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

CONSTITUTIONALITY OF THE NATIONAL BANK ACT.

[From the *New York Evening Post*.]

Bearing upon the question of the constitutionality of the National Banking Act considered apart from the note-issuing function—a question touched upon by Comptroller Trenholm in his annual report—the last number of RHODES' JOURNAL OF BANKING publishes a brief resumé of all the decisions of the Supreme Court relating to that particular subject, which we reprint in another place. The conclusion of the writer is the same as that reached by the *Evening Post* in a recent article, that these decisions go to the length of conceding to Congress full and unquestioned power to grant charters to National banks, quite irrespective of the note-issuing function, since the decisions virtually leave Congress the sole judge of its reasons for granting such charters. In other words, although the original purpose of the National Banking Act was to aid the Government to borrow money, yet the power is not exhausted when the original purpose has ceased to operate. This is the only construction that is free from legal absurdities and paradoxes and also from very great business embarrassments, for, if a bank charter should expire by the calling in of the bonds held by the bank, complications would arise which the law never contemplated or made any provision for, and which the shareholders and depositors could never have foreseen. A corollary results from this, that, if the Government calls in a particular lot of bonds held by a National bank as the basis of its charter, it cannot compel the bank to go into the market and buy other bonds at any premium that the holders may ask. It might happen that the holders would not sell at all. That is what will happen eventually; and certainly the law does not require impossibilities. It follows that Congress ought at once to repeal that clause of the law which requires National banks to invest a certain portion of their capital in United States bonds, whether they issue circulating notes or not. Philosophers of the Beck school, who take it in dudgeon that the bonds should stand at such a high premium in the market, should be active in securing the repeal of this clause, since the compulsory purchase of bonds by the banks to replace their called bonds is one of the contributing causes of the high premium.

NATIONAL BANKS THE BEST.

[From the *Albany Argus*.]

If National aid is a necessity to establish credit, why are not National banks, which are directly accountable to the National Government and under a uniform law, better than banks indirectly accountable, and why should the National Government, therefore, encourage State banking by cancelling the only difference which now exists between the two systems, except the more severe National law.

STATE BANK NOTES.

[From the *New York Commercial Advertiser*.]

Bank Superintendent Paine, of New York State, in his annual report to the Legislature, has come out flat-footed in recommendation of a bank currency based upon State securities. He prefers a National system, in charge of a United States Comptroller, but the only restriction he makes upon the security for the notes is that they shall be obligations of a State which has not defaulted within ten years, or of a municipality, and that the notes shall be a first lien upon the bank's assets. It is difficult to see how this system would be much better than that of the old State banks, when interstate exchange and discount complicated the relations of commerce, and when everybody, the moment he heard of the failure of a bank, rushed home to count over his bank notes and get rid of those issued by the broken bank. A proper paper currency should be equally acceptable in all parts of the country. Now, it is inconceivable that a currency based upon State and town bonds could be such, even with

the wisest provisions for its redemption on demand at Washington. The State bank currency of New York before the war was the best obtainable, and the restrictions as to security were most careful, yet we have instances of banks in this State which, after failure, never paid more than 40 per cent. on their notes. Again, Virginia and Carolina people will necessarily judge State securities by their own, and these latter are in a much worse plight than before the war. This could not encourage confidence in a bank currency thus secured. The ten-year provision might be stretched so as to apply before long to States which eleven years ago did default on their bonds, and which, to judge by indications, would do so again if they found an inducement. Does anybody suppose that Virginians and Carolinians would care to accumulate much of such a currency?

THE COST OF LEGAL-TENDER NOTES.

[From the *Chicago Times* of January 1st.]

As regards economy, it is not always the cheapest thing that is most economical. That is not less true in regard to the material of money than it is in regard to the affairs of every-day life. If you want a good thing you must pay for it. That is as true of good money as it is of a good sealskin cloak. Our greenback money has cost us many times more than it has saved us. When it was depreciated far below par, bonds payable in coin were sold for it at par, and in that way the bonded debt was made fully one-third greater than it need have been. What we lost on this one account would have covered the entire cost of a sufficient metallic currency for the country.

But the increase in the bonded debt is only a part of the mischief wrought by the exercise of the power to make Government paper a legal-tender. The impairment of the obligation of contracts, the enrichment of some at the expense of others, the unsettlement and confusion of all values, the stimulus that sent speculation to the wildest excesses, and last, but not least, the poisoning of men's minds with the most dangerous economic delusions—these have cost the country vastly more already than any possible saving in interest, in addition to the first cost of the best of currency.

BANKING ON THE PACIFIC COAST.

[From the *San Francisco Chronicle*.]

The year 1886 has been one of the most remarkable in the history of banking institutions on this coast, as at no time during the year has there been any scarcity of coin in any of the bank vaults. In fact, it has been difficult to loan all that was desirable, and, as is a natural consequence, some of the loans made were not the best secured. But instances of this kind have been few. The past year, until within the last few weeks, has been entirely devoted to legitimate merchantile business, without any tendency to stock gambling. The more conservative banking institutions decline to make loans on stock securities.

PROSPERITY IN CLEVELAND.

[From the *Cleveland Leader*.]

The Clearing-House banks of this city have started the new year with a truly gratifying record. The very first week has broken all records for clearances, and that in spite of the fact that January is usually one of the lightest months of the year. The gain over the corresponding week of last year is 87.1 per cent., and there is every indication that the excellent business enjoyed by the banks of this city in 1886 will be totally eclipsed in 1887. The Clearing-House reports are generally considered the best single test of the industrial state of a city obtainable, and there is very good evidence that Cleveland is prosperous and enjoying a rapid, solid growth.

A DEPOSIT CLAIMED AFTER TWENTY-FIVE YEARS.

[From the *San Francisco Bulletin*.]

Some time ago the Attorney-General brought suit against one of the San Francisco banks to declare escheated to the State money on deposit which had not been called for during a given number of years, and the claimant of which had apparently disappeared. What might happen if such long-neglected deposits were paid over to the State is illustrated in the following case: "In the Clay Street Bank there was an account which represented \$12.48 deposited between March 18 and September 2, 1861.

The depositor and his book disappeared, it was believed, at about this time, since nothing was heard from them for twenty-five years. But to-day the holder of the book appeared, had his interest entered up, and withdrew his money, receiving the handsome sum of \$149.07.

THE REAL VALUE OF SILVER COINS.

[From the *New York Times*.]

While the United States maintain with rigid obstinacy that 75 cents' worth, more or less, of silver is equal to one dollar when stamped with the image of the scared hen eagle, and inscribed with the pertinent remark, "In God we trust," the Government does not forbear to take note of the real value of foreign silver coins. It will duly proclaim to-morrow that the "rupee" of India is worth but 84.6 cents instead of 35.7 cents; that the "sol" of Peru has fallen from 75.1 cents to 72.7 cents; that the Japanese "yen" must be reckoned at 78.4 cents instead of 81 cents, and that the "mahbub" of Tripoli has depreciated from 67.7 cents to 65.5 cents.

THE INTERSTATE COMMERCE BILL.

[From an interview with Mr. Chauncey M. Depew.]

"In Massachusetts, which gives us the most conspicuous example of State control that we have in this country, and where the problem has passed beyond the realm of experiment and is an established success, the powers of the Commissioners are limited to investigation, recommendation, and report to the Legislature, except as to certain obvious powers. No scandal of any kind has ever attached to their action, no road has ever defied their recommendation, however extensive or burdensome it may have been. The people are entirely satisfied, the roads are doing reasonably well, and the railway problem in that State has entirely disappeared from politics."

"Now, as to the plan of a Commission," Mr. Depew continued, "it is based on the ideas of the best informed railroad men in this country and in Europe. On to that, by way of compromise, has been tacked Mr. Reagan's bill—not because the conferees approved of its provisions, but because many politicians think the name 'Reagan's bill' is like the trade-mark of old Dr. Thompson's sarsaparilla—a panacea to satisfy his constituents, no matter what the trouble. Reagan's views on the railway question, as embodied in his bill, are that he wants Reagan's bill, and doesn't want anybody else's bill or any number of bills, and there has grown up a sort of feeling from the iteration and reiteration of years that it has been before Congress that there must be some elements of good in this particular measure which no other measure can possibly have, which simply illustrates what an energetic and determined man, with some ability, who persists in one idea, can accomplish with people who are giving their attention to a great many other things besides the one which he is devoting his life to. A friend of mine once saw a man in a lunatic asylum straddling a wooden chair, cracking his whip, and yelling for it to go on. Thinking to please the driver he remarked to him that that was a fine horse. The lunatic responded: 'This is not a horse, it's a hobby.' Then he suddenly propounded the question, 'Do you know the difference between a horse and a hobby?' My friend said that he did not. 'Well,' said the lunatic, 'the difference is that you can get off a horse.'"

THE "BLOATED BONDHOLDER" CLASS.

[From the *Boston Traveller*.]

More than half the National bank shareholders' holdings represent a par value of about \$1,000 each, and about seven-eighths represent \$5,000 or less. This is conclusive evidence that the National bank shareowner certainly does not belong to the alleged "bloated bondholder" class, and indicates that in the large majority of cases the dividend from bank shares goes to make-up the modest income of the possessors. There is good ground for belief that the same holds good as to the vast majority of United States bondholders and the owners of securities in the oldest and best-established railroads. Now and then some wealthy capitalist holds large blocks of these securities, but the amount thus held is small in comparison to the aggregate divided in small sums among the people. The people of the United States are fortunately inclined to economy, and small savings and investments prevail as perhaps nowhere else except in France. No talk could be more absurd than much of that which has been, and is, current concerning "the bloated bondholder" class.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National banks organized since our last report:
(Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.)

- 3613—German-American National Bank, Lincoln, Illinois. Capital, \$50,000.
3614—First National Bank, Sparta, Tennessee. Capital, \$50,000.
3615—Albany County National Bank, Laramie, Wyoming. Capital, \$100,000.
3616—First National Bank, Rock Hill, South Carolina. Capital, \$50,000.
3617—First National Bank, Sheffield, Alabama. Capital, \$100,000.
3618—First National Bank, Sutherland, Iowa. Capital, \$50,000.
3619—First National Bank, Beaver City, Nebraska. Capital, \$50,000.
3620—First National Bank, Wenona, Illinois. Capital, \$50,000.
3621—Second National Bank, Atlantic City, New Jersey. Capital, \$100,000.
3622—East Alabama National Bank, Eutaw, Alabama. Capital, \$59,000.
3623—National Exchange Bank, Dallas, Texas. Capital, \$300,000.
3624—First National Bank, Farmersville, Texas. Capital, \$50,000.
3625—Columbia National Bank, Washington, District of Columbia. Capital, \$250,000.
3626—Union National Bank, Duluth, Minnesota. Capital, \$500,000.
3627—First National Bank, Ponca, Nebraska. Capital, \$50,000.
3628—Carson National Bank, South Auburn, Nebraska. Capital, \$80,000.

ALABAMA.

- BIRMINGHAM.**—Hudson & Perryman have recently opened here.
EUFULA.—East Alabama National Bank has been authorized to commence business. Capital, \$59,000. President, Allen H. Merrill; Cashier, John P. Foy.
HUNTSVILLE.—W. B. Rison & Co.; W. B. Leedy retires and A. L. Rison admitted.
SHEFFIELD.—First National Bank has been authorized to commence business. Capital, \$100,000. President, Charles D. Woodson; Cashier, T. L. Benham.

ARKANSAS.

- HOT SPRINGS.**—Arkansas National Bank; Ed. Hogaboom, President, in place of John B. Roe.

CALIFORNIA.

- COLTON.**—James Lee & Co.; merged in First National Bank.
LOS ANGELES.—East Side Bank is new bank here.
NATIONAL CITY.—San Diego County Bank (A. H. Raynolds); Cashier, C. E. Early.
OCEANSIDE.—D. H. Horne & Co. are reported here.
ORANGE.—Bank of Orange; authorized capital, \$100,000; paid capital, \$10,000. President, Noah Palmer; Secretary, W. T. Bartlett.
PASADENA.—E. C. Webster & Co.; Treasurer, Bayard T. Smith.
SAN DIEGO.—San Diego Savings Bank; discontinued.
SOUTH SAN DIEGO.—A. H. Raynolds has opened an office here.
WINTERS.—Bank of Winters; J. B. McArthur, Cashier, in place of Emile B. Kahn.

COLORADO.

- LA JUNTA.**—Bank of Commerce has just been opened. President, I. R. Holmes; Cashier, Lester Hays.
MONTE VISTA.—Bank of Monte Vista is reported here. Capital, \$25,000. Cashier, R. B. Wallace.

CONNECTICUT.

- ANSONIA.**—Ansonia National Bank; no Vice-President in place of G. P. Cowles.
NEW HAVEN.—Mercantile Safe Deposit Co. will shortly commence business.
NORWICH.—Merchants' National Bank; J. Hunt Smith, President, in place of John Brewster.
WALLINGFORD.—Dime Savings Bank; J. Leonard B. Bishop, Treasurer, in place of John Atwater.

DAKOTA.

- BANGOR.**—W. R. Greene is in business here. Style, Walworth County Bank. Assistant Cashier, J. Rhodes.
CANTON.—First National Bank; Geo. Olson, Assistant Cashier, in place of Hans Anderson.
CASSELTON.—First National Bank; Vice-President, W. F. Holmes; J. L. Gunkel, Cashier, in place of W. F. Holmes; no Assistant Cashier in place of J. L. Gunkel.
FRANKFORT.—James River Bank; Frank Drew, President, in place of John R. Palmer; S. Drew, Cashier, in place of Wm. H. Hathway.
GALENA.—Bank of Galena; Assistant Cashier, E. A. Younglove.
KEYSTONE.—Name changed to Monango.
MOUND CITY.—Campbell County Bank has been recently opened.
OKES.—Bank of Okes has been recently opened. Authorized capital, \$35,000. President, H. C. Sessions; Vice-President, W. H. Yerkes; Cashier, C. A. Baker.
PIERRE.—Robinson Bros. (Bank of Pierre); partners now are H. T. and W. R. Robinson; President, H. T. Robinson.
WEBSTER.—Bank of Webster; President, A. J. Leetoh; Cashier, W. W. Severy.

DISTRICT OF COLUMBIA.

WASHINGTON.—Columbia National Bank has been authorized to commence business. Capital, \$250,000. President, Brainerd H. Warner.

GEORGIA.

AMERICUS.—Bank of Americus; John Windsor, Cashier, in place of H. C. Bagley.

ATLANTA.—Jones & Pratt are in business here.

NEWNAN.—Newnan National Bank; R. W. Anderson, Cashier, in place of Jos. T. Kirby.

ILLINOIS.

ABINGDON.—First National Bank; M. C. Kimball, President, in place of J. B. Mackay; J. B. Scheidtlin, Vice-President, in place of M. C. Kimball; Assistant Cashier, H. B. Scheidtlin.

BLOOMINGTON.—First National Bank; E. Thorp, Vice-President, in place of Geo. W. Funk; C. W. Robinson, Cashier, in place of Edward Thorp; C. B. Ferrigo, Assistant Cashier, in place of C. W. Robinson.

CHAMPAIGN.—Champaign National Bank; Assistant Cashier, W. A. Heath.

CHICAGO.—Chicago National Bank; stockholders vote to increase capital to \$500,000.

—Metropolitan National Bank; Assistant Cashier, H. H. Hitchcock. —North-Western National Bank; Vice-President, H. F. Dummer. —Van Zandt & Haskins are in business here.

LINCOLN.—German-American National Bank has been authorized to commence business. Capital, \$50,000. President, Adolph Rimerman; Vice-President, Fr. C. W. Koehnle; Cashier, Louis C. Schwerdtfeger.

MACOMB.—Union National Bank; B. F. McLean, Assistant Cashier, in place of J. D. Hixon.

OTTAWA.—First National Bank; Wm. Cullen, Vice-President, in place of M. H. Smith.

ROCKFORD.—Second National Bank; C. O. Upton, Vice-President, in place of R. P. Lane.

WARSAW.—First National Bank; in voluntary liquidation.

WENONA.—First National Bank has been authorized to commence business.

INDIANA.

DECATUR.—Decatur National Bank; P. W. Smith, Vice-President, in place of Henry Derker.

DELPHI.—Citizens' Bank; President, M. Shirk; Vice-President, E. W. Shirk; Cashier, J. G. Blythe.

ELKHART.—First National Bank; C. H. Winchester, President, in place of J. R. Beardsley; John Cook, Vice-President, in place of Silas Baldwin; Assistant Cashier, J. A. Cook.

SOUTH BEND.—First National Bank; E. S. Reynolds, Vice-President, in place of A. G. Cushing.

TERRE HAUTE.—Shannon's Bank (Elizabeth Shannon); failed.

IOWA.

ALLERTON.—First National Bank; in voluntary liquidation.

ATLANTIC.—Atlantic National Bank; H. M. Boorman, Cashier, in place of C. McDaniels; J. W. Winslow, Assistant Cashier, in place of H. M. Boorman.

AUDUBON.—Leet & Negley have just opened the Commercial Bank. Capital, \$50,000. President, Wm. Leet; Cashier, W. H. Negley.

BROOKLYN.—First National Bank; W. F. Holmes, Vice-President, in place of C. L. Foster.

DEFIANCE.—Citizens' Bank; reported sold to Bank of Defiance.

DUBUQUE.—Dubuque National Bank; D. D. Myers, Vice-President, in place of J. W. Knight; Assistant Cashier, T. P. Guernsey.

GARNER.—City Bank (C. C. Doolittle & Co.); Cashier, W. C. Moak.

GRUNDY CENTRE.—Grundy County National Bank; Vice-President, J. L. King.

HARTLEY.—Hartley State Bank has been recently incorporated, succeeding People's Bank. Capital, \$25,000. President, Frank Patch; Vice-President, James W. Cravens; Cashier, Jno. W. Cravens.

IOWA FALLS.—First National Bank; Assistant Cashier, F. D. Peet.

OTTUMWA.—First National Bank; Vice-President, George Haw.

SUTHERLAND.—Bank of Sutherland; succeeded by First National Bank. Capital, \$50,000. President, Benjamin Thompson; Cashier, Charles H. Brintnall.

WATERLOO.—Commercial National Bank; Assistant Cashier, Wm. Thompson.

WHEATLAND.—John Guenther & Sons are in business here.

KANSAS.

ANTHONY.—Harper County National Bank; Chas. D. Organ, Cashier, in place of J. H. Anderson. —Anthony Bank; Secretary, T. B. Smith.

APPLETON.—Appleton Bank; capital, \$5,000. President, Perry A. Sorogin; Cashier, Chas. M. Cross.

ARLINGTON.—Arlington State Bank is being organized.

ATCHISON.—First National Bank; D. C. Newcombe, Vice-President, in place of C. G. Foster. —United States National Bank; Vice-President, S. B. Glazier.

ATTICA.—Citizens' Bank succeeds People's Bank. Cashier, E. F. Berry.

BELLE PLAINE.—Belle Plaine Bank; succeeded by Fultz, Millard & Co.

BELOIT.—First National Bank; H. A. Phelps, Cashier, in place of W. S. Search.

BURTON.—Merchants & Farmers' Bank; Jno. Welch, President, in place of J. H. Gresham.

CHERRYVALE.—International Bank; removed to Edna. Style, International Bank of Edna. Same officers.

COLBY.—Thomas County Bank is reported here.

DONGE CITY.—First National Bank; Vice-President, R. J. Hardesty; Assistant Cashier, E. F. Kellogg.

EDNA.—International Bank (formerly at Cherryvale) has recently commenced business here.

EL DORADO.—Bank of El Dorado (Ellet, Gardner & Frazier); sold to Clancy & Son. Cashier, T. T. Parsons.

ELLIS.—Merchants' Bank; F. R. Green, Assistant Cashier, in place of W. E. Moore.

HALSTAD.—Reliance Investment Co. has been recently incorporated. Capital, \$25,000.

HARPER.—Harper National Bank; Vice-President, Geo. P. Yeakam; L. W. Wilson, Cashier, in place of H. C. Munger.

HOWARD.—Lambert's Bank; succeeded by Howard State Bank, President, W. S. Lambert; Vice-President, Harlan P. Tracy; Cashier, Thos. B. Campbell.

INDEPENDENCE.—Bank of Independence; President, J. D. Wood; Vice-President, J. D. Gossett; Cashier, W. S. Wells.

LA CYGNE.—Linn County Bank (Ellis & Saunders); reorganized. Capital paid in, \$50,000. President, W. P. Rice; V.-President, G. K. Saunders; Cashier & Sec., W. O. Fuller, Jr.

LAMAR.—Joe H. Borders and A. V. Scott are in business here. Style, Borders & Scott.

LEAVENWORTH.—Citizens' Savings Bank; capital, \$100,000. President, R. P. Clement; Vice-President, Geo. W. Mickle; Cashier, N. C. Stone.

LEOTI (P. O.: Bonasa).—State Bank of Leoti is being organized.

LINCOLN.—First National Bank; F. A. Head, President, in place of J. T. Smith; G. M. Lutes, Vice-President, in place of F. A. Head; Assistant Cashier, Ira J. Lewis.

NESCATUNGA.—Bank of Nescatunga; President, J. M. Mercer; Cashier, C. M. Jones.

NEWTON.—Citizens' Bank is new bank here.

NORTH TOPEKA.—Smalls Brothers are reported here.

OBERLIN.—Oberlin Loan & Trust Co. (Incorporated); reorganized under style of Oberlin Loan, Trust & Banking Co. Authorized capital, \$100,000; paid-in capital, \$50,000. President, Chas. H. Tilden; Vice-President, J. J. Foltz; Secretary & Manager, Everton Doom; Treasurer, R. A. Marks.

OSWEGO.—First National Bank; H. C. Cook, Cashier, in place of F. C. Wheeler.

PITTSBURG.—First National Bank; Wm. Babcock, Jr., Assistant Cashier, resigned.

SABETHA.—Citizens' State Bank is new bank here. President, Jackson Cotton; Vice-President, A. B. Kentner; Cashier, L. Hesseltine.

SENECA.—First National Bank; G. W. Williams, President, in place of Willis Brown; Cashier, W. E. Wilkinson.

SOLOMON CITY.—Rogers, Wilson & Co. (Citizens' Bank); succeeded by Rogers Brothers.

STAFFORD.—Stafford Bank (Frank Cox); succeeded by Bank of Stafford (Incorporated).

Authorized capital, \$50,000; paid-up capital, \$25,000. President, John Hall; Secretary & Cashier, Frank Cox; Assistant Cashier, John H. Tyrell.

WALLACE.—Merchants' Bank has been recently opened. Capital, \$10,000. President, Charles Edwards; Cashier, A. B. Chrysler.

WINFIELD.—Winfield Mortgage & Trust Co. has been recently incorporated. Capital, \$100,000. President, M. L. Robinson; Secretary, F. C. Hunt; Treasurer, W. C. Robinson.

KENTUCKY.

LOUISVILLE.—First National Bank; Thomas R. Sinton, Cashier, instead of Acting Cashier. — Western Bank; Henry Hurter, Cashier, deceased.

RUSSELLVILLE.—Logan County Bank; W. F. Barclay, Vice-President, in place of C. H. Ryan; H. B. Caldwell, Cashier, in place of W. F. Barclay.

PADUCAH.—First National Bank; J. W. Bloomfield, Vice-Pres., in place of J. H. Gardner.

LOUISIANA.

NEW ORLEANS.—State National Bank; Vice-President, L. C. Keever. — Bank of Commerce has been recently organized. Capital, \$100,000. President, Benjamin S. Twitchell; Vice-President, Henry Haag.

SHREVEPORT.—Commercial National Bank; Vice-President, S. B. McCutcheon.

MAINE.

AUGUSTA.—First National Bank; Assistant Cashier, C. S. Hichborn.

BANGOR.—First National Bank; Vice-President, Edward Stetson.

GARDNER.—Merchants' National Bank; Vice-President, J. S. Bradstreet.

PORTLAND.—Canal National Bank; George C. Peters, Cashier, in place of Benjamin C. Somerby, resigned. — Casco National Bank; Stephen H. Small, President, in place of Ira P. Farrington. — First National Bank; James E. Wengren, Cashier, instead of Acting Cashier. — National Traders' Bank; William G. Davis, President, in place of F. G. Messer, resigned.

SOUTH BERWICK.—South Berwick National Bank; John H. Plumer, President, in place of W. D. Jewett.

THOMASTON.—Thomaston National Bank; no Vice-President in place of E. A. Robinson.

MARYLAND.

BALTIMORE.—Commercial & Farmers' National Bank; G. A. Von Lingen, President, in place of Joseph H. Hieman. — First National Bank; John W. Hall, President, in place of Joseph A. Sprigg. — National Mechanics' Bank; John B. Rameay, President, in place of Robert T. Baldwin, deceased.

MASSACHUSETTS.

AMESBURY.—Amesbury National Bank; Assistant Cashier, G. E. Gale.

BOSTON.—Central National Bank; Moses W. Richardson, President, resigned. — Freeman's National Bank; William A. Rust, President, in place of John H. Rogers, resigned. — Massachusetts National Bank; Chas. W. Perkins, Cashier, in place of H. K. Frothingham; Edwd. S. Hayward, Assistant Cashier, in place of Chas. W. Perkins. — National Security Bank; Vice-President, S. K. Roberts. — Shoe & Leather National Bank; J. Q. Henry, President, in place of Benjamin Cole; Vice-President, James C. Elms. — H. S. Ballou & Co.; G. A. Burdette admitted. — Cleveland, Whitney & Co. have recently commenced business. — F. V. Parker & Co.; Francis V. Parker and Edward D. Page have formed a partnership under this style.

HOLYOKE.—Holyoke National Bank; George W. Prentiss, President, in place of William W. Whiting.

HOPKINTON.—Hopkinton National Bank; Vice-President, Samuel Crooks.

SALEM.—National Exchange Bank; Vice-President, Benj. Shreeve.

WARE.—Ware National Bank; Assistant Cashier, William H. Cutler.

WATERTOWN.—Union Market National Bank; Assistant Cashier, George S. Parker.

MICHIGAN.

ADRIAN.—Lenawee County Savings Bank; Chas. M. Crosswell, President, deceased.

ANN ARBOR.—First National Bank; Chas. H. Richmond, President, in place of Phillipp Bach; Phillipp Bach, Vice-President, in place of C. H. Richmond.

BELLEVUE.—Bellevue Bank (Horton Longyear); Cashier, C. D. Kimberly.

CASS CITY.—Cass City Bank (C. W. McPhail); Cashier, W. C. Irish.

CONSTANTINE.—Farmers' National Bank; Chas. H. Barry, Jr., President, in place of Charles W. Cond; H. E. Moore, Vice-President, in place of John G. Schurtz; John G. Schurtz, Cashier, in place of Chas. H. Barry, Jr.

DAVISON STATION.—Jno. Cartwright is reported here.

ESCANABA.—Greenhost Brothers are reported here. Style, Delta County Bank.

FRANKFORT.—Chandler & Fuller are in business here. Style, Bank of Frankfort. President, E. P. Chandler; Cashier, F. L. Fuller.

IONIA.—W. C. Page & Co.; succeeded by W. C. Page.

LAKEVIEW.—E. J. Mather; Cashier, A. It. Mather.

LESLIE.—First National Bank; in liquidation.

MUIR.—Bank of Muir; C. W. French, Cashier, in place of Josiah E. Just.

ST. CLAIR.—Commercial & Savings Bank; Assistant Cashier, Russ S. Jenks.

STURGIS.—Clapp Bros. & Co.; Assistant Cashier, E. L. Clapp.

THREE RIVERS.—Three Rivers Nat. B'k; C. W. Backus, Vice-Pres., in place of Henry Hall.

VASSAR.—First National Bank; B. H. Weaver, Assistant Cashier, in place of M. B. Slaughter.

WEST BRANCH.—Ellis & French; succeeded by M. H. French & Co.

WHITEHALL.—First National Bank; no Assistant Cashier in place of W. L. Hammond.

WHITE PIGEON.—Clapp's Bank (T. E. Clapp); Hattie M. Austin, Cashier, in place of H. A. Clapp; no Assistant Cashier in place of H. M. Austin.

MINNESOTA.

AUSTIN.—Austin State Bank is reported here. Capital, \$25,000. President, C. H. Davidson; Vice-President, J. B. Emerson; Cashier, R. E. Shepard.

CANNON RIVER FALLS.—Citizens' Bank; President, C. T. Norton; Cashier, H. A. Schriver.

DULUTH.—Merchants' National Bank; A. L. Ordean, President, in place of A. W. Wright; A. S. Chase, Vice-President, in place of A. L. Ordean. — Union National Bank has been authorized to commence business. Paid capital, \$500,000. President, J. J. P. Odell; Cashier, H. A. Ware. — Bell & Eyster; Assistant Manager, Wm. E. Davis.

EYOTA.—A. B. Blair; succeeded by C. R. Blair.

JANESVILLE.—Janesville Bank (Jennison Brothers); Cashier, Jno. W. Jennison.

MINNEAPOLIS.—German-American Bank; Egbert Cowles, Cashier, in place of James C. Miller, deceased. — Scandia Bank of Minneapolis; Vice-President, Mons Grinauer; Jno. H. Field, Assistant Cashier, in place of Mons Grinauer. — Security Bank of Minnesota; General Manager, Joseph Dean; F. A. Chamberlain, Cashier, in place of Wm. M. Tenney; Perry Harrison, Assistant Cashier, in place of F. A. Chamberlain. — Blake & Co.; Cashier, C. A. Stickie.

NORTHFIELD.—Citizens' Bank; William Watson, President, in place of M. W. Skinner; Vice-President, Joseph Roach.

REDWOOD FALLS.—Bank of Redwood Falls (W. F. Dickinson); Cashier, Wm. Brust.

ST. PAUL.—Savings Bank of St. Paul; Cashier, E. J. Meier; no Assistant Cashier in place of E. J. Meier.

VERNDALE.—Wadena County Bank; no Assistant Cashier in place of E. K. Nichols.

WABASHA.—People's Bank has filed articles of incorporation. Capital paid in, \$30,000. President, Michael E. Drury.

WACONIA.—Farmers' Bank; George Mock, Cashier, in place of Geo. Mix, deceased.

MISSISSIPPI.

TUPELO.—Bank of Tupelo; capital, \$50,000. President, R. C. Clark; Vice-President, John Clark; Cashier, H. A. Kincannon.

MISSOURI.

BILLINGS.—Christian County Savings Bank; not yet opened for business.

BROOKFIELD.—R. I. Wheeler and others are about to start a new bank here.

BURLINGTON JUNCTION.—Northwestern Bank of Missouri; Alex. Gray, President, in place of Wm. H. Davis.

COLUMBIA.—Exchange Nat. Bank; John Hunton, Vice-Pres., in place of Jno. M. Samuel.

CURRYVILLE.—A bank is being organized here.

HIGGINSVILLE.—American Bank; B. Wilkinson, Cashier, retires. Assistant Cashier, H. F. Campbell.

INDEPENDENCE.—Anderson-Chiles Banking Co.; C. C. Chiles, President, in place of M. W. Anderson; Vice-President, H. C. St. Clair; Wm. A. Symington, Cashier, in place of H. C. St. Clair.

KANSAS CITY.—American National Bank; M. C. Curtis, Assistant Cashier, in place of F. W. Hunton. — Union National Bank is being organized here. — Central Bank; Vice-President, J. W. Trueworthy; Assistant Cashier, J. P. Barbour.

LEBANON.—Laclede County Bank; discontinued.

LEE'S SUMMIT.—Bank of Lee's Summit; Jno. W. Nichols, Cashier, in place of W. B. George.

MARIONVILLE.—Bank of Marionville has been recently incorporated. Capital, \$10,500. President, J. F. G. Bentley; Vice-President, C. C. Matlock; Cashier, J. H. Barham.

MAYSVILLE.—De Kalb-Clinton Bank; Assistant Cashier, Geo. W. Greshaw.

MIAMI.—Miami Savings Bank; Jno. Burruss, President, in place of John G. Guthrey, deceased.

MOUND CITY.—Mound City Bank and Holt County Bank merged under title of latter; paid capital, \$20,000. President, Hugh Montgomery; Vice-President, Robt. Montgomery; Cashier, Jno. S. Smith.

SPRINGFIELD.—Greene County National Bank; J. D. Sheppard, Cashier, in place of Charles Sheppard.

WARRENTON.—Bank of Warren County; H. Bobnemeyer, President, in place of S. B. Cook.

WINDSOR.—Citizens' Bank; J. S. Culfee, Cashier, in place of Wm. H. Smith.

MONTANA.

DILLON.—Dillon National Bank; F. W. Schenck, Assistant Cashier, in place of James D. Bishop.

NEBRASKA.

ALEXANDRIA.—State Bank; John Denholm, Assistant Cashier, in place of T. B. Clawson.

ARLINGTON.—Belle Creek Valley Bank (Glover & Badger); Assistant Cashier, E. T. Staples.

AURORA.—First National Bank; J. H. Bell, President, in place of T. A. McKay; Delevan Bates, Vice-President, in place of J. H. Bell; J. F. Houseman, Cashier, in place of W. C. Wentz; no Assistant Cashier in place of D. Bates. — Farmers & Merchants' Bank; W. I. Farley, President, in place of W. H. Streeter; D. P. Wilcox, Cashier, in place of W. I. Farley.

BEATRICE.—First National Bank; H. A. Lee, Assistant Cashier, in place of J. Henderson. — American Savings Bank has been recently incorporated. Capital, \$50,000. President, Geo. H. Clarke; Vice-President, C. E. White; Cashier, J. Henderson.

BEAVER CITY.—First National Bank; capital, \$50,000. President, Albert Fisher; Vice-President, C. T. Edee; Cashier, A. B. Edee; Assistant Cashier, H. C. Van Horne.

BENKLEMAN.—Bank of Benkleman; President, Henry Chamberlin; Cashier, Walter Chamberlin.

BLAIR.—Blair Savings Bank; closing.

BLUE HILL.—South-Western Investment Co. has recently commenced business. Capital, \$50,000. President, F. A. Sweeney; Treasurer, Ira O. Martin.

CAMBRIDGE.—Bank of Cambridge is new bank here. Proprietors, E. E. Brown, K. K. Hayden, C. M. Brown.

CENTRAL CITY.—First National Bank; Vice-President, C. D. Chapman.

CHAPMAN.—Bank of Chapman; Proprietors, C. W. Thomas and C. E. Cady. Cashier, C. E. Cady.

CLAY CENTER.—Clay County Abstract & Loan Co.; succeeded by First National Bank.

DELIGHT.—Name of post office changed to Callaway. Bank of Delight now Bank of Callaway.

GRAND ISLAND.—Citizens' National Bank; O. A. Abbott, President, in place of Henry A. Koenig; Vice-President, Wm. A. Hagg.

HILDRETH.—Name of post office is Minden.

HOLDREGE.—Bank of Holdrege; President, J. W. Dobbin; Vice-President, W. E. Hymer; Cashier, W. F. Dobbin.

HOWARD.—Howard Bank; J. E. Dickerman, Cashier, in place of S. W. Jackson.

HUMBOLDT.—First National Bank; Assistant Cashier, A. T. Timmerman.

MINDEN.—First National Bank; G. L. Godfrey, Vice-President, in place of A. E. Finch.

NEBRASKA CITY.—Merchants' National Bank; Wm. A. Cotton, President, in place of E. W. Terry.

NONPAREIL.—Bank of Nonpareil has been recently started. President, F. M. Sands; Cashier, H. C. Hashoff; Assistant Cashier, F. M. Knight.

OGALLALA.—Keith County Bank; Cashier, O. S. Carlson; Assistant Cashier, J. A. O'Brien.

ORD.—First National Bank; P. Mortensen, President, in place of J. H. Bell; Fred. B. Bartlett, Assistant Cashier, in place of P. Mortensen.

PAPILLION.—Banking House of A. W. Clarke; Cashier, I. D. Clarke.

PAWNEE CITY.—Nebraska State Bank; sold out. Cashier, S. Edw. Smith.

PLATTSMOUTH.—Citizens' Bank; Frank Carruth, President, in place of John Black.

PONCA.—Farmers & Merchants' Bank (Dorsey Brothers); now First National Bank. Capital, \$50,000. President, George W. E. Dorsey; Cashier, F. M. Dorsey.

RISING CITY.—Commercial Bank; Willis A. Baldwin, Cashier, in place of Edward P. McCollom.

RULO.—Bank of Rulo; Assistant Cashier, F. O. Edgecombe.

SCHUYLER.—Schuyler National Bank; no Vice-President in place of F. Folder. — Gadsden & Stedman; Cashier, Alfred Stedman.

SOUTH AUBURN.—Carson Bank (John L. Carson & Co.); succeeded by Carson National Bank. Capital, \$80,000. President, John L. Carson; Cashier, Andrew R. Davison.

ST. PAUL.—First National Bank; Assistant Cashier, W. H. Maxen.

SUPERIOR.—Farmers' Banking & Loan Co.; Assistant Cashier, A. E. Hunter.

WHITNEY.—E. J. Carpenter & Co. have recently opened here.

NEW HAMPSHIRE.

EXETER.—National Granite State Bank; Benjamin F. Folsom, President, in place of Charles A. Merrill.

NEW JERSEY.

ASBURY PARK.—A savings bank is being organized here.

ATLANTIC CITY.—Second National Bank has been authorized to commence business. Capital, \$100,000. President, George F. Currie; Cashier, Jesse G. Hammer.

JERSEY CITY.—Germania Savings Bank; closed owing to defalcation of C. M. E. Schroeder, Cashier.

NEWARK.—Dime Savings Institution; Secretary, D. D. Bragaw.

NEW MEXICO.

LAS VEGAS.—City Bank; Joshua S. Reynolds, President, in place of Geo. J. Dinkel.
SILVER CITY.—Meredith & Ailman; I. W. Carter, Cashier, in place of G. D. Goldman.

NEW YORK.

ALBANY.—Albany City National Bank; 2d Vice-President, George I. Amsdell. — National Exchange Bank; no President in place of Chauncey P. Williams.
AMSTERDAM.—Amsterdam Savings Bank is title of the bank recently authorized to commence business. Secretary, G. A. Thatcher.
ATTICA.—J. H. Loomis & Son; Assistant Cashier, Geo. T. Loomis.
AVOCA.—S. D. Aulls & Co. have commenced business here.
BALDWINVILLE.—First National Bank; W. Y. Morris, Vice-President, in place of A. K. Clark.
BATE.—S. D. Aulls & Co.; removed to Avoca.
BROOKLYN.—Fulton Bank; Wm. H. Hazzard, President, in place of John Williams, deceased. — Greenpoint Savings Bank; Timothy Perry, President, in place of Edward F. Williams.
BUFFALO.—Western Savings Bank; Franklin W. H. Becker, Secretary and Treasurer, in place of William H. Beyer.
CANANDAIGUA.—John C. Draper; succeeded by Pierce & Williams.
CHAMPLAIN.—First National Bank; Jas. Averill, Jr., President, in place of Timothy Hoyle, deceased.
CLYDE.—Briggs National Bank; Assistant Cashier, W. A. Hunt.
ELMIRA.—Second National Bank; Vice-President, Charles R. Pratt; D. M. Pratt, Cashier, in place of Charles R. Pratt.
FISHKILL LANDING.—First Nat. Bank; J. T. Smith, Pres., in place of James Maokin.
GOWANDA.—Bank of Gowanda; C. C. Torrance, President, in place of H. N. Hooker; A. Ghesnien, Vice-President, in place of C. C. Torrance.
HAVERSTRAW.—People's Bank has been recently organized under State law. Capital, \$50,000. President, U. F. Washburn; Secretary, Charles R. Christie; Cashier, H. C. Vervalen.
HUDSON.—National Hudson River Bank; C. H. Evans, Vice-President, in place of Wm. J. Miller.
KINGSTON.—H. B. Newkirk; closing up.
NEW YORK CITY.—National Shoe & Leather Bank; A. M. Scriba, Cashier, in place of Henry M. Knapp. — Seaboard National Bank; J. F. Thompson, Assistant Cashier, in place of Ed. G. Barger. — Ninth Avenue Bank will open for business March 1st, under State charter. Capital, \$100,000. President, William H. Bellamy; Vice-President, Michael Steinhart; Cashier, Samuel D. Patterson. — Armstrong & McGregor; Richard W. Armstrong and Duncan McGregor have formed a partnership under this style. — C. H. Bachem; succeeded by Bachem, Thompson & Le Roy. — Brown Brothers; Waldron Post Brown admitted to Stock Exchange. — Budd & Stout; Ogden D. Budd and Wright C. Stout have formed a partnership under this style. — Spencer Ervin (Ervin & Toland, Philadelphia, Pa.); admitted to Stock Exchange. — Feuchtwanger & Co.; Henry Feuchtwanger and J. I. Gurlick have formed a partnership under this style. — Herbert Groesbeck; admitted to Stock Exchange. — Hilmers, McGowan & Co.; H. D. McGowan admitted to Stock Exchange. — H. L. Horton & Co.; William Russell Wise admitted, and a branch office opened at London. — W. L. Roberts (Baltimore, Md.); admitted to Stock Exchange. — Van Emburgh & Atterbury; former partners renew partnership under same style. S. B. French becomes additional special partner. — Loomis L. White & Co.; Frank Worth White deceased.
OGDENSBURG.—Ogdensburg Bank; W. A. Egert, Cashier, resigned.
PLATTSBURGH.—Vilas National Bank; Vice-President, N. Lapham.
PULASKI.—R. L. Ingersoll & Co.'s Bank; closing on account of death of R. L. Ingersoll.
SALEM.—First National Bank; Mark L. Sheldon, President, in place of Benjamin F. Bancroft, deceased; Thomas E. Kenyon, Cashier, in place of M. L. Sheldon.
SCHENECTADY.—Mohawk Nat. Bank; Platt Potter, Pres., in place of Geo. G. Maxon.
SPRINGVILLE.—First National Bank; Assistant Cashier, F. D. Leland.
SYRACUSE.—Merchants' National Bank; Assistant Cashier, H. W. Plumb.
TOMPKINSVILLE.—Bank of Staten Island; Thos. Byrne, Cashier, in place of Francis U. Johnstone, Jr.
TROY.—National State Bank; Charles Warner, President, deceased.
WATERTOWN.—National Bank & Loan Co.; C. S. L. Parmelee, Cashier, in place of G. C. Sherman.
WAYLAND.—John J. Morris is reported here.
WHITNEY'S POINT.—H. Hemingway & Son; succeeded by E. B. Hemingway.

NORTH CAROLINA.

GREENSBORO.—National Bank of Greensboro; Julius A. Gray, President, in place of Jesse H. Lindsay, deceased.
NEW BERNE.—Nat'l Bank of New Berne; G. H. Roberts, Cashier, in place of J. A. Gulon.
OHIO.
ASHLAND.—First National Bank; Vice-President, J. Cahm.
BRIDGEPORT.—First National Bank; Wm. Alexander, Vice-President, in place of A. Brantum.
BUCYRUS.—First National Bank; John Kaler, Vice-President, in place of C. K. Ward.
CANTON.—City National Bank; Vice-President, H. C. Ellison.
CINCINNATI.—Union National Bank; G. T. Roots, President *pro tem.*, in place of H. W. Hughes; Vice-President *pro tem.*, H. W. Hughes.
CIRCLEVILLE.—Third National Bank; C. Benford, President, deceased.

CLEVELAND.—East End Savings Bank Co.; President, J. H. McBride; Vice-President, V. C. Taylor; Secretary & Treasurer, Chas. A. Post.
COLUMBUS.—Franklin Savings Bank has been recently incorporated. Paid capital, \$30,000. President, Albert Goldstein; Cashier, S. A. Frank.
ECKMANVILLE.—Jno. Morrison & Son have recently commenced business here.
KENTON.—Kenton National Bank; W. H. Fleming, Cashier, in place of C. Wilkin.
MANFIELD.—Sturges Bank (Willie M. Sturges); Assistant Cashier, W. P. Sturges.
MOUNT VERNON.—First National Bank; H. A. Sturges, Assistant Cashier, in place of D. W. Lambert.
OSTRANDER.—Scioto Savings Bank has been recently opened.
OTTAWA.—Slauson & Ewing (Ottawa Exchange Bank); now Slauson & De Ford.
PAINEVILLE.—Painesville National Bank; C. O. Childs, Vice-President, in place of Geo. H. Ford.
PERRYSBURG.—Citizens' Bank; President, James Dunipace.
TOLEDO.—Bank of J. B. Ketcham, 2d; Cashier, F. S. Tarry.
WARREN.—First National Bank; Vice-President, Wm. R. Stiles; no Cashier in place of John H. McCombs.

PENNSYLVANIA.

ALLENTOWN.—Lehigh Valley Safe Deposit & Trust Co. has been recently incorporated. Treasurer, J. P. Barnes.
APOLLO.—Apollo Savings Bank; no Assistant Cashier in place of Jennie Jackson, resigned.
BEAVER.—Beaver Deposit Bank; J. R. Harrah, Cashier, in place of Eben Allison.
BEAVER FALLS.—First National Bank; J. T. Reeves, Cashier, in place of Patrick Robertson.
CHESTER.—Chester Bank & Saving Fund; Henry C. Howard, President, in place of Isaac Johnson.
CONNELLSVILLE.—First National Bank, Jos. M. Kurtz, Cashier, in place of J. S. McCaleb; Eugene T. Norton, Assistant Cashier, in place of Jos. M. Kurtz. — J. S. McCaleb has opened an office for sale of steamship tickets and foreign exchange.
DOYLESTOWN.—Bucks County Trust Co. has been recently incorporated. President, R. Watson; Treasurer, T. O. Atkinson.
DU BOIS.—First National Bank of Du Bois City; Daniel North, Vice-President, in place of C. H. Gordon; L. A. Brady, Assistant Cashier, in place of T. S. Weber.
LOCK HAVEN.—State Bank; W. A. Simpson, President, in place of W. H. Moore.
MANFIELD VALLEY.—H. P. Burgan; W. J. Burgan, Cashier, in place of A. W. Waldie.
MIDDLETOWN.—National Bank of Middletown; H. C. Stehman, Cashier, in place of D. W. Stehman.
MIFFLINBURGH.—Mifflinburg Bank; H. G. Wolf, President, in place of James Chambers.
PHILADELPHIA.—Corn Exchange National Bank; William Johnson, President, in place of Dell Noblit, resigned. — Kensington National Bank; Robert Dornan, President, in place of Washington I. Landell. — Northwestern National Bank; Vice-President, Harry P. Crowell. — Philadelphia National Bank; President pro tem., J. L. Erringer. — Produce National Bank; Vice-President, John J. MacDonald. — Third National Bank; P. M. Lewis, President, in place of David B. Paul; Fred. H. Souder, Cashier, in place of Percy M. Lewis. — Ervin & Toland; Spencer Ervin and Edward P. Poland, with Frank W. Smith as Special, have formed a partnership under this style. Spencer Ervin admitted to New York Stock Exchange. — Howard, Stavers & Bell; succeeded by Howard, Bell & Co.
PINE GROVE.—John F. Wentz is in business here. Style, Pine Grove Bank.
PITTSBURGH.—Metropolitan National Bank; John Runnette, President, in place of David R. McIntire; E. S. Clark, Vice-President, in place of A. F. Keating; Geo. Seebick, Cashier, in place of Charles A. Drava.
SPRING CITY.—National Bank of Spring City; A. P. Fritz, Acting President, in place of Daniel Latahaw, deceased.
STRASBURG.—First National Bank; Wm. Spencer, President, in place of Joseph McClure.
TOPTON.—Topton National Bank; in voluntary liquidation.
WATERFORD.—Benson & Brotherton; Wm. Benson, surviving partner, is closing up partnership.
WEST CHESTER.—First National Bank; F. W. Wollerton, Cashier, in place of Enos E. Thatcher; no Assistant Cashier in place of F. W. Wollerton.

RHODE ISLAND.

EAST GREENWICH.—East Greenwich Institution for Savings; Russell Vaughn, President, in place of Samuel W. Pierce.
WAKEFIELD.—Wakefield National Bank; John E. Babcock, Cashier, in place of D. M. C. Stedman, retired.

SOUTH CAROLINA.

PELZER.—Chicora Savings Bank; A. L. Blake, Cashier, in place of Grange S. Coffin.
ROCK HILL.—W. L. Roddey & Son; succeeded by First National Bank. Capital, \$50,000. President, W. L. Roddey; Vice-President, Jno. R. London; Cashier, W. J. Roddey.
SPARTANBURG.—National Bank of Spartanburg; W. E. Bennett, Cashier, in place of L. C. Cannon.

TENNESSEE.

JOHNSON CITY.—Bank of Johnson City; H. R. Kenyon, Cashier, in place of D. W. Shuler.
MARYVILLE.—Bank of Maryville; Assistant Cashier, J. A. Goddard.
SPARTA.—Bank of Sparta; succeeded by First National Bank. Capital, \$50,000. President, Richard Hill; Vice-President, W. N. Cameron; Cashier, J. N. Walling.
UNION CITY.—Bank of Union City; Geo. G. Bell, Cashier, resigned.
WARTRACE.—B. F. Cleveland; R. M. Cleveland, Cashier, in place of R. W. Clark.

TEXAS.

ABILENE.—First National Bank; J. H. Parramore, President, in place of C. W. Merchant.
BONHAM.—First National Bank; Assistant Cashier, John A. Barnard.
DALLAS.—Exchange Bank; succeeded by National Exchange Bank. Paid capital, \$300,000. President, Jno. N. Simpson; Vice-Presidents, W. H. Gaston and Royal A. Ferris; Cashier, N. A. McMillan; Assistant Cashier, John H. Gaston.
DENISON.—Bank of Denison (Rohrbough, Moore & Co.); discontinued.
FARMERSVILLE.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Allen H. Neathery; Cashier, Leonard E. Bumpass.
FORT WORTH.—City National Bank; Max Elser, Cashier, in place of G. R. Newton, deceased. — Merchants' National Bank has been authorized to commence business. Capital, \$300,000. President, J. G. Wright; Vice-President, E. E. Chase; 2d Vice-President, Morgan Jones; Cashier, A. B. Smith.
GAINESVILLE.—Gainesville National Bank; C. C. Hemming, President, in place of James M. Lindsay; no Cashier in place of C. C. Hemming; Assistant and Acting Cashier, C. Chambers.
HUBBARD.—H. B. Allen & Co. are reported here.
MONTAGUE.—First National Bank; Assistant Cashier, Wm. C. Turner.
SHERMAN.—City Bank; newly elected officers are as follows: President, Joseph Bledsoe; Cashier, H. L. Hall; Assistant Cashier, Frank Bower.
TERRELL.—Bivins & Corley; sold out to The Harris Bank.
WHITESBORO.—Bank of Whitesboro; Manager, J. M. Buchanan.

UTAH.

CORINNE.—J. W. Guthrie; Robert S. Guthrie, Cashier, in place of H. S. Krigbaum; Lizzie Guthrie Heywood, Assistant Cashier, in place of L. M. Guthrie.

VERMONT.

BARRE.—National Bank of Barre; F. G. Howland, Cashier, in place of C. M. Spencer.
BRATTLEBORO.—Vermont National Bank; Geo. S. Dowley, President, in place of Wm. P. Cune; G. C. Averill, Cashier, in place of Geo. S. Dowley.
BURLINGTON.—Burlington Savings Bank; Assistant Treasurer, F. W. Ward.
DERBY LINE.—National Bank of Derby Line; Horace D. Holmes, Vice-President, in place of W. S. Foster.
FACTORY POINT.—Post-office changed to Manchester Centre.
ST. ALBANS.—People's Trust Co.; President, J. Gregory Smith; Treasurer, John Branch.

VIRGINIA.

AMHERST C. H.—Bank of Amherst; F. J. Harris, Cashier, in place of P. M. Christian.
BLACKSTONE.—Citizens' Bank; R. B. Jones, Assistant Cashier, in place of Jos. M. Hurt.
CHARLOTTESVILLE.—People's National Bank; P. T. W. Duke, President, in place of George Perkins.
CHATHAM.—Planters' Savings Bank; J. Hunt Hargrave, President, in place of John W. Wilson.
FRANKLIN.—Bank of Franklin; succeeded by Vaughan & Co. Capital, \$10,000. Cashier, C. C. Vaughan, Jr.
RICHMOND.—Broad Street Bank; organization abandoned.

WASHINGTON TERRITORY.

DAYTON.—Columbia National Bank; Assistant Cashier, F. W. Guernsey.
LA CONNER.—Skagit County Bank has been recently opened. Proprietor, W. E. Schrieker.

WISCONSIN.

ASHLAND.—Northern National Bank; Vice-President, Geo. W. Harrison.
BLOOMER.—Henry Marshall (Bank of Bloomer); succeeded by Tillinghast & Marshall. Cashier, Henry Marshall.
JANESVILLE.—First National Bank; Assistant Cashier, John G. Rexford.
KILBOURN CITY.—Bank of Kilbourn; A. D. Rowman, Cashier, in place of John W. Brown.
MILWAUKEE.—National Exchange Bank; Grant Fitch, Assistant Cashier, in place of Abbott Lawrence.
NEW LISBON.—Farmers & Merchants' Bank (Hughes & Marsh); Assistant Cashier, John Singleton.

WYOMING.

FORT FRED STEELE.—Hugus & Chatterton; Manager, F. Chatterton; A. R. Couzens, Cashier, in place of F. Chatterton.
LARAMIE CITY.—Albany County National Bank has been authorized to commence business. Capital, \$100,000. President, Ora Haley; Cashier, Eli Crumrine.

ONTARIO.

ALEXANDRIA.—Union Bank of Canada; Manager, Geo. Brown.
CAYUGA.—Bank of Hamilton have opened a branch here. Manager, J. H. Stuart.
CLIFFORD.—J. W. Scott; E. K. Scott, Manager, in place of F. Walton.
DUNNVILLE.—W. F. Haskins & Co.; Geo. Wilson, Manager, in place of W. F. Haskins, Jr.
THORNBURY.—Telfer Brothers have commenced business here.
TORONTO.—Quebec Bank; Acting Manager, W. P. Sloane.
TOTTENHAM.—Bank of Hamilton; W. C. Aitken, Agent, in place of W. P. Roberts.

QUEBEC.

MONTREAL.—Canadian Bank of Commerce; A. M. Crombie, Manager, in place of Robert Gill.

NORTH-WEST TERRITORY.

QU' APPELLE.—S. H. Caswell; Manager, Harold Jagger.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, February 5, 1887.

THE MOST PROMINENT features of the present financial situation, it is to be acknowledged, are of a dubious or disturbing character. The passage of the Interstate Commerce bill in Congress and its probable approval by the President, present a subject for anxiety as to the effects of the measure upon the railroads of the country, and has been made the most of by stock operators who desire to see prices low in order to purchase cheaply. It appears to us that the most dispassionate judges of the matter, while they find objections to some provisions of the bill, do not expect any great harm to result from it. It was in the nature of things that a Government Railroad Commission should be appointed sooner or later; and, while it might have been better for Congress not to enact any general law for the government of the railroads until the Commission had, after investigation, drafted the provisions which might be found necessary and just, it is wrong to exaggerate the defects of the measure.

The fresh outbreak of strikes, most of which are quite unjustifiable, while it is very embarrassing to many business men, is not so serious as that of last year. It is bound to run its course, but it is easy to see that the end is not far off. The pestiferous idea so prevalent among the manual workers of the times, that by united effort they can force the payment of high wages, whether the business of the employer will warrant such payment or not, is certain to be stamped out by hard facts before long. The strikers have met so many defeats that the faith of the body of workers in the efficiency of strikes and boycotts is plainly on the wane.

A third factor, affecting especially the stock market, is the fear across the water of war on the Continent. The political situation there is certainly critical, but the very fact that war is so generally looked for is, to some extent, an argument against its commencement. Late advices from very responsible European sources make it appear doubtful if there will be any war. But, in any case, the effect upon American securities should be only temporarily unfavorable.

In spite of the depressing features mentioned, the condition of general trade is encouraging. The business failures in the United States reported to Bradstreet's since January 1st compare favorably with the number for the corresponding time in previous years. The number so far this year is 1,255 against 1,364 in 1886, 1,645 in 1885, 1,258 in 1884 and 1,108 in 1883.

The bank clearings during January, as compiled weekly from the transactions of the various Clearing-Houses throughout the country, show a marked increase over the totals of January, 1886. The price of pig iron is advancing, the stocks on hand at the furnaces being only one-half what they were a year ago. It is reported that the coal companies will advance the price of their product \$1 per ton during the year, but it is wisely intimated that this will be done with less flourish of trumpets than was made last fall over a very moderate advance.

As the condition of the iron industry is considered so correct an indication of general trade, we quote as follows from the "Bulletin" of the American Iron and Steel Association: "The general business outlook for 1887 is at this time very favorable, and for our iron and steel industries it is especially so. Railroad building promises to be even more active in 1887 than in 1886. But none of us know what a day or a month may bring forth in the stock market, or in the financial or tariff legislation of Congress, or in the condition of the country's crops. Of one thing we feel certain, speaking generally, prices must stop where they are, or we will have such an influx of foreign iron and steel in 1887 as we have rarely, if ever, experienced."

FOREIGN EXCHANGE.—The rates for foreign exchange have been forced upward of late by the difficulty in shipping goods from New York, but dealers are looking for high rates in the near future. Following are the posted and the actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.85½@4.86; sight, nominal \$4.89; 60 days, actual, \$4.84½@4.85½; sight, actual, \$4.88@4.88½; Cable transfers, \$4.89½@4.89; Prime commercial sterling, long, \$4.88½@4.84½; Documentary sterling, 60 days, \$4.83½@4.83½; Paris, bankers', 60 days, 5.22½@5.21½; sight, 5.20@5.19½; Paris, commercial, 60 days, 5.23½@5.23½; sight, 5.21½@5.25½; Antwerp, commercial, 60 days, 5.24½@5.28½; Swiss, bankers', 60 days, 5.23½@5.22½; sight, 5.20½@5.20; Reichsmarks (4), bankers', 60 days, 95@95½; sight, 95½@95½; Reichsmarks (4), commercial, 60 days, 94½@94½; sight, 95½@95½; Guilders, bankers', 60 days, 40@40 1-16; sight, 40 3-16@40½; Guilders, commercial, 60 days, 39½@39 15-16; sight, 40 1-16@40½; Copenhagen, Stockholm and Christiana, krona, 60 days, 26½; sight, 26½; Paris dispatches quote exchange on London 25f. 37c.

The following shows the posted rates for prime bankers' sterling bills on London at 60 days, and sight, cable transfers and prime commercial sterling, together with exchange on Paris on January 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of December, 1886 and January, 1887:

Dec.	BANKERS		Cable Transfers.	Commercial.	PARIS	
	60 days.	Sight.			60 days.	Sight.
Highest...	4.81½	4.85	4.85	4.80½	5.27½	5.25½
Lowest...	4.80	4.84	4.83½	4.77½	5.26½	5.23½
Jan. 3.....	4.81	4.85	4.85½	4.79½	5.26	5.23½
" 4.....	4.81	4.85	4.85	4.79½	5.26	5.23½
" 6.....	4.81½	4.85½	4.85	4.79½	5.26½	5.23½
" 7.....	4.81½	4.85½	4.85½	4.80½	5.26½	5.23½
" 10.....	4.82	4.86	4.85½	4.80½	5.24½	5.22½
" 11.....	4.83	4.87	4.86½	4.81½	5.24½	5.22½
" 12.....	4.83	4.87	4.86½	4.81½	5.24½	5.22½
" 13.....	4.83	4.87	4.86½	4.81½	5.24½	5.21½
" 17.....	4.83½	4.87½	4.86½	4.81½	5.24½	5.21½
" 18.....	4.83½	4.87½	4.86½	4.81½	5.24½	5.21½
" 20.....	4.83½	4.87½	4.86½	4.81½	5.24½	5.21½
" 21.....	4.83½	4.87½	4.86½	4.82½	5.24½	5.21½
" 24.....	4.84½	4.88½	4.87½	4.82½	5.23½	5.21
" 25.....	4.84½	4.88½	4.87½	4.83	5.23½	5.21
" 26.....	4.84½	4.88	4.87½	4.83	5.23½	5.21
" 27.....	4.85	4.88½	4.87½	4.83½	5.22½	5.20½
" 28.....	4.85	4.88½	4.88½	4.83½	5.22½	5.20½
" 31.....	4.85½	4.89	4.88½	4.84	5.22½	5.19½
Highest...	4.85½	4.89	4.88½	4.84	5.26	5.23½
Lowest.....	4.81	4.85	4.85	4.79½	5.22½	5.19½

COINS AND BULLION.—Bar silver is quoted in London at 47 1-16d. per ounce. At this quotation for silver the bullion value of the standard dollar is 79.79 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars.....	\$ 81	@ \$	Victoria sovereigns.....	\$4 84	@ \$4 85
New (412½ grains) dollars	99½	@ 1 00	Twenty francs.....	3 85	@ 3 90
American silver ½ & ¼s.	99½	@ 1 00	Twenty marks.....	4 74	@ 4 50
American dimes.....	99½	@ 1 00	Spanish doubloons.....	15 55	@ 15 70
Mutilated U.S. silver coin.			Mexican doubloons.....	15 55	@ 15 65
per oz.....	..	@ ..	Mexican 20-pesos.....	19 50	@ 19 60
Mexican dollars.....	80½	@ ..	Ten guilders.....	3 96	@ 4 00
Peru soles & Chilian pesos	74	@ ..	Fine silver bars, per oz.....	1 02½	@ 1 06½
English silver.....	4 75	@ 4 80	Fine gold bars par @ ¼ % premium on the		
Five francs.....	92	@ 96	Mint value.		

The following statement of the foreign trade of the United States, compiled from the returns of the Bureau of Statistics, may be found of interest :

MERCHANDISE.	December, 1886.	July 1st to Dec. 31, 1886.
Exports	\$85,804,419	\$385,078,792
Imports	56,206,129	384,827,568
Excess of exports	\$29,098,290	\$50,851,194
	December, 1885.	July 1st to Dec. 31, 1885.
Exports	\$74,278,716	\$351,913,956
Imports	52,211,520	306,846,524
Excess of imports	\$22,067,196	\$45,067,432

During the month of December the excess of imports over exports of gold and silver bullion was \$9,908,197 against \$2,157,613 in December, 1885. For the six months ending December 31, 1886, the same excess was \$30,065,022 against \$5,988,525 in the corresponding period of 1885.

MONEY AND DOMESTIC EXCHANGE.—The rates for money have been gradually slackening, the present rate for call loans ranging from $8\frac{1}{2}$ to 5 per cent. Commercial paper is offered freely, and is taken more readily by the country than by the city banks. Following are the rates of domestic exchange upon New York: Savannah, par, selling $\frac{1}{8}$ @ $\frac{1}{4}$ premium; Charleston, buying $\frac{1}{8}$ discount @ par, selling $\frac{1}{8}$ @ $\frac{1}{4}$ premium; New Orleans commercial, 25c. per \$1,000 discount; bank, \$1 per \$1,000 premium; St. Louis par @ 25c. per \$1,000 discount; Chicago, 40c. per \$1,000 discount.

THE TREASURY.—The following table will show the condition of the Treasury, as regards the amount of gold and silver held, on the 1st of February, 1887, and, for comparison, on the 1st of January, 1887 and December, 1886, with the amounts of certificates outstanding and the balances of coin owned by the Treasury :

	Feb. 1, 1887.	Jan. 1, 1887.	Dec. 1, 1886.
Gold coin and bullion	\$274,140,469	\$268,128,018	\$254,450,853
Gold certificates outstanding	105,665,107	97,215,605	90,520,638
Gold owned by Treasury	\$168,475,362	\$170,812,413	\$163,930,220
Silver dollars and bullion	\$198,810,822	\$193,245,614	\$189,003,321
Silver certificates outstanding	118,315,714	117,246,070	105,519,817
Silver owned by Treasury	\$80,525,108	\$75,998,944	\$83,483,504

On January 22d the Secretary of the Treasury issued a call for the redemption of \$13,887,000 of the 3 per cent. loan of 1882 on March 1, 1887. Following is a description of the bonds called, the numbers being original and inclusive in each case: \$50—No. 26 to 46; \$100—No. 375 to 582; \$500—No. 168 to 245; \$1,000—No. 1,321 to 2,014; \$10,000—No. 3,959 to 5,315. There are now exactly \$40,000,000 uncalled 3 per cent. bonds outstanding.

The receipts of the Government from all sources in January were \$28,895,921 against \$24,787,857 in January of 1886, an increase of \$3,658,064. From July 1, 1886, to February 1, 1887, the receipts were \$209,078,928 against \$191,512,808 for the corresponding period of last year, an increase of \$17,566,120. The expenses in January were \$23,384,901 against \$22,753,131 in 1886, an increase of \$631,770; and from July 1, 1886, the expenses were \$167,786,451 against \$151,401,022 last year, an increase of \$16,385,429. Thus far in the fiscal year the receipts have exceeded the expenditures by \$41,292,477.

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of

Government bonds on each day of the month of January and the highest and lowest during the month. Actual sales marked * :

JAN.	4½s. '91, coup.	4s. 1907, coup.	3 per cents.	C'y 6s. 1895.	C'y 6s. 1899.	JAN.	4½s. '91, coup.	4s. 1907, coup.	3 per cents.	C'y 6s. 1895.	C'y 6s. 1899.
3	* 110¼	** 127¼	100¼	124½	184¼	19	110¼	* 127¼	100	125	135¼
4	110½	* 127½	100½	125	184¼	20	110¼	* 127½	100	125½	136¼
5	110	127¼	100¼	125½	184¼	21	* 110¼	127½	100	125½	136½
6	109¾	* 127¼	* 100¾	124¼	184¼	22	110½	128	100	125½	136½
7	* 110	126¼	100	125	184¼	24	110½	* 128¼	100	125	136
8	* 110	* 126¾	100½	125	184¼	25	* 110½	128¼	100	125	136
10	* 110½	127¾	100¼	125½	185½	26	* 110¼	128¼	100	125½	136½
11	110¼	* 127¾	100	125½	185½	27	* 110¼	128½	100	125½	136½
12	* 110¼	127½	100	125½	185½	28	* 110½	* 128¾	100	125½	136½
13	110½	* 127½	100	125½	185½	29	110¼	* 128½	100	126	136½
14	110½	127¼	100	125½	185½	31	110½	* 128¼	100	126	136½
15	110	* 127¼	100	125	185						
17	110½	* 127½	100	125	185½	High	110½	* 128¼	100½	126	136½
18	* 110½	127¼	100	125	186	Low	109¾	126¼	100	124½	134¼

+ Ex-interest.

THE NATIONAL BANK CIRCULATION was decreased \$3,693,425 during the past month, leaving the total now outstanding \$292,793,452. The decrease since February 1, 1886, is \$24,861,571. The amount of legal-tender money on deposit with the Treasurer to redeem National bank notes is now \$92,535,106, an increase of \$1,354,334 during the last month and of \$45,935,676 during the past twelve months.

The following will show the amount of each description of bonds held by the Treasurer to secure National bank circulation on or about the dates indicated:

	Feb. 1, 1887.	Jan. 1, 1887.	Dec. 1, 1886.	Nov. 1, 1886.
Currency 6 per cents.....	\$3,201,000	\$3,680,000	\$3,645,000	\$3,586,000
4½ per cents.....	60,054,400	59,636,200	59,019,050	57,306,850
4 per cents.....	113,300,000	113,903,200	115,252,700	115,813,150
3 per cents.....	48,483,100	52,218,950	58,994,450	69,538,050
Total.....	\$225,038,500	\$229,438,350	\$236,911,200	\$245,744,050

ASSOCIATED BANKS OF NEW YORK.—The money reserved has lately been increased to a very safe amount. The amount of loans is near the maximum.

The following shows the condition of the New York Clearing-House banks for a number of weeks past as well as about this time in 1886 and 1885:

	1886.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
Jan. 29.....		\$353,051,000	\$92,851,600	\$25,187,200	\$382,961,800	\$7,825,000	\$22,296,450
Jan. 22.....		351,448,200	89,798,500	24,013,100	380,080,900	7,865,400	18,793,375
Jan. 15.....		348,067,700	88,088,000	24,070,700	374,187,600	7,872,200	18,611,800
Jan. 8.....		348,479,300	85,509,200	21,812,300	370,138,900	7,896,800	14,786,675
Dec. 31.....		343,687,500	82,718,100	19,370,400	359,268,600	7,911,500	12,271,260
Dec. 24.....		343,484,100	77,803,000	17,847,300	351,672,400	7,908,000	7,232,200
Dec. 18.....		348,693,700	74,886,000	18,032,600	353,761,600	7,914,100	4,008,200
Dec. 11.....		352,413,500	76,032,800	18,091,300	360,174,000	7,931,000	4,080,500
Dec. 4.....		350,847,000	77,828,200	18,583,100	360,981,400	7,972,400	6,165,950
1885.							
Jan. 30....		337,934,700	100,212,700	33,432,400	389,954,700	9,599,800	36,156,425
1885.							
Jan. 31. ..		293,746,700	101,732,000	40,224,800	352,343,300	11,285,300	53,870,975

RAILROAD AND MISCELLANEOUS STOCKS.—The market is considerably depressed, a fear of the effect of the Inter-state Commerce bill, the labor strikes and European war news giving the bears a good opportunity to break down prices. The railroad earnings are good, however, and the prospects are fair for the remainder of the year.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of January, the highest and lowest since January 1, 1887, and also during the year 1886:

	JANUARY, 1887.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Canadian Pacific.	68½	68	....	68½—Jan. 13	68 —Jan. 24	73	61
Canada Southern.	63½	55	55	63½—Jan. 3	55 —Jan. 24	71½	34½
Central of N. J.	66½	55½	65	66½—Jan. 22	55½—Jan. 3	64	42½
Central Pacific.	43½	35½	38½	43½—Jan. 3	35½—Jan. 24	51	38
Chicago & Alton.	14	143	....	144 —Jan. 8	143 —Jan. 19	145½	139
Chic., Burl. & Quincy	138½	136½	137½	138½—Jan. 25	136½—Jan. 13	141	128½
Chic., Mil. & St. Paul.	91	87½	87½	91 —Jan. 3	87½—Jan. 31	99	82½
do preferred.	118	117½	117½	118 —Jan. 4	117½—Jan. 3	125½	116
Chic. & Northwest'n.	115	111	111½	115 —Jan. 3	111 —Jan. 27	120½	104½
do preferred.	140	139	....	140 —Jan. 4	139 —Jan. 12	144	135
Chic., Rock I. & Pac.	126½	125	125½	126½—Jan. 5	125 —Jan. 24	131	120½
Chic., St. P., M. & O.	51½	46½	46½	51½—Jan. 7	46½—Jan. 31	55	36½
do preferred.	109½	106½	....	109½—Jan. 3	106½—Jan. 27	116½	97
Clev., Col., Cin. & Ind	65½	60½	60½	65½—Jan. 8	60½—Jan. 27	75½	43½
Del., Lack. & West'n	138	133	132½	138 —Jan. 3	133 —Jan. 5	144	115
Den. & R. Grande a.p	28½	24	24½	28½—Jan. 3	24 —Jan. 31	35½	21½
E. Tenn., Va. & Ga. .	17	13½	13½	17 —Jan. 3	13½—Jan. 24	6½	5½
do 1st preferred.	82½	73	72	82½—Jan. 13	72 —Jan. 24	11½	2½
Houston & Texas.	45	42	....	45 —Jan. 3	42 —Jan. 11	44½	25
Illinois Central.	135	133	....	135 —Jan. 28	133 —Jan. 5	143½	131
Ind., Bloom. & West'n	17½	15	....	17½—Jan. 14	15 —Jan. 31	28½	12
Lake Erie & Western	....	....	....	....	....	20½	7½
Lake Shore.	96½	91	92	96½—Jan. 14	91 —Jan. 24	100½	70½
Long Island.	95	93	....	95 —Jan. 4	93 —Jan. 15	100	80
Louisville & Nashv'e	67½	60½	61	67½—Jan. 3	60½—Jan. 24	69	35½
Manhattan consol.	158½	154	155½	158½—Jan. 3	154 —Jan. 5	175	120
Michigan Central.	93½	86	87	93½—Jan. 3	86 —Jan. 27	98½	61½
Mineap's & St. Louis.	109½	18	....	109½—Jan. 13	18 —Jan. 25	23½	16½
do preferred.	45½	42	42	45½—Jan. 18	42 —Jan. 31	52½	40½
Mo., Kan. & Texas.	33½	28½	28½	33½—Jan. 3	28½—Jan. 26	38½	21
Missouri Pacific.	109½	105	105½	109½—Jan. 8	105 —Jan. 26	119	100½
Nash., Chat. & St. L.	88½	81	....	88½—Jan. 3	81 —Jan. 29	105½	43½
N. Y. Cent. & H. R.	114½	111½	111½	114½—Jan. 17	111½—Jan. 5	117½	96½
N.Y., Chic. & St. Louis	15	9½	10	15 —Jan. 15	9½—Jan. 27	17½	4½
do preferred.	28	28	20	28 —Jan. 13	20 —Jan. 29	31	11
N.Y., Lake E. & West'n	34½	30½	30½	34½—Jan. 3	30½—Jan. 31	38½	22½
do preferred.	73½	65½	66½	73½—Jan. 3	65½—Jan. 29	81½	50½
N. Y. & New Eng.	57½	51	56½	57½—Jan. 26	51 —Jan. 12	68½	30½
N. Y., Ont. & West'n	20½	17	17½	20½—Jan. 8	17 —Jan. 27	22½	15
N. Y., Susq. & West'n	12½	11½	11½	12½—Jan. 20	11½—Jan. 12	12½	6
do preferred.	34½	31½	32½	34½—Jan. 20	31½—Jan. 5	33½	17½
Norfolk & West.	23½	18	....	23½—Jan. 3	18 —Jan. 24	27½	8½
do preferred.	54	45	45½	54 —Jan. 13	45 —Jan. 29	59½	25
Northern Pacific.	28	26½	26½	28 —Jan. 3	26½—Jan. 31	31½	22
do preferred.	61½	56½	56½	61½—Jan. 8	56½—Jan. 31	68½	53½
Ohio & Mississipp.	29½	25½	25½	29½—Jan. 3	25½—Jan. 29	35½	19½
Oregon & Transc.	34½	29½	30½	34½—Jan. 3	29½—Jan. 24	38	25
Peoria, Dec. & Evans.	35½	30½	33½	35½—Jan. 20	30½—Jan. 8	34½	16
Phila. & Reading.	42½	36	36½	42½—Jan. 20	36 —Jan. 5	53½	14½
Richm'd & W. Point.	53	40	42½	53 —Jan. 17	40 —Jan. 12	77½	27½
Rochester & Pitts. ....	....	....	....	....	....	5	3½
St. L. & San F. pref.	67½	63	63	67½—Jan. 15	63 —Jan. 6	72½	37½
do 1st pref.	117½	112	112½	117½—Jan. 8	112 —Jan. 28	118½	97½
St. Paul, Minn. & Man	117	118½	....	117 —Jan. 3	118½—Jan. 5	124½	106½
Texas & Pacific.	26½	22½	22½	26½—Jan. 13	22½—Jan. 27	25	7½
Union Pacific.	62	55½	56½	62 —Jan. 3	55½—Jan. 24	68½	44½
Wabash, St. L. & Pac.	19	13½	13½	19 —Jan. 3	13½—Jan. 24	12½	6
do preferred.	35	25½	26½	35 —Jan. 3	25½—Jan. 29	22½	14
Del. & Hudson Canal	104½	101½	101½	104½—Jan. 15	101½—Jan. 4	108½	88½
Oregon R. & Nav. Co	104½	97½	97½	104½—Jan. 3	97½—Jan. 22	109½	83
Pacific Mail.	53½	49½	50½	53½—Jan. 21	49½—Jan. 8	67	45½
Western Union Tel. .	76	71	71½	76 —Jan. 3	71 —Jan. 24	80½	60½

+ Ex-Dividend.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange. The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the latest previous quotation is designated by a *. The highest and lowest prices for the year 1896—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1896.		FEB. 1, 1897.	
				High.	Low.	Bid.	Askd.
Alabama Class A 3 to 5.....	1906	6,728,800	J & J	108	97	107½	109
do do Small.....				108	97	104	.....
do Class B 5's.....	1908	539,000	J & J	110	105	108	.....
do Class C 4's.....	1908	959,000	J & J	108½	95	108	.....
do 6's, 10-20.....	1900	980,000	J & J	107½	104	104	.....
Arkansas 6's, funded.....	1899, 1900	3,000,000	J & J	11½	5	10	129½
do 7's, Little Rock & Fort Smith...		1,000,000	A & O	28	12	20	30
do 7's, Memphis & Little Rock...		1,200,000	A & O	27	13	20	30
do 7's, L. R., Pine Bluff & N. O....		1,200,000	A & O	27½	12½	21	27
do 7's, Miss., Ouachita & Red River		600,000	A & O	20½	12	21	12
do 7's, Arkansas Central R. R.....		1,350,000	A & O	8	7	7	12
Georgia 7's, gold bonds.....	1890	2,000,000	Q J	114	108½	110	.....
Louisiana 7's, consolidated.....	1914		J & J	84	84	84	.....
do 7's, do stamped 4's.....		12,089,000		82½	67	80½	81½
do 7's, do small bonds.....				78	67	78	.....
Michigan 7's.....	1890	357,000	M & N	112	106	108	.....
Missouri 6's.....	1887	3,242,000	J & J	104½	102	100½	.....
do 6's.....	1888	3,251,000	J & J	108½	103½	101	.....
do 6's.....	1889 or 1890	1,105,000	J & J	110	107	108	.....
do Asylum or University.....	1892	401,000	J & J	113	110	112	.....
do Funding bonds.....	1894, 1895	1,000,000	J & J	119	115	115	.....
do Hannibal & St. Joseph.....	1887	1,000,000	J & J	104	101	100½	.....
New York 6's, gold, registered.....	1887	942,000	J & J	104	102	101½	.....
do 6's, coupon.....	1887	643,200	J & J	104	102	101½	.....
do 6's, loan.....	1891	4,302,600	J & J	115	110	112	.....
do 6's, loan.....	1892	2,000,000	A & O	120	112	115	.....
do 6's, loan.....	1893	473,000	A & O	122	115	118	.....
North Carolina 6's, old.....	1896-98	4,738,800	J & J	86½	80	85	.....
do April & October.....		3,639,400		86½	80	85	.....
do to N. C. R. R.....	1893-4-5		J & J	175	165	170	.....
do do 7's, coupon off.....		3,000,000	J & J	175	165	140	.....
do do April & October.....			J & J	145	135	170	.....
do do 7's, coupon off.....				145	135	140	.....
do Funding Act.....	1893-1900	2,417,000	J & J	13½	10	12	.....
do do.....	1893-1898	1,721,400	A & O	18½	10	12	.....
do new bonds, J. & J.....	1892-1898	2,333,000	J & J	23	20	22	.....
do do A. & O.....		495,000		23	20	22	.....
do Chatham Railroad.....		1,200,000	A & O	13	5	10	.....
do special tax, Class 1.....			A & O	14½	8	12	12
do do Class 2.....			A & O	10½	10	*14½	14½
do do to W'n N. C. R.....			A & O	.....	.....	.....	.....
do do to West'n R. R.....			A & O	.....	.....	.....	.....
do do to Wil. C. & R'n R. R.....			A & O	.....	.....	.....	.....
do do to W'n & Tar R. R.....			A & O	.....	.....	.....	.....
do consolidated 4's.....	1910		J & J	100½	89½	100	101
do do small.....		3,620,311	J & J	98	87	97	.....
do do 6's.....	1919	2,400,000	A & O	129	115	128	128
Rhode Island 6's, coupon.....	1893-4	1,372,000	J & J	124	118	120	.....
South Carolina 6's, Act March 23, 1899.		5,965,000	.....	7½	5	6½	6½
do non-fundable, 1893.....							
do Brown consolidation 6's.....	1893	4,352,000	J & J	110½	104	107	.....
Tennessee 6's, old.....	1890-2-3			65½	53	65	66
do 6's, new bonds.....	1892-8-1900	4,397,000		65½	53	65	66
do 6's, new series.....	1914			65½	53	65	66
do compromise 3-4-5-6's.....	1912	2,014,500	J & J	75½	63	75	76½
do new settlement 6's.....	1913	669,000	J & J	109	103	105½	.....
do do small bonds.....		46,200	J & J	.....	.....	.....	109½
do do 5's.....	1913	347,000	J & J	102	100	101½	.....
do do small bonds.....		10,100	J & J	.....	.....	.....	.....

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

A * indicates no quotation for past month, the last previous quotation being given.
 ‡ A part of this reserved to cover previous issues, etc. † Amount authorized.

STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		FEB. 1, 1887.	
				High.	Low.	Bid.	Ask d
do do 3's.....	1913	9,879,000	J & J	80	71½	78	78½
do do small bonds...		320,600	J & J			*76	
Virginia 6's, old.....		9,427,000		47	42	48	
do 6's, new bonds.....	1886	700,000		47	42	48	
do 6's, do.....	1887	466,000		49	42	48	
do 6's, consolidated bonds.....		20,239,000		100	80	90	
do 6's, ex-matured coupons.....				60	50		54
do 6's, consolidated, 2d series.....		2,442,784		69	60	65	
do 6's, deferred bonds.....		12,691,531		13¾	9	12½	14
do Trust receipts.....				13¾	9	14¾	15
District of Columbia 3-6's.....	1924		F & A	120	116	121	
do small bonds.....		13,743,250	F & A				
do registered.....			F & A				
do funding 5's.....	1899		J & J	112½	110	108	
do do small.....		1,092,300	J & J				
do do regist'd.....			J & J				
FOR. GOV. SECURITIES.—Quebec 5's.....	1908	3,000,000	M & N			108	

CITY AND COUNTY.

Brooklyn 6's.....			J & J			120	
do 6's, Water Loan.....		9,706,000	J & J			130	
do 6's, Improvement Stock.....		730,000	J & J			130	
do 7's, do.....		6,084,000	J & J			140	
do 6's, Public Park Loan.....		1,217,000	J & J			135	
do 7's, do.....		8,016,000	J & J			140	
Jersey City 6's, Water Loan.....		1,163,000	J & J			108	
do 7's, do.....		3,109,800	J & J			115	
do 7's, Improvement.....		3,669,000	J & J			110	
Kings County 6's.....							
New York City 6's, 20, 50.....	1877					130	
do 6's.....	1878					132	
do 6's.....	1887	3,066,000	F.M.A.N			*103	
do gold 6's, consolidated.....	1896		M & N			125	
do do 6's.....	1902	14,702,000	J & J			133½	
do do 6's, Dock bonds.....		3,976,000				130	
do do 6's, County bonds.....						130	
do do 6's, C's, Park.....	1894-6	10,343,000	J & D			115	
do 6's.....	1896					123	
do 5's.....	1898	674,000	Q J			119	

MISCELLANEOUS.

	PAY.						
Bankers & Merchants' Telegraph.....	100	3,000,000		3½	2½	*2½	3
Boston Land Co.....	10	800,000					
Canton Co., Baltimore.....	100	4,500,000		65	53		
Cent. New Jersey Land Improvement.....	100	2,420,300				*24	28
Consolidated Gas Co.....	100	35,430,000		111	74½	85	85½
Delaware & Hudson Canal.....	100	23,500,000	Q M	108½	87½	102	102½
Iron Steamboat Company.....	100	2,000,000					
Philadelphia Company.....	50	6,500,000	Mthy			110	115½
Pullman's Palace Car Co.....	100	15,977,200	Q F	147½	128	146	147
Southern & Atlantic Telegraph.....	25	948,875	A & O			*142	
Sutro Tunnel Co.....	10	20,000,000					
Western Union Telegraph.....	100	80,000,000	Q J	80½	60½	71½	72½
North-Western Telegraph.....	50	2,500,000					
Central & So. American Telegraph.....	100	4,000,000	Q & J				
Commercial Telegram Co.....	100	1,800,000				*35	40
do do preferred.....	100	2,000,000				*102	103
Mexican Telegraph Co.....	100	1,500,000	Q J	105	103½		
Joliet Steel Co.....	100	2,666,000		131	105	122	130

GOVERNMENT SECURITIES.

United States 4½ registered.....	1891		M.J.S.&D			110¼	110½
do 4½ coupons.....	1891	250,000,000	M.J.S.&D	114	109½	110¼	110½
do 4's registered.....	1907		J.A.J.&O			128½	128¾
do 4's coupons.....	1907	737,781,850	J.A.J.&O	129½	123	128½	128¾
do 3's reg'd option U. S.....		63,899,000	F.M.A.N	102½	100	100	
do 6's, currency.....	1895	3,002,000	J & J			128	
do 6's, do.....	1896	8,000,000	J & J			128¾	
do 6's, do.....	1897	9,712,000	J & J			131½	
do 6's, do.....	1898	29,904,952	J & J	136½	133	134½	
do 6's, do.....	1899	14,004,560	J & J			136¾	137¼

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RAILROAD STOCKS.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		FEB. 1, 1887.	
				High.	Low.	Bid.	Ask'd
Albany & Susquehanna.....	100	3,500,000	J & J	148	136	140	150
Atchison, Topeka & Santa Fe.....	100	68,000,000	Q F	99 $\frac{3}{4}$	84 $\frac{1}{2}$	*97	97 $\frac{1}{2}$
Atlantic & Pacific.....	100	25,000,000	.....	139 $\frac{3}{4}$	7	11	11 $\frac{1}{4}$
Burlington, Cedar Rapids & Northern.....	100	5,500,000	.....	75	45	50	.....
Buffalo, Rochester & Pittsburgh.....	100	4,800,000	.....	35 $\frac{1}{2}$	22 $\frac{1}{2}$	34	35
Canada Southern.....	100	15,000,000	F & A	71 $\frac{1}{2}$	34 $\frac{3}{4}$	55 $\frac{3}{4}$	55 $\frac{3}{4}$
Canadian Pacific.....	100	65,000,000	F & A	73	61	62 $\frac{3}{4}$	63
Central of New Jersey.....	100	18,543,200	Q M	64	42 $\frac{1}{2}$	60 $\frac{1}{2}$	60 $\frac{1}{2}$
Central Iowa.....	100	9,100,000	.....	22 $\frac{1}{2}$	12	.....	15
do 1st preferred.....	100	907,000	.....	.....	.....	*17	.....
do 2d preferred.....	100	1,167,800	.....	.....	.....	10	11 $\frac{1}{4}$
Central Pacific.....	100	62,608,800	F & A	51	38	36	36 $\frac{3}{4}$
Charlotte, Columbia & Augusta.....	100	2,575,000	.....	50	30	.....	.....
Chesapeake & Ohio.....	100	15,906,138	.....	13 $\frac{1}{2}$	7	8 $\frac{1}{2}$	9
do do 1st preferred.....	100	10,986,740	.....	21 $\frac{1}{2}$	13	15 $\frac{1}{2}$	16 $\frac{1}{2}$
do do 2d preferred.....	100	10,379,350	.....	15 $\frac{1}{2}$	8 $\frac{1}{2}$	10	11
Chicago & Alton.....	100	14,256,000	M & S	146	138	*143	144
do do preferred.....	100	3,479,500	Q M	162	150	*155	160
Chicago & Northwestern.....	100	41,257,700	J & D	120 $\frac{3}{4}$	104 $\frac{1}{4}$	111 $\frac{3}{4}$	112
do do preferred.....	100	22,208,300	Q M	144	135	138	139
Chic., St. Paul, Minneapolis & Omaha.....	100	22,087,700	.....	55	35 $\frac{1}{4}$	47 $\frac{1}{4}$	47 $\frac{1}{2}$
do do preferred.....	100	13,283,500	J & J	116 $\frac{1}{2}$	97	106 $\frac{1}{2}$	107 $\frac{1}{2}$
Chicago, Rock Island & Pacific.....	100	*50,000,000	Q F	131	120 $\frac{1}{2}$	124	126
Chicago, Burlington & Quincy.....	100	76,540,500	Q M	141	128 $\frac{1}{2}$	137 $\frac{1}{2}$	138
Chicago, Milwaukee & St. Paul.....	100	30,904,261	.....	99	82 $\frac{1}{2}$	85	88 $\frac{1}{2}$
do do do preferred.....	100	21,540,983	A & O	125 $\frac{1}{2}$	116	117	118
Chicago & Eastern Illinois.....	100	3,000,000	.....	.....	.....	.....	.....
Chicago, St. Louis & Pittsburgh.....	100	10,000,000	.....	18 $\frac{1}{2}$	9 $\frac{1}{4}$	15	18
do do do preferred.....	100	20,000,000	.....	43 $\frac{3}{4}$	26 $\frac{1}{2}$	34	39 $\frac{1}{2}$
Cin., New Orleans & Texas Pacific.....	100	3,000,000	.....	.....	.....	.....	.....
Cleveland & Pittsburgh guaranteed.....	50	11,243,736	Q M	153	146 $\frac{1}{2}$	*56	56 $\frac{1}{2}$
Cleve., Columbus, Cin. & Indianapolis.....	100	14,991,800	F & A	75 $\frac{1}{2}$	43 $\frac{1}{2}$	60	61
Columbia & Greenville.....	100	1,000,000	.....	.....	.....	.....	.....
do do preferred.....	100	1,000,000	.....	60	42	.....	.....
Columbus, Hocking Valley & Toledo.....	100	1,700,000	.....	45 $\frac{1}{2}$	26 $\frac{1}{2}$	33 $\frac{1}{2}$	36
Delaware, Lackawanna & Western.....	50	29,200,000	Q J	144	115	134 $\frac{1}{2}$	134 $\frac{1}{2}$
J Morris & Essex.....	50	15,000,000	J & J	144	132 $\frac{1}{2}$	144	141
J N. Y., Lackawanna & Western.....	100	10,000,000	Q J	109	100 $\frac{1}{2}$	105 $\frac{1}{2}$	107
Dubuque & Sioux City.....	100	5,000,000	A & O	101	60 $\frac{1}{2}$	*68	72
Denver & Rio Grande R. R.....	100	38,000,000	.....	35 $\frac{1}{2}$	21 $\frac{1}{2}$	24	25
do do do preferred.....	100	23,650,000	.....	63 $\frac{1}{2}$	53 $\frac{1}{2}$	59	59 $\frac{1}{2}$
Denver & Rio Grande Western.....	100	7,500,000	.....	.....	.....	.....	.....
Denver, South Park & Pacific.....	100	5,500,000	.....	.....	.....	.....	.....
Detroit, Mackinac & Marquette.....	100	6,250,000	.....	.....	.....	.....	.....
East Tennessee, Virginia & Georgia.....	100	27,500,000	.....	18 $\frac{1}{2}$	11	13 $\frac{1}{2}$	14
do do do 1st preferred.....	100	11,000,000	.....	83 $\frac{1}{2}$	67	72	74
do do do 2d preferred.....	100	18,500,000	.....	35 $\frac{1}{2}$	24	24	24 $\frac{1}{2}$
Elizabeth'n, Lexington & Big Sandy.....	100	5,000,000	.....	22	15	17	20
Evansville & Terre Haute.....	50	3,000,000	.....	91 $\frac{1}{2}$	67 $\frac{1}{2}$	85	87 $\frac{1}{2}$
Flint & Pere Marquette preferred.....	100	6,500,000	.....	.....	.....	.....	.....
Green Bay, Winona & St. Paul.....	100	8,000,000	.....	14 $\frac{1}{2}$	8	12	13
do do preferred.....	100	2,000,000	.....	.....	.....	.....	.....
Harlem.....	50	8,518,100	J & J	240	213 $\frac{1}{4}$	216	225
do preferred.....	50	1,481,900	J & J	.....	.....	.....	.....
Houston & Texas Central.....	100	10,000,000	.....	44 $\frac{1}{2}$	25	.....	43
Illinois Central.....	100	30,000,000	M & S	143 $\frac{1}{2}$	130	132 $\frac{1}{2}$	134
do leased line 4 per cent. stock.....	100	10,000,000	J & J	100 $\frac{1}{2}$	93	15 $\frac{1}{2}$	17
Indiana, Bloomington & Western.....	100	10,000,000	.....	28 $\frac{1}{2}$	12	15	16
Joliet & Chicago.....	100	1,500,000	Q J	150 $\frac{1}{2}$	150	.....	.....
Kentucky Central.....	100	5,500,000	.....	.....	.....	.....	.....
Lake Shore & Michigan Southern.....	100	49,468,500	Q F	100 $\frac{1}{2}$	76 $\frac{1}{2}$	92 $\frac{1}{2}$	93 $\frac{1}{2}$
Long Island.....	50	10,000,000	Q F	100	80	94	95 $\frac{1}{2}$
Louisville & Nashville.....	100	30,000,000	.....	69	33 $\frac{1}{2}$	61 $\frac{1}{2}$	61 $\frac{1}{2}$
Louisville, New Albany & Chicago.....	100	5,000,000	.....	71	32	57	64
Mexican Central (limited).....	100	33,170,000	.....	.....	.....	13 $\frac{1}{4}$	14
Milwaukee, Lake Shore & Western.....	100	2,000,000	.....	71 $\frac{1}{2}$	22	.....	71
do do preferred.....	100	5,000,000	.....	103	50 $\frac{1}{2}$	.....	100
Milwaukee & Northern.....	100	2,155,000	.....	42 $\frac{1}{2}$	40	*35	40
Manhattan Beach Company.....	100	5,000,000	.....	21 $\frac{1}{2}$	13 $\frac{1}{2}$	*14	16
Michigan Central.....	100	18,738,204	.....	98 $\frac{1}{2}$	61 $\frac{1}{2}$	86	86 $\frac{1}{2}$
Missouri Pacific.....	100	40,000,000	Q J	119	100 $\frac{1}{2}$	105 $\frac{1}{2}$	106 $\frac{1}{2}$
Missouri, Kansas & Texas.....	100	46,405,000	38 $\frac{1}{2}$	21	28 $\frac{1}{2}$	28 $\frac{1}{2}$

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		FEB. 1, 1887.	
				High.	Low.	Bid.	Askd
Mobile & Ohio assented.....	100	5,320,600	.....	217½	11	15	15½
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100	.....	.....	.....	.....	.....
Minneapolis & St. Louis.....	100	6,000,000	.....	237½	16¼	17½	18½
do do preferred.....	100	4,000,000	Q J	52½	40	42	43
Manhattan consolidated.....	100	23,895,630	.....	175	120	156	.....
New York Central & Hudson River.....	100	89,428,300	Q J	117½	98¾	111¾	112
New York, New Haven & Hartford.....	100	15,500,000	J & J	223	204¼	*210	.....
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000	.....	102	96	101	102
New York, Lake Erie & Western.....	100	78,000,000	.....	38¾	22½	31½	31¾
do do preferred.....	100	8,536,900	J & J	81½	50½	66½	67
New York, Ontario & Western.....	100	58,113,982	.....	22¾	15	17	17¾
New York & New England.....	100	20,000,000	.....	65¾	30½	56½	56¾
New York, Chicago & St. Louis.....	100	28,000,000	.....	17¾	4¾	10	10½
do do preferred.....	100	22,000,000	.....	31	11	19	20
New York, Susquehanna & Western.....	100	13,000,000	.....	12½	6	11½	11¾
do do preferred.....	100	8,000,000	.....	33½	17½	32½	32¾
Northern Pacific.....	100	49,000,000	.....	31¾	22	26½	26¾
do do preferred.....	100	38,392,783	.....	66½	53½	57½	57¾
Nashville, Chattanooga & St. Louis.....	25	6,668,375	.....	105½	43¾	82	82
Norfolk & Western.....	100	7,000,000	.....	27¾	8	18	19½
do do preferred.....	100	18,000,000	.....	59¾	25	46	46½
Norfolk Southern.....	100	1,000,000	.....	.....	.....	.....	.....
Ohio & Mississippi.....	100	20,000,000	.....	35½	19½	23¾	24¼
do do preferred.....	100	4,030,000	.....	91	79	*90¼	92½
Ohio Southern.....	100	3,840,000	.....	22¼	13½	20¾	21
Oregon & California.....	100	7,000,000	.....	.....	.....	.....	.....
do do preferred.....	100	12,000,000	.....	.....	.....	.....	.....
Oregon & Trans-Continental.....	100	40,000,000	Q J	38	25	30¼	31½
Oregon Short Line.....	100	15,265,000	.....	38	19¾	.....	34
Oregon Improvement Co.....	100	7,000,000	Q F	51	16	47	.....
Oregon Railway & Navigation Co.....	100	24,000,000	.....	109¾	93	100	.....
Philadelphia & Reading.....	50	34,702,000	.....	53¾	18½	37¾	37¾
do do preferred.....	100	1,286,800	.....	.....	.....	.....	.....
Pittsburgh, Ft. Wayne & Chic. guar'd. 100	100	19,714,285	Q J	150	141	*148	150
do do special.....	100	10,776,600	.....	140	132½	.....	.....
Pitts., McK'sport & Youghiogheny con..	100	3,000,000	.....	.....	.....	34½	34¾
Peoria, Decatur & Evansville.....	100	8,400,000	.....	34¾	16	33½	34
Rochester & Pittsburgh.....	100	1,682,500	.....	7½	3¾	*34	.....
Richmond & Allegheny reorganiz'n cert.	100	4,428,800	.....	15¼	2	14	14½
Richmond & Danville.....	100	5,000,000	Q F	200	75	*150	.....
Richmond & West Point R. & W. Co.....	100	23,367,900	.....	77¾	27¼	43½	43¾
do do preferred.....	100	4,578,600	.....	.....	.....	78	80½
Rome, Watertown & Ogdensburg.....	100	5,293,900	.....	96	25	.....	90
Utica & Black River guaranteed.....	100	2,223,000	M & S	125	117½	120	.....
South Carolina.....	100	4,204,160	.....	24	10½	*16	.....
Southern Pacific.....	100	88,076,200	.....	41¾	30¼	.....	37
St. Louis, Alton & Terre Haute.....	100	2,300,000	.....	46	27	31	34
do do preferred.....	100	2,468,400	.....	95	80	.....	80
Belleville & Southern Illinois pref.....	100	1,275,000	July	.....	.....	.....	.....
St. Louis & San Francisco.....	100	11,954,300	.....	36¾	17	29¼	30½
do do preferred.....	100	10,000,000	F & A	72¾	37½	64	65
do do 1st preferred.....	100	4,500,000	.....	18½	97	112	113½
St. Louis, Arkansas & Texas.....	100	9,555,000	.....	.....	.....	.....	.....
St. Paul & Duluth.....	100	4,055,400	.....	67	37	58	59
do do preferred.....	100	5,377,003	.....	114	99¾	108	108½
St. Joseph & Grand Island.....	100	4,600,000	.....	37	25	.....	34
St. Paul, Minneapolis & Manitoba.....	100	20,000,000	Q F	124½	108¾	114	114½
Texas & Pacific.....	100	.....	.....	25	7¼	*19¾	20½
do Trust Co. certificates.....	100	32,188,700	Q	28¾	17¼	22	22½
do 1st Assn't paid.....	100	.....	.....	.....	.....	22½	23
Toledo & Ohio Central.....	100	1,592,000	.....	38¾	26	34	36
do do preferred.....	100	3,108,000	.....	53½	46¼	58	59
United New Jersey R. & Canal Co.'s.....	100	21,240,400	Q J	.....	.....	.....	.....
Union Pacific.....	100	61,000,000	Q J	68¼	44¼	56½	56¾
Utah Central.....	100	4,250,000	.....	18	11	.....	.....
Virginia Midland.....	100	6,000,000	.....	51½	15	40	42
Wabash, St. Louis & Pacific.....	100	28,419,500	Q F	13	6	*6¼	7
do do full-paid p. c. cert.....	100	.....	.....	24½	12	14	14½
do do preferred.....	100	24,223,200	.....	27	17	.....	17
do do full-paid p. c. cert.....	100	41¾	23½	23	26¾
Wheeling & Lake Erie Railway.....	100	3,600,000

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		FEB. 1, 1887.	
				High.	Low.	Bid.	Ask'd
Atchison, Topeka & Santa Fe 4½'s....1920		5,150,000	A & O	.....	.....	.....	.....
do do sinking fund 6's.1911		12,348,000	J & D	.....	.....	115½	.....
Atlantic & Pacific guar'd 1st gold 4's.1937		17,610,000	J & J	.....	.....	86¾	.....
Balt. & Ohio 1st 6's (Parkersb'g br'ch).1919		3,000,000	A & O	128½	120	126	.....
do 5's, gold....1885-1925		10,000,000	F & A	114	108½	111	.....
do do registered.....		F & A	113¾	109¼	*109½	.....
Boston, Hoosac Tunnel & W'n deb.5's.1913		2,000,000	M & S	93¾	92¼	91	.....
Bur., Cedar Rapids & Northern 1st 5's.1906		6,500,000	J & D	111	106	110	.....
do do con. 1st & col. tr.5's.1934		5,000,000	A & O	110	98	*102½	.....
do do do registered.....		A & O	.....	.....	*103½	.....
Minneapolis & St. L. 1st 7's, gold....1927		150,000	J & D	136	128	135	.....
Iowa City & Western 1st 7's....1909		456,000	M & S	114½	109¼	*109	.....
Cedar Rapids, Iowa Falls & N. 1st 6's.1920		825,000	A & O	111	110¼	110	.....
do do do 1st 5's.1921		1,905,000	A & O	106½	100	105	.....
Buffalo, N. Y. & Phila. con. 1st 6's....1921		11,000,000	J & J	51	37	*57½	.....
do do trust certificates..		46¾	.....
do do general 6's....1924		3,700,000	M & S	.....	.....	*45	.....
do do trust certificates..		40	.....
Canada Southern 1st int. gold 5's....1908		14,000,000	J & J	108¾	103¼	105¾	108½
do 2d mortgage 5's....1913		6,000,000	M & S	95	84	92½	93¾
do do registered.....		M & S	.....	.....	93	94
Central Iowa 1st mortgage 7's....1899		3,700,000	J & J	111	94	*112	.....
do do coupons off.....		80¾	80
do (Eastern division) 1st 6's.1912		1,515,000	A & O	75	66	75	75
do (Illinois division) 1st 6's.1912		1,520,000	A & O	70	66	70	75
Chesapeake & Ohio pur. money fund.1898		2,300,000	J & J	117	111¼	110	107½
do 6's, gold, Series A....1908		2,000,000	A & O	114	108¼	106	107½
do 6's, gold, Series B....1908		M & N	.....	.....	*88¼	.....
do do coupons off.....		15,000,000	M & N	84	80	79¾	79¾
do small bonds....1908		M & N	.....	.....	*74	75
do do coupons off.....		M & N	.....	.....	78¼	75
do extension coupon 4's....1906	
do do reg'd 4's....1906	
do 6's, currency....1918		10,122,500	J & J	41½	25	29¼	30
do small bonds....1918		J & J	.....	.....	28	.....
do mortgage 6's....1911		2,000,000	A & O	103	94½	98¼	99
Ches., Ohio & S.-W. mortgage 5-6's....1911		6,676,000	F & A	104	88½	104	108
Chicago & Alton 1st mortgage 7's....1898		2,383,000	J & J	121¼	117	115	.....
do sinking fund 6's....1903		2,655,000	M & N	125	121	124¼	.....
Louisiana & Missouri River 1st 7's....1900		1,785,000	F & A	124	120	124	.....
do do 2d 7's....1900		300,000	M & N	116¼	116	.....	120
St. Louis, Jacksonville & Chic. 1st 7's.1894		2,365,000	A & O	122	116½	117	.....
do 1st guarantee (544) 7's.1894		564,000	A & O	.....	.....	118	.....
do 2d mortgage (390) 7's.1898		61,000	J & J	.....	.....	115	.....
do 2d guarantee (188) 7's.1898		188,000	J & J	.....	.....	117	.....
Mississippi River Bridge 1st 5's.1'd 6's.1912		684,000	A & O	107	105	108¼	.....
Chicago, Burling'n & Quincy cons. 7's.1903		\$30,000,000	J & J	188	182½	132	134
do 5's, sinking fund....1901		2,500,000	A & O	.....	.....	114	.....
do 5's, debentures....1913		9,000,000	M & N	110¼	105	106¼	.....
do (Iowa div.) sinking f'd 5's.1919		3,000,000	A & O	113¾	112½	112	.....
do do 4's.1919		10,591,000	A & O	103	99¼	.....	98¾
do Denver division 4's....1922		7,988,000	F & A	101¼	97½	98¼	.....
do do 4's....1921		4,300,000	M & S	101½	92½	*97	.....
Chic. Burlington & Northern 1st 5's....1926		9,000,000	A & O	104¾	102½	105	105½
do do debentures 6's.1896		2,250,000	J & D	.....	.....	.....	.....
Chic., Rock Island & Pacific 6's, coup.1917		*12,500,000	J & J	140	128¼	181¼	183
do 6's, registered.....1917		J & J	140	130	180¾	183
do extension & col. 5's....1934		4,800,000	J & J	113	109	.....	112
do do registered.....		J & J	.....	.....	.....	112
Keokuk & Des Moines 1st mort. 5's....1923		2,750,000	A & O	113	108	106	110
do small bonds....1923		A & O	.....	.....	105	.....
Central Railroad of N. J. 1st 7's....1890		5,000,000	F & A	114¾	107	110	110½
do 1st consolidated 7's....1899		Q J	.....	.....	104	.....
do assented.....		\$25,000,000	.....	118	108	109¼	110½
do convertible 7's....1902		5,000,000	M & N	.....	.....	104	.....
do assented.....		120	108	109	110
do adjustment 7's....1903		5,550,000	M & N	112	108¼	105¼	108¼
do convertible deb. 6's....1908		5,000,000	M & N	92¼	68	85½	85½

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				High.	Low.	Bid.	Askd
Lehigh & Wilkes-Barre con. gold... 1900		11,500,000	J Q M	114½	108	111
do do do assented							
\$6,116,000 held by Central R. R. of N. J. unassented: \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's... 1921		5,000,000	J & J	103	89	101½	102
Mil. & St. Paul 1st. m. 8's Pra. du Chn. 1898		3,674,000	F & A	130½	132	135	136
do do 2d 7 3-10 Pra. du Chn. 1898		1,241,000	F & A	129	125	124	.....
do do 1st 7's gold, Riv. division. 1902		3,804,500	J & J	134½	130	.....	131½
do do 1st 7's 2 do do 1902			J & J	125	120	116	116
do do 1st m. La Crosse div. 7's... 1893		5,279,000	J & J	125	120	120	122½
do do 1st m. Iowa & Minn. 7's... 1897		3,198,000	J & J	127½	122½	120	122½
do do 1st m. Iowa & Dakota 7's... 1899		541,000	J & J	132	124½	123½	130
do do 1st m. Chicago & Milw. 7's... 1903		2,393,000	J & J	134	130	128	130
do do consolidated 7's... 1906		356,000,000	J & J	138	128½	128½	128½
do do 1st 7's, Iowa & Dak. exten. 1908		3,505,000	J & J	134½	125½	130	130½
do do 1st 5's, Southwest'n div'n. 1908		4,000,000	J & J	121	115½	116	.....
do do 1st 5's, La Crosse & Dav. 1919		3,000,000	J & J	109½	105	105½	116
do do 1st So. Minnesota div. 6's... 1910		7,432,000	J & J	121	114½	115	116½
do do 1st Hastings & Dak. div. 7's. 1910		5,680,000	J & J	131	124	124½	125
do do do do 5's. 1910		585,000	J & J	.....	.....	.....	.....
do do Chic. & Pacific div. 6's... 1910		3,000,000	J & J	124½	119	118	120
do do 1st Chicago & Pac. W. 5's... 1921		21,100,000	J & J	111	103	107	107½
do do Chic. & Mo. R. div. 5's... 1923		2,040,000	J & J	.....	.....	.....	.....
do do Mineral Point div. 5's... 1910		2,840,000	J & J	108½	102	107½	107½
do do Chic. & L. Sup'r div. 5's... 1921		1,380,000	J & J	.....	.....	104½	107½
do do Wis. & Min. div. 5's... 1921		4,755,000	J & J	109½	102	105½	106½
do do terminal 5's... 1914		4,303,000	J & J	108½	101½	103	.....
do do Far. & So. 6's assu. 1924		1,250,000	J & J	119	114½	112	.....
Dakota & Gt. Southern 5's... 1916		1,000,000	J & J	.....	.....	100½	.....
Chic. & Northw'n consol. bonds, 7's. 1915		\$12,900,000	Q F	143½	138½	141	142½
do coupon gold 7's... 1902			J & D	140	130	131	133
do registered gold 7's... 1902		\$48,000,000	J & D	137	130½	131	133
do sink'g fund 6's... 1879-1929			A & O	121	115	118	.....
do do do registered... 1879-1929		6,305,000	A & O	120	118	118	.....
do do do 5's... 1879-1929			A & O	112	108	108½	109½
do do do registered... 1883		8,155,000	A & O	111½	107	.....	*108
do do debenture 5's... 1893			M & N	110½	105	.....	110
do do do registered... 1909		10,000,000	M & N	110½	105	108½	.....
do do 25 year debenture 5's... 1909			M & N	109	104½	107½	108
do do do registered... 1886-1926		4,000,000	M & N	.....	.....	108	108
do do extension... 1886-1926		4,385,000	F & A 15	101½	101½	.....	101½
Recanaba & Lake Superior 1st 6's... 1901		720,000	J & J	115½	115	115	.....
Des Moines & Minneapolis 1st 7's... 1907		600,000	F & A	.....	.....	.....	*181
Iowa Midland 1st mortgage 8's... 1900		1,350,000	A & O	137	134	133	.....
Peninsula 1st convertible 7's... 1898		152,000	M & S	.....	.....	118	.....
Chicago & Milwaukee 1st mortg. 7's. 1898		1,700,000	J & J	133	124	121½	.....
Winona & St. Peters 2d 7's... 1907		1,592,000	M & N	.....	.....	129½	.....
Milwaukee & Madison 1st 6's... 1905		1,600,000	M & S	117½	116½	115	.....
Ottumwa, C. F. & St. P. 1st 5's... 1908		1,600,000	M & S	111	106	108½	.....
Northern Illinois 1st 5's... 1910		1,500,000	M & S	110½	106	.....	112
Cin., Ind., St. L. & Chic. 1st guar. 4's. 1936		1,255,000	Q F	.....	.....	.....	100
do do do registered... 1899		3,000,000	M & N	128	123	122	123½
C., C. & Ind'polis 1st 7's sink. fund. 1914			J & D	134	123½	125	.....
do do consolidated mtge 7's... 1914		\$7,500,000	J & D	128	124	*126½	.....
do do sinking fund 7's... 1914			J & J	110½	100	.....	107½
do do gen'l consol. 6's... 1924		3,500,000	J & J	.....	.....	*110½	.....
do do do registered... 1980		\$22,839,000	J & D	126½	118½	121½	.....
Chic., St. P., Min's & Omaha con. 6's... 1918		3,000,000	M & N	130	125	.....	128
do do do do 1st 6's... 1930		800,000	J & J	.....	.....	.....	128
do do do do 1st mortgage 6's... 1919		7,000,000	A & O	130	125	128½	127
St. Paul & Sioux City 1st 6's... 1967		3,000,000	J & D	122	115	.....	115½
Chic. & Eastern Ill. 1st sink'g f'd c'y... 1884			J & D	.....	.....	*118	119
do do do small bonds... 1884		2,500,000	A & O	119	110	114	115½
Chic., St. Louis & Pittsb. 1st con. 5's... 1932		\$22,000,000	A & O	100	92	101	.....
do do do do registered... 1919		2,500,000	M & N	116	112½	.....	116
Chic. & West'n Ind. 1st sinking f'd 6's... 1932		\$3,898,666	Q M	113	109	111	.....
do do do general mortgage 6's... 1915		1,500,000	M & S	108	101	114
Chicago & St. Louis 1st 6's... 1936		2,808,000	J & J	100½	92	99½	100

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		FEB. 1, 1887.	
				High.	Low.	Bid.	Ask d
Columbia & Greenville 1st 6's.....	1816	2,000,000	J & J	.....	.....	103	.....
do do 2d 6's.....	1828	1,000,000	A & O	.....	.....	84	*84
Col., Hocking Valley & Toledo 1st 5's. 1831		14,500,000	M & S	94	81	84	84½
do general mortgage gold 6's. 1904		2,000,000	J & D	97½	88½	.....	88
Delaware, Lackawanna & W. conv. 7's.....	1892	900,000	J & D	116½	114	.....	115
do do mtge 7's.....	1907	\$10,000,000	M & S	140	135½	140	.....
Syracuse, Binghamton & N. Y. 1st 7's.....	1906	1,750,000	A & O	137½	131½	131½	.....
Morris & Essex 1st mortgage 7's.....	1914	5,000,000	M & N	146	140½	141	142
do do 2d 7's.....	1891	8,000,000	F & A	117	112½	*115	.....
do do bonds 7's.....	1900	281,000	J & J	.....	.....	.....	*119
do do 7's of 1871.....	1901	4,991,000	A & O	133	125	.....	123½
do do 1st cons. gua'd 7's.....	1915	25,000,000	J & D	138	130	134	136
N. Y., Lackawanna & W'n 1st 6's.....	1921	12,000,000	J & J	133	125	.....	128
do do construction 5's.....	1823	5,000,000	F & A	113	106½	109	110
Delaware & Hud. Canal 1st reg. 7's.....	1891	4,988,000	J & J	115½	110	.....	110
do do 1st extension 7's.....	1891	549,000	M & N	115½	112½	113	.....
do do coupon 7's.....	1894	4,829,000	(A & O) 121	115½	117½	121	.....
do do registered 7's.....	1894	.....	(A & O) 120½	118	116	117½	.....
do do 1st Penna. Div. coupon 7's.....	1917	.....	M & S	144½	136	141	142½
do do do registered.....	1917	\$10,000,000	M & S	141	140½	142½	.....
Albany & Susquehanna 1st 7's.....	1888	1,000,000	J & J	109	106½	103½	104
do do 1st cons. gua'd 7's.....	1906	8,000,000	(A & O) 135	128½	130	.....	.....
do do do registered.....	.....	.....	(A & O) 130	128½	128½	.....	.....
do do do 6's.....	1906	5,117,000	(A & O) 124	117½	121	.....	.....
do do do registered.....	.....	.....	(A & O) 119½	118	121	123	.....
Rensselaer & Saratoga 1st coup. 7's.....	1921	2,000,000	M & N	144	141½	143	.....
do do 1st reg. 7's.....	1921	.....	.....	.....	142½	.....	.....
Denver & Rio Grande 1st consol. 4's.....	1836	22,575,000	.....	81½	75½	77	78
do do 1st mtge 7's.....	1900	6,382,500	M & N	124	114½	119	120
Denver, South Park & Pac. 1st 7's.....	1905	1,800,000	M & N	89	72	.....	77
Denver & Rio Grande West'n 1st 6's.....	1911	5,857,000	M & S	85½	72½	77	79½
do do do assented.....	.....	.....	(A & S) 83½	72	75	77	.....
Detroit, Mack, & Marquette 1st 6's.....	1921	2,280,000	A & O	100	55	*90	.....
do do Land Grant 3½ S. A. 1911		4,560,000	.....	56	20	50	51½
Detroit, Bay City & Alpa's 1st 6's.....	1913	1,800,000	J & J	106½	105	.....	108½
East Tenn., Virginia & Georgia 1st 7's.....	1900	3,500,000	J & J	126	118½	122	.....
do do divisional 5's.....	1830	3,108,000	J & J	108	105	107	.....
do do con. 1st gtd 5's.....	1856	12,770,000	M & N	99½	94½	98½	99½
Elizabeth City & Norfolk S.F. deb. cert. 6's.....	.....	250,000	A & O	.....	.....	*80	.....
do do 1st mtge 6's.....	1920	900,000	M & S	.....	.....	52½	.....
Elizabeth'n, Lex & Big Sandy 6's.....	1902	3,500,000	M & S	110	99	107	107½
Erie 1st mortgage extended 7's.....	1897	2,482,000	M & N	127½	121	121	.....
do do 2d extended 5's.....	1919	2,149,000	M & S	117½	113	.....	115½
do do 3d extended 4½'s.....	1923	4,618,000	M & S	112½	108	108	.....
do do 4th extended 5's.....	1920	2,937,000	A & O	119	112½	114	115
do do 5th extended 7's.....	1888	709,500	J & D	109	103	105½	106
do do 1st consolidated gold 7's.....	1920	\$30,000,000	M & S	136½	129	135½	136
do do 1st cons. f'd coup. 7's.....	1920	3,705,997	M & S	133	120½	130	134½
do do reorganization 1st lien 6's.....	1908	2,500,000	M & N	112	108½	115	112½
Long Dock Bonds, 7's.....	.....	8,000,000	J & D	120	112½	114	115½
do do cons. 6's.....	1935	4,500,000	A & O	124	114½	117	118
Buffalo, N. Y. & Erie 1st 7's.....	1916	2,380,000	J & D	140	133½	136	.....
N. Y., L. Erie & W. new 2d con. 6's.....	1969	33,597,400	J & D	116½	89	*102	.....
do do ex June, 1866, coup. f.....	.....	.....	.....	101½	76½	90	.....
do do Coll. Trust 6's.....	1922	5,000,000	M & N	108	102	.....	107
do do Fund coupon 6's.....	1885-1969	4,032,000	J & D	96½	77½	*94	.....
Buffalo & Southw'n mortgage 6's.....	1908	1,500,000	J & J	.....	.....	90	.....
do do small.....	.....	.....	J & J	.....	.....	.....	.....
Evansville & Terre Haute 1st con. 6's.....	1921	8,000,000	J & J	120½	111½	118½	.....
do do Mt. Vernon 1st 6's.....	1923	875,000	A & O	112½	103	.....	113
do do Indianapolis 1st con. 6's.....	1928	1,001,000	J & J	113	109	.....	109
Flint & Pere Marquette mtge 6's.....	1920	5,000,000	A & O	122½	116	121	.....
Fort Worth & Denver City 1st 6's.....	1921	3,920,000	J & D	95½	81	86½	89½
Gal., Harrisburg & San Antonio 1st 6's.....	1910	4,800,000	F & A	116	106½	.....	109
do do 2d mortgage 7's.....	1905	1,000,000	J & D	119½	108	.....	110
do do Western Div. 1st 5's.....	1931	13,500,000	M & N	108	92	.....	100
do do do 2d 6's.....	1931	6,750,000	J & J	94	80	91½	.....
Grand Rapids & Indiana general 5's.....	1924	3,233,000	(M & S) 100	.....	85	.....	.....
do do do registered.....	(M & S) 100
Green Bay, Winona & St. Paul 1st 6's.....	1911	1,600,000	F & A	107½	80	102

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				High.	Low.	Bid.	Ask d
Gulf, Col. & Santa Fe 1st 7's.....	1909	9,800,000	J & J	123½	118½	121½	121½
do do gold 6's.....	1923	5,000,000	A & O	108½	88½	102½	102½
Hannibal & St. Joseph consol'd 6's....	1911	25,000,000	M & S	125	119½	121½	123½
Henderson Bridge Co. 1st 6's.....	1931	2,000,000	M & S	112	108½	109½	109½
Houston & Texas Cent. 1st Main L. 7's. 1891	1891	6,395,000	J & J	114½	102	114	*113
do do coupon off.....							
do do 1st West. Div. 7's.....	1891	2,375,000	J & J	109	97	109	110
do do coupon off.....							
do do 1st Waco & N. W. 7's. 1903	1903	1,140,000	J & J	105	100	113	
do do coupon off.....							
do do 2d c. Main Line 8's. 1912	1912	4,118,000	A & O	95½	78	95	96½
do do gen'l mort. 6's.....	1921	4,300,000	A & O	73½	50		70
Houston, E. & W. Texas 1st 7's.....	1898	1,344,000	M & N	89½	85	71	
Illinois Central 1st gold 4's.....	1951	1,500,000	J & J	110	106½	107	108
do registered.....							108
do gold 3½'s.....	1951	2,500,000	J & J	102¾	99¾		98½
do registered.....							98½
Springfield Division coupon 6's.....	1898	1,600,000	J & J	121	117½	118½	117½
Middle Division registered 5's.....	1921	600,000	F & A	109½	109½	112½	
Chicago, St. L. & N. O. Tenn. lien 7's. 1897	1897	541,000	M & N				*124
do 1st consol. 7's.....	1897	850,000	M & N	122	122½	118	
do 2d mortgage 6's.....	1907	80,000	J & D			118	
do gold 5's.....	1951	18,000,000	J & D 15	120½	112		114½
do gold 5's, registered.....			J & D 15				116
Dubuque & Sioux City 2d Div. 7's. 1894	1894	586,000	J & J	119	118½		
Cedar Falls & Minn. 1st 7's.....	1907	1,334,000	J & J	120	108		110
Ind., Bloomington & W'n 1st pref'd 7's. 1900	1900	1,000,000	J & J	120½	118		121
do 1st 5's, 6's.....	1909	3,500,000	A & O	101½	89½	95½	90½
do Trust Co. receipts.....			A & O			95	98
do 2d 5-6's.....	1909	1,500,000	A & O	90	66½	83	83
do Trust Co. receipts.....			A & O			81	88
do Eastern Division 6's.....	1921	3,000,000	J & D	105½	89	94½	
do Trust Co. receipts.....			J & D			*94	94½
Ind., Decatur & S. 1st 7's, ex. fund coup. 1906	1906	1,613,000	A & O	108	98½	103½	104
Internat'l & Gt. Northern 1st 6's, gold. 1919	1919	7,954,000	M & N	119	114	117	
do do coupon 6's. 1919	1919	7,054,000	M & S	96	84	93½	93½
Kentucky Central mortgage 6's.....	1911	780,000	J & J				
do stamped 4 per cent. 1911	1911	5,600,000	J & J	71	59½	64	67
Knoxville & Ohio 1st 6's gold.....	1925	2,000,000	J & J	105½	86½	95½	99
Lake Shore & Michigan Southern.							
Cleve., Painesville & Ashtabula 7's. 1892	1892	920,000	A & O	119	114	114	
Buffalo & Erie new bonds 7's.....	1898	2,784,000	A & O	129	121½	123½	
Kal'zoo & White Pigeon 1st 7's.....	1890	400,000	J & J	108	108	105	
Detroit, Monroe & Toledo 1st 7's.....	1906	924,000	F & A			129	
Lake Shore Div. bonds 7's.....	1899	1,358,000	A & O	126	121½	123½	124
do consol. coupon 1st 7's.....	1900		J & J	134½	127	125	
do consol. registered 1st.....	1900	225,000,000	Q J	132½	127	127½	
do consol. coupon 2d 7's.....	1903		J & D	127	119½	122½	
do consol. registered 2d.....	1903	225,000,000	J & D	125	119½	121½	123½
Mahoning Coal R. 1st 5's.....	1934	1,500,000	J & J	105	103	100½	104½
Long Island R. 1st mortgage 7's.....	1898	1,500,000	M & N	130	119		122½
do 1st consolated 5's.....	1931	25,000,000	Q J	115½	108		114½
N. Y. & Manhattan Beach R. 1st 7's. 1897	1897	500,000	J & J				110
N. Y., B'klyn & M'n B. 1st c. g. 5's. 1935	1935	783,000	A & O				
Louisville & Nashville consol'd 7's.....	1898	7,070,000	A & O	125	117	119	121
do Cecilian Branch 7's.....	1907	1,000,000	M & S	113	107½	111	
do N. O. & Mobile 1st 6's.....	1930	5,000,000	J & J	107½	99	105½	105½
do do 2d 6's.....	1930	1,000,000	J & J	97	86	93	93½
do Evans., Hend. & N. 1st 6's. 1919	1919	2,400,000	J & D	116½	112	114	115
do general mortgage 6's.....	1930	20,000,000	J & D	109½	100½	107½	
do Pensacola Division 6's.....	1920	600,000	M & S	102	97½	100	
do St. Louis Division 1st 6's.....	1921	3,500,000	M & S	113	108	113	
do do 2d 3's.....	1928	3,000,000	M & S	57	51	56½	60
do Nash. & Decatur 1st 7's.....	1900	1,900,000	J & J	126	121	120	123
do So. & N. Ala. Sink'g F'd 6's. 1910	1910	2,000,000	A & O	105	102	100	110
do Louisville, Cin. & Lex. 6's. 1931	1931	27,000,000	M & N				
do Trust bonds 6's.....	1922	10,000,000	Q M	107	98	106½	106½
do 10-40 6's.....	1924	5,000,000	M & N	100	84½	87	
do Penn. & At. 1st 6's, gold gtd. 1921	1921	3,000,000	F & A	96	82½	84	96
Lou., New Albany & Chicago 1st 6's.....	1910	3,000,000	J & J	120	100½	109	110
do do consol'd gold 6's.....	1916	2,300,000	A & O	100	94½		97

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Louisville, N. O & Tex. 1st 5's.....	1934	13,641,000	M & S	92½	90¼	92	95
Manhattan Beach Imp't Co. 11m'd. 7's.....	1909	1,000,000	M & S	90	80	90	105
Memphis & Charleston 6's, gold.....	1924	1,000,000	J & J	108½	102	119	119½
Metropolitan Elevated 1st 6's.....	1908	11,000,000	J & J	123	115	110	110½
do do 2d 6's.....	1899	4,000,000	M & N	113½	108½	110	111
Mexican Central 1st mortgage 7's.....	1911	89,375,000	J & J	60	39	42	41
do ex. coupon 6-7-8.....			J & J	57	34	51½	
do new assorted 4's.....			J & J				
do income bonds.....	1911	8,128,000	M & S	133	126½	129	
Michigan Central 1st consol. 7's.....	1902	8,000,000	M & N	111½	107	110	
do do 1st consol. 6's.....	1902	2,000,000	M & S				
do do 6's.....	1909	1,500,000	M & S				123½
do do coupon 5's.....	1931	4,000,000	M & S	110	107½	109	
do do registered 5's.....	1931		Q M	110	107		110
do Jackson, Lansing & Sag'w 6's.....	1891		M & S			109½	109½
Milwaukee & Nor. 1st main line 6's.....	1910	2,155,000	J & D	106½	102	104	105
do do 1st extension 6's.....	1913	1,598,000	J & D	104	100		103
Milwaukee, L. Shore & West'n 1st 6's.....	1921	4,350,000	M & N	121½	112½		121
do do Mich. div. 1st 6's.....	1924	1,281,000	J & J	120½	106½		116½
do do Ashland div. 1st 6's.....	1925	1,000,000	M & S	117	112½	116	
Minneapolis & St. Louis 1st 7's.....	1927	950,000	J & D	136	123	133	
do do Iowa exten. 1st 7's.....	1909	1,100,000	J & D	125	119	118½	120
do do 2d mortgage 7's.....	1891	500,000	J & J	102	101	99½	100
do do Southw'rn ext. 1st 7's.....	1910	636,000	J & D			106	
do do Pacific ext. 1st 6's.....	1921	1,382,000	A & O	110	108	107½	
do do imp't and equip. 6's.....	1922	2,000,000	J & J	100	90		90
Minnesota & N. West 1st 5's, gold.....	1934	2,588,000	J & J	106	98½		104½
Mo., Kansas & Texas gen'l cons. 6's.....	1920	‡33,725,000	J & D	105½	87½	98½	99
do do do 5's.....	1920	7,801,000	J & D	93½	72½	85	85½
do do cons. 7's.....	1904, 5-6	14,811,000	F & A	118	108	113½	113½
do do 2d mort. income. 1911.....		759,000	A & O	90	78	85	
Hannibal & Cent. Missouri 1st 7's.....	1890	729,000	M & N	115	110	109½	
Mobile & Ohio new mortgage 6's.....	1927	7,000,000	J & D	116	109½	109	110
do collateral trust 6's.....	1892	306,000	J & J				109½
do do 1st extension 6's.....	1927	‡1,000,000	Q J	106	101		106
St. Louis & Cairo 4's, gtd.....	1931	4,000,000	J & J	76¼	72¼	72	74
Morgan's Louisiana & Texas 1st 6's.....	1920	1,494,000	J & J	116	104½		115
do do do 1st 7's.....	1918	5,000,000	A & O	127	118	121½	
Nashville, Chattanooga & St. L. 1st 7's.....	1913	6,800,000	J & J	131	123	128½	130
do do 2d 6's.....	1901	1,000,000	J & J	111½	110	109	109½
N. Y. Central 6's.....	1887	2,391,000	J & D	106	101	101½	101½
do Debenture cert. ext. 5's.....	1893	6,450,000	M & N	108½	104	105½	
do & Hudson 1st coup. 7's.....	1903	‡30,000,000	J & J	140½	134	134½	134½
do do 1st registered.....	1903		J & J	137½	133½	134½	134½
do do Deb. 5's.....	1904		M & S	112½	107½	109	110
do do do registered.....		7,850,000	M & S	110¼	107½	106	109
Harlem 1st mortgage 7's, coupon.....	1900	‡12,000,000	M & N	139	131		135
do do 7's, registered.....	1900		M & N	139	131½		133
N. Y. Elevated R. 1st mortgage 7's.....	1906		J & J	130	123	121½	121½
N. Y., Penn. & Ohio prior lien 6's.....	1895	8,000,000	M & S				
N. Y. City & Northern gen'l mtge 6's.....	1910	4,000,000	M & N	73¼	55	65	66
do Trust Co. receipts.....				73¼	54	67½	
N. Y. & New England 1st 7's.....	1905	6,000,000	J & J	130	125		125
do do 1st 6's.....	1905	4,000,000	J & J	117½	117½		*119
N. Y., Chicago & St. Louis 1st 6's.....	1921	15,000,000	J & D	99	85½	95½	
do do Trust Co. receipts.....	1923		J & D	100½	84	95½	96
do do 2d 6's.....	1923		M & S	77	68		93
N. Y., Ontario & W. 1st gold 6's.....	1914	3,000,000	M & S	109	103	109	110
N. Y., Susquehanna & W'n 1st 6's.....	1911	2,500,000	J & J				
do do coupons off.....			J & J	94	76¼		93
do do Deb. 6's.....	1897	600,000	F & A				*93
do do coupons off.....			F & A	71¼	52	68	
Midland R. of New Jersey 1st 6's.....	1910	3,500,000	A & O	110	100	112	114
N. Y., N. Haven & H. 1st reg. 4's.....	1903	2,000,000	J & D	112¼	112		112
N. Pac. Gen. Land Grant 1st coup. 6's.....	1921	51,509,000	J & J	120	111½		116
do do registered 6's.....	1921		J & J	117½	113¼		116½
do do Gen. 2d M. R. R. & L. G. coup.....	1923		A & O	104	91½	105	105½
do do registered.....	1923	20,000,000	A & O			106	
James River Valley 1st 6's gold.....	1936	936,000	J & J	109	106½	107	109
Spokane & Pal. 1st skg fund gold 6's.....	1936	688,000	M & N			105	

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1888.		FEB. 1, 1887.	
				High.	Low.	Bid.	Ask d
St. Paul & North'n Pacific gen'l 6's. 1823	do registered certificates	6,000,000	F & A	.....	.....	121	
No. Pacific Terminal Co. 1st gold 6's. 1833		3,000,000	Q F	.....	.....	106	
New Orleans Pacific 1st 6's. gold. 1820			J & J	100%	102%	104%	106
do do coupons off.		6,720,000	J & J	85%	51	63	*82 1/2
do do Trust Co. receipts. .			J & J	85%	73 1/2	80	*78 1/2
N. O. & N. East'n prior lien gold 6's. 1915		1,050,000	A & O	115%	.....	79	110
Norfolk & Western gen'l mtge 6's. 1831		6,902,000	M & N	115%	104	112	112 1/2
do New River 1st 6's. 1832		2,000,000	A & O	118	99 1/2	.....	115 1/2
do improvement & ext. 6's. 1834		3,300,000	F & A	102	87 1/2	101 1/2	.....
do adjustment mortg. 7's. 1824		1,500,000	Q M	107	82 1/2	.....	108 1/2
Ogdensburg & Lake Champl. 1st con. 6's. 1820		3,500,000	A & O	104 1/2	96	100 1/2	.....
Ohio & Miss. consol. Sinking F'd 7's. 1898		3,593,000	J & J	125	118 1/2	118	119
do consolidated 7's. 1898		3,067,000	J & J	125	118	118	119
do 2d consolidated 7's. 1911		3,808,000	A & O	120	113 1/2	.....	119
do 1st Springfield division 7's. 1905		3,000,000	M & N	110 1/2	91	.....	111
do 1st general 5's 1832		3,216,000	J & D	94 1/2	90	.....	.....
Ohio Central 1st terminal trust 6's. 1920		600,000	J & J	.....	.....	.....	.....
do 1st Mineral division 6's. 1921		300,000	J & J	.....	.....	.....	.....
Ohio Southern 1st mortgage 6's. 1921		2,100,000	J & D	108	97 1/2	.....	103 1/2
Oregon & California 1st 6's. 1921		9,000,000	J & J	.....	.....	.....	.....
Oregon & Transcontinental 6's. 1882-1922		10,063,000	M & N	104 1/2	92 1/2	101 1/2	102
Oregon Improvement Co. 1st 6's. 1910		5,000,000	J & D	99	84	92 1/2	93
Oregon Railroad & Navigat'n 1st 6's. 1909		6,000,000	J & J	114 1/2	110	109	109 1/2
do do Debenture 7's. 1887		6,000,000	A & O	108 1/2	106 1/2	.....	.....
do do Consol. m. 5's. 1925		4,155,000	J & D	108 1/2	102	103 1/2	104 1/2
Panama Sinking Fund subsidy 6's. 1910		2,747,000	M & N	.....	.....	93	.....
Peoria, Decatur & Evansville 1st 6's. 1920		1,287,000	J & J	119	103	.....	114
do Evansville Division 1st 6's. 1920		1,470,000	M & S	111 1/2	108	107 1/2	110
Peoria & Pekin Union 1st 6's. 1921		1,500,000	Q F	112	106	.....	112 1/2
do do 2d mortgage 4 1/2's. 1921		1,499,000	Q F	.....	.....	75	.....
Central Pacific gold bonds 6's. 1885-8		25,883,000	J & J	118 1/2	112 1/2	114	.....
do San Joaquin branch 6's. 1900		6,080,000	A & O	112	107 1/2	112	.....
do California & Oregon 1st 6's. 1888		6,000,000	J & J	106	100	100 1/2	.....
do do Series B 6's. 1892		1,600,000	J & J	.....	.....	103	.....
do Land Grant 6's. 1890		9,436,000	A & O	107 1/2	102 1/2	103	.....
Western Pacific bonds 6's. 1899		2,735,000	J & J	116	109	111	.....
Nor. Ry. (Cal.) 1st 6's. guaranteed. 1907		3,964,000	J & J	121	116 1/2	120	121
South'n Pac. of California 1st 6's. 1906-12		34,000,000	A & O	114	105 1/2	110 1/2	.....
South'n Pac. of Arizona 1st 6's. 1909-1910		10,000,000	J & J	112	105 1/2	110	110 1/2
South'n Pacific of N. Mexico c. 1st 6's. 1911		5,000,000	J & J	109 1/2	100	105 1/2	.....
Union Pacific 1st 6's. 1896-9		27,229,000	J & J	119 1/2	114	114 1/2	114 1/2
do Land Grant 7's. 1887-9		2,545,000	A & O	106 1/2	101 1/2	102 1/2	.....
do Sinking Fund 8's. 1893		14,438,000	M & S	123 1/2	118	118	.....
do registered 8's. 1893			M & S	121	117	118	.....
do collateral trust 6's. 1908		5,583,000	J & J	108 1/2	104	104	.....
do do 5's. 1907		4,567,000	J & D	.....	.....	100	.....
Kansas Pacific 1st 6's. 1895		2,240,000	F & A	114 1/2	110 1/2	114 1/2	.....
do 1st 6's. 1896		4,063,000	J & D	118	110	111 1/2	.....
do Denver Division 6's, ass'd. 1899		6,254,000	M & N	118	113	113 1/2	114 1/2
do 1st consol. 6's. 1919		14,885,000	M & N	109 1/2	99 1/2	105 1/2	106 1/2
Central Br'ch U.P. Fund'd coup. 7's. 1895		630,000	M & N	.....	.....	104	.....
Atchison, Colorado & Pac. 1st 6's. 1905		3,972,000	Q F	107	101 1/2	107	.....
Atchison, Jewell Co. & West. 1st 6's. 1905		542,000	Q F	105	100	.....	*103
Oregon Short Line 1st 6's. 1922		15,265,000	F & A	109	97 1/2	106 1/2	.....
Utah South'n general mortgage 7's. 1908		1,950,000	J & J	90 1/2	85	86 1/2	.....
do extension 1st 7's. 1908		1,950,000	J & J	88	72 1/2	85	.....
Missouri Pacific 1st consol. 6's. 1920		20,184,000	M & N	117	108	115 1/2	.....
do 3d mortgage 7's. 1906		3,823,000	M & N	127 1/2	116 1/2	123	124
Pacific R. of Mo. 1st mortgage 6's. 1908		7,000,000	F & A	107	103 1/2	104 1/2	105
do 2d mortgage 7's. 1891		2,573,000	J & J	113	109	108	.....
St. L. & S. Francisco 2d 6's, class A. 1906		500,000	M & N	113	108	116	.....
do 6's, class C. 1906		2,400,000	M & N	117	105 1/2	115	116 1/2
do 6's, class B. 1906		2,764,500	M & N	118	105 1/2	115 1/2	.....
do 1st 6's, Pierce C. & O. b. 1906		1,700,000	F & A	117	111 1/2	105	.....
do equipment 7's. 1895		71,000	J & D	.....	.....	105	.....
do general mtge. 6's. 1931		7,739,000	J & J	114	99 1/2	106 1/2	110
South Pacific R. (Mo.) 1st 6's. 1888		7,144,500	J & J	108	103	101 1/2	101 1/2
Kansas City & Sw'n 1st 6's, gold. 1916		744,000	J & J	107 1/2	105	101	106
Fort Smith & Van B. Bdg. 1st 6's. 1910		475,000	A & O	110

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				High.	Low.	Bid.	Askd
Texas & Pacific Railway 1st 6's.....1905		3,784,000	M & S	105½	105½	105
do do ex coupon.....			M & S			108	.....
do consol. 6's.....1905			J & D	103¼	90	95	.....
do do coupons off.....		\$9,316,000	J & D	100¼	70	95	.....
do do Trust Co. receipts.....			J & D	104	99	95	.....
do income & l'd gr't reg. 7's.....1915		7,922,000	July	61¼	34	60	.....
do do Trust Co. receipts.....			July	63½	53¼	61¼	62¼
do Rio Grande 6's, Aug. '84 c. 1830			F & A	75	72½	75	74
do do coupons off.....		13,028,000	F & A	75¼	45¼	75	74
do do Trust Co. receipts.....			F & A	78	66	68	.....
do do Gen. M. & Ter. 6's.....1905		\$2,859,000	A & O	62	34¼	67	70
do do Trust Co. receipts.....			A & O	71	49	63	.....
Pennsylvania Railroad Company.							
Penna. Co.'s guar'd 4½'s, 1st coup. 1921		15,000,000	J & J	108½	102½	104	104½
do do do registered 1921			J & J	108¼	101½	104	104½
Pitt., C. & St. Louis 1st coupon 7's.....1900		2,708,000	F & A	121	120¼	119	.....
do do 1st registered 7's.....1900		4,157,000	F & A				*119
do do 2d 7's.....1913		2,500,000	A & O				*124
Pitts., Ft. Wayne & Chicago 1st 7's.....1912		5,250,000	J & J	145	141	140¼	142
do do do 2d 7's.....1912		5,160,000	J & J	142¼	138	138	.....
do do do 3d 7's.....1912		2,000,000	A & O	138	133¼	137¼	138¼
Clev. & Pitts. con. Sink'g Fund 7's.....1900		2,292,000	M & N	131	128	128	130
do do 4th do 6's.....1892		1,105,000	J & J	111	109	108¼	.....
St. L., Van. & Terre H. 1st guar. 7's.....1897		1,899,000	J & J	122	120	118	.....
do do do 2d 7's.....1898		1,000,000	M & N			105	.....
do do do 2d guar. 7's.....1898		1,600,000	M & N			110	.....
Pine Creek Railway 6's of.....1932		3,500,000	J & D				.....
Pittsburgh Cleve. & Tol. 1st 6's.....1922		2,400,000	A & O	110¾	106¼	112	.....
Pittsburgh Junction 1st 6's.....1922		1,440,000	J & J			*122	.....
Pittsburgh, McKeesport & Y. 1st 6's.....1932		2,250,000	J & J				.....
Rome, Watertown & Ogd. 1st 7's.....1891							
do do consol. 1st ex. 5's.....1922		1,021,500	J & D	117	108¼	112	.....
Rochester & Pittsburgh 1st 6's.....1921		6,337,000	A & O	103	87¼	102½	103
do do consolidated 1st 6's.....1922		1,300,000	F & A	117	118¼	116	.....
do do do 1st 6's.....1922		3,920,000	J & D	112	105¼	109	.....
Richmond & Alleghany 1st 7's.....1920		5,000,000	J & J			70¾	.....
do do Trust Co.'s receipts.....			J & J	80	65	65½	70
Richmond & Danville consol. gold 6's.....1915		6,000,000	J & J	119¼	111¼	112	113¼
do do do Debenture 6's.....1927				114	86	112	.....
do do do assented.....		4,000,000	A & O	113¼	108¼	105½	.....
Atlanta & Charlotte 1st Pref'd 7's.....1897		500,000	A & O			110	.....
Atlanta & Charlotte Income.....1900		750,000	A & O			100	.....
Scioto Valley 1st consolidated 7's.....1910		603,000	J & J	72	47	65	.....
do do do coupons off.....			J & J			65	.....
St. Jos. & Grand Island 1st 6's.....1925		7,000,000	M & N	110¾	104	108¼	108¾
St. Louis & Iron Mountain 1st 7's.....1892		4,000,000	F & A	118	110	114¾	115
do do do 2d 7's.....1897		6,040,000	M & N	119	111	113¾	.....
do do Arkansas Branch 1st 7's.....1895		2,500,000	J & D	118¼	112¼	111	.....
do do Cairo & Fulton 1st 7's.....1891		7,555,000	J & J	113	108¼	108¼	107
do do Cairo, Ark. & Texas 1st 7's.....1897		1,450,000	J & D	118¼	109¼	111	.....
do do Gen'l con. r'y & l'd g't 5's.....1931		\$35,347,000	A & O	100	90	.....	98
St. L., Alton & Terre Haute 1st 7's.....1894		2,200,000	J & J	119½	115	.....	114
do do 2d mortgage preferred 7's.....1894		2,800,000	F & A	114	110¼	113	114
do do 2d mortgage income 7's.....1894		1,700,000	M & N	108	103¼	.....	107
Belleville & Southern Ill. R. 1st 8's.....1896		1,041,000	A & O	117¼	116¼	116	.....
Bellev'e & Carondelet 1st 6's.....1923		485,000	J & D	110¾	110¼	109	112
St. Louis, Ark. & Tex. 1st Cfts. 6's.....1936		9,529,000	M & N			100	100¼
do do 2d Cfts. 6's.....1936		9,529,000	F & A			53	53¼
St. Paul, Minn. & Manitoba 1st 7's.....1909		5,350,000	J & J	116	112	110	.....
do do do small.....			J & J			.....	.....
do do do 2d 6's.....1909		8,000,000	A & O	122¼	116¼	.....	119¾
do do Dakota extension 6's.....1910		5,676,000	M & N	122	115	119	.....
do do 1st consolidated 6's.....1933			J & J	125	115	.....	119
do do do registered.....		13,344,000	J & J	119	114¼	.....	119¼
Minneapolis Union 1st 6's.....1922		2,150,000	J & J			112¼	130
St. Paul & Duluth 1st 5's.....1931		1,000,000	F & A			.....	.....
South Carolina Railway 1st 6's.....1920		5,000,000	A & O	113	102	.....	107
do do do 2d 6's.....1931		1,500,000	J & J	90	81	.....	80
Shenandoah Valley 1st 7's.....1909		2,270,000	J & J	100	70	99¼	99¼
do do gen'l mtg 6's.....1921		\$3,212,000	A & O	49¼	29	39	42¼
Sodus Bay & Southern 1st 5's, gold.....1924		500,000	J & J	105	101	*105

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				High.	Low.	Bid.	Ask d
Texas Central 1st Sinking Fund 7's... 1909		2,145,000	M & N	80	68	77½
do 1st mortgage 7's... 1911		1,254,000	M & N			77	.....
Toledo & Ohio Cent. 1st gold 5's... 1935		3,000,000	J & J	102½	92½	95½	97
Toledo, Peoria & W'n 1st 7's... 1917		4,500,000	Q J			109	.....
do do Trust Co. Receipts.				106	81	108	109
Toledo, Ann Arbor & No. Mich. 1st 6's. 1824		2,120,000	M & N	95	90	104	105
Toledo, Ann Arbor & G.T. 1st 6's. gold. 1921		1,260,000	J & J	107	101	106	125
Texas & New Orleans 1st 7's... 1906		1,620,000	F & A			103	104
do do Sabine Div. 1st 6's. 1912		2,075,000	M & S	107½	100½	98	.....
Virginia Midland mortgage inc. 6's... 1927		4,000,000	J & J	100	53½	63	.....
Wabash, St. L. & Pac. gen. mtge 6's... 1920		16,000,000	J & D	62	45	48½	50
do Trust Co. Receipts			J & D	67	44	91½	93
do Chicago Division 5's... 1910		4,500,000	J & J	97	88	90	90
do Havana Division 6's... 1910		1,600,000	J & D	88	88	90	90
do Indianapolis Division 6's... 1921		2,275,000	J & D			90	90
do Detroit Division 6's... 1921		2,052,000	J & J	92	78	65	90
do Cairo Division 5's... 1931		3,857,000	J & J	55	55	65	90
Wabash Railway mtge 7's... 1879-1909		2,000,000	A & O	91	70	85	90
{ Tol. & Wabash 1st extended 7's... 1890		3,400,000	F & A	115½	110	112½	113
do 2d St. Louis Division 7's... 1889		2,700,000	F & A	111	100	109½	110
do 1st mtge extended 7's... 1893		2,500,000	M & N	105½	97	98½	99½
do equipment bonds 7's... 1883		800,000	M & N	6	4	86	90
do consol. convertible 7's... 1907		2,800,000	Q F	100	84½	86	90
G't Western 1st mortgage 7's... 1888		2,500,000	F & A	114	109½	111½	112
do 2d mortgage 7's... 1883		2,500,000	M & N	106	96	98½	100
Quincy & Toledo 1st mortgage 7's... 1890		500,000	M & N	97	94	93	93
Hannibal & Naples 1st 7's... 1909		500,000	J & D			95	90
Illinois & So. Iowa 1st exten. 6's... 1912		300,000	F & A	116	108½	112	100
St. L., Kan. C. & N. H'l E'e & R's 7's. 1896		3,000,000	M & S	105	82	104	102
do Omaha Division 1st 7's... 1919		2,350,000	A & O	103	87	104½	102
do Trust Co. receipts			A & O	78½	65	103	103½
do St. Charles Bridge 1st 6's. 1908		1,000,000	A & O	103½	84	103	103½
North Missouri 1st mortgage 7's... 1895		6,000,000	J & J	120	112½	114½	.....
Wabash, St. L. & P., Iowa div. 6's... 1921		2,269,000	M & S			50	.....
do Trust Co. receipts			M & S			102½	103
West Shore 1st guaranteed 4's... registered		50,000,000	J & J	106	100½	102½	103
do do do			J & J	105½	101½	102½	103
Western Union coupon 7's... 1900		3,920,000	M & N	123	116	119	118½
do do do			M & N	125	117	101	.....
North Western Telegraph 7's... 1904		1,250,000	J & J			101	.....
Wheeling & Lake Erie 1st 5's... 1926		3,000,000	A & O			85	.....
Mutual Union Tel. ex'g't 6's... 1911		5,000,000	M & N	90½	75	102	102½
Colorado Coal & Iron 1st 6's... 1900		3,500,000	F & A	101½	90	105	108
Tenn. Coal, Iron & R. consol. 6's... 1902		820,000	M & N	100	97	105	108
do. South Pittsburgh 1st 6's... 1902		700,000	F & A	98	86	106	108

INCOME BONDS. Interest payable if earned, and not to be accumulative.

Atlantic & Pacific West'n Div. income. 1910	10,500,000	A & O	31½	20½	26½	27½
do do do small.		A & O				23
do do Cent'l Div. income. 1922	2,100,000	J & D				23
Central Iowa Coupon Debt Certificates...	629,000	A & O			*20	.....
Chicago & Eastern Illinois income... 1907	1,000,000	D			*100	.....
Des Moines & Fort Dodge 1st inc. 6's... 1905	1,200,000	J & J			55	60
Detroit, Mack. & Marquette income. 1921	1,500,000		43½	12	*40	.....
Elizabeth City & Norfolk 2d income. 1970	1,000,000					39
Green Bay, Winona & St. Paul 2d inc. 1911	3,781,000		43½	24½	38½	39
Indiana, Bl'n & W'n consol. inc. 6's... 1921	4,680,000	J & J	41½	21½	32½	33½
do do Trust Co. receipts...		J & J			33	34
Ind'p's Decatur & Springfield 2d inc. 1906	2,850,000	J & J	39	22	37	*38
do do Trust Co. Receipts...		J & J	41	20	37	95
Lehigh & Wilkesbarre Coal Co... 1888	1,119,200	M & N	100	90	*100	.....
do do small bonds... 1888		M & N				.....
Lake Erie & Western inc. 7's... 1899	1,485,000	Aug	40	20	2½	.....
do Sandusky Div. inc. 1920	580,000	Aug	29½	27	7	.....
Lafayette, Bloom'ton & Mun. inc. 7's. 1899	1,000,000	May	70	31	12	102
Milw. L. Shore & Western income...	500,000	M & N	107	88		102
Mobile & O. 1st preferred debentures...	5,300,000		74½	63		62½
do 2d do do do	1,850,000		44½	32	36	37½
do 3d do do do	600,000		35	30	26½	34½
do 4th do do do	900,000		31	25	20

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N. Y., Lake E. & Western Inc. 6's.	1977	508,000		76	56		80½
N. Y., Penn. & O. 1st inc. acc. 7's.	1905	35,000,000	J & J			*48½	
Ohio Central, Min'l division, inc. 7's.	1921	300,000				*39½	40
Ohio Southern 2d income 6's.	1921	2,100,000	J & D	49½	84	41	
Ogdensburg & L. Champlain income.	1920	800,000	Oct				*34
do do small		200,000	Oct				
Peoria, Decatur & Evansville Inc.	1920	858,000	July	82½	43	83½	83½
do do Evansville Div. income.	1920	1,230,000	Sept	82½	44	83½	83½
Rochester & Pittsburg income.	1921	1,870,000				50	
Rome, W. & Ogdensburg inc. mtge. 7's.	1932	2,250,000	Jan	102	43	104	
South Carolina Railway inc. 6's.	1931	3,000,000	Feb	83	22½		28
St. Louis, I. M. & S. 1st 7's pref. int. ac'e.		48,000	Mo				
Sterling Iron & Rail'y, series B, inc.	1894	418,000	April				
do do Plain income 6's.	1896	491,000				5	
Sterling Mountain Railway income.	1895	76,000					
St. Louis, Alton & Terre H. Div. bds.	1894	1,357,000	June	50	33		39
St. Joseph & Grand Island 2d income.	1925	1,680,000	J & J	77	55½	71	72
Shenandoah Valley income 6's.	1923	2,500,000	Feb				
Texas & St. Louis in Mo. & Ark 2d.	1911	4,740,000					
Tex. & St. L. in Texas land grant inc.	1920	2,128,000					
do do Gen'l land grant and inc.	1931	3,945,000					

COAL AND MINING.

American Coal Co.	25	1,500,000					
Consolidated Coal Co. of Maryland	100	10,250,000					
Cumberland Coal and Iron Co.	100	500,000					
Colorado Coal and Iron Co.	100	10,000,000				38½	80
Cameron Iron and Coal Co.	100	2,720,000				47½	48
Cameron Coal Co.	50	2,500,000				40	40½
Maryland Coal Co.	100	4,400,000					
Montauk Gas Coal Co.	100	2,500,000					
N. Y. & Perry Coal and Iron Co.	100	1,500,000				70	70½
New Central Coal Co.	100	5,000,000					
Pennsylvania Coal Co.	50	5,000,000	Q F				
Quicksilver Mining Co.		5,708,700				6	7½
do do preferred.		4,291,300				9½	32½
Tenn. Coal, Iron & R. R. Co.	100	3,000,000				47½	48½

EXPRESS.

Adams Express.	Par 100	12,000,000	Q M	150	136½	141	
American Express.	" 100	18,000,000	J & J	111	101½	108	110
United States Express.	" 100	7,000,000	Q F	66	51	62	64
Wells Fargo Express.	" 100	6,250,000	J & J	130	119	127	130
Pacific Mail Steamship Co.	" 100	20,000,000		67	45½	50	50½

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph.	100	3,000,000		45	30		
Albany City 6's.							
Albemarle & Chesapeake 1st 7's.	1909	500,000	J & J				*115
Alabama Central Railroad 1st 6's.	1918	1,000,000	J & J				
Allegheny Central 1st mortgage 6's.	1922	600,000	J & J				
Atlantic & Pacific W'n div. 1st m. 6's.	1910		J & J				
Boston, H. & Erie 1st mtge 7's.	1900	346,000	J & J				
do do guaranteed.							
Boston & New York Air Line.	100	1,000,000					
Brad'd, Bordell & Kinzua.	100	500,000					
do do 1st 6's.	1932	500,000	J & D			*50	65
Bradford, Eldred & Cuba.	100	500,000					
do do 1st 6's.	1932	500,000	J & J			*37	42
Brooklyn City R.	10	2,000,000	Q F				
Brooklyn Gas Company.	25	2,000,000					
Brooklyn, Bath & C. I. 1st 6's.	1912	200,000	F & A				
Buffalo & Southwestern.	100	471,900					
do do preferred.		471,900					
Carolina Central 1st mortgage 6's.	1920	2,000,000	J & J				*109
Cedar Falls & Minnesota Railroad.	100	1,587,000		19½	11	15	18

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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NOTE.—The bonds enclosed in a brace are leased to Company first named.

FREE LIST—Continued.

NAME.	AMOUNT.	INT. PAY- BLE.	YEAR 1886.		FEB. 1, 1887.	
			High.	Low.	Bid.	Ask d
Cincinnati, Sandusky & Cleveland.....	50	4,500,000	51	32	.....	.....
do do preferred.....	429,000	.....	.....	.....	.....	.....
do do 1st 7's.....	1,072,300	J & D	.....	.....	.....	.....
Cincinnati, Lafayette & Chic. 1st 7's.....	1901	900,000	M & S	.....	.....	*118
Cin. & Sp. 1st Mort. C. C. C. & I. 7's.....	1901	1,000,000	A & O	119	114	*115
do. 1st m. g'd L. S. & M. S. 7's.....	1901	1,000,000	A & O	121	117½	*120
Cincinnati, Hamilton & Dayton.....	100	3,500,000	.....	149	105¼	*170
do consol Sinking Fund 7's.....	1905	1,000,000	A & O	120	120	*105¼
Cincinnati, Ind., St. Louis & Chicago.....	100	7,000,000	.....	101	70	*92 95
do do consol 6's.....	1820	1,000,000	M & N	.....	.....	.....
Cin. W. & Baltimore prior lien 4½'s.....	1893	500,000	A & O	.....	.....	.....
do do 1st 6's.....	1931	1,250,000	M & N	.....	.....	*106
do do 1st 4½'s guaranteed.....	1931	5,922,000	M & N	106¾	103½	104½
do do 2d 5's.....	1931	3,040,000	J & J	.....	.....	.....
do do 3d ¾'s.....	1931	2,270,000	F & A	.....	.....	.....
do do 1st income mortgage.....	1931	3,040,000	F & A	.....	.....	.....
do do 2d income mortgage.....	1931	4,000,000	.....	.....	.....	.....
do do preferred stock.....	100	12,993,200	12	5	8½	9
do do common stock.....	100	5,886,100	6¾	2½	5¾	6¾
Citizens' Gas Company.....	20	1,200,000	.....	.....	.....	.....
Columbus, Springfield & Cin. 1st 7's.....	1901	1,000,000	M & S	.....	.....	.....
Consolidation Coal, convertible 6's.....	1897	1,250,000	J & J	.....	.....	.....
Cumberland & Penn. 1st 6's.....	1891	903,500	M & S	.....	103	.....
do do 2d 6's.....	1888	430,000	M & N	.....	101½	.....
Cumberland & Elk Lick Coal.....	100	1,000,000	.....	.....	.....	.....
Chicago City 7's.....	1890	220,000	J & J	.....	.....	.....
Charlotte, Col. & Augusta 1st 7's.....	1895	2,000,000	J & J	.....	.....	.....
Chicago & Atlantic 1st 6's.....	1920	6,500,000	M & N	.....	.....	*104½
do do 2d 6's.....	1923	2,500,000	F & A	.....	.....	.....
Des Moines & Ft. Dodge 1st mort. 6's.....	1905	1,200,000	J & J	87½	85	*97 101
Dubuque & Dakota 1st 6's.....	1919	630,000	J & J	.....	.....	.....
Duluth Short Line 1st 5's.....	1916	500,000	M & S	.....	.....	.....
Danbury & Norwalk Railroad.....	50	600,000	.....	.....	.....	.....
Detroit, Hillsdale & Southwestern.....	100	1,350,000	J & J	82	79	.....
Eighth Avenue Railroad.....	100	1,000,000	.....	.....	.....	.....
E. & W. R. Co. of Ala. 1st gold 6's.....	1912	800,000	J & D	100%	99½	100%
Erie & Pittsburgh Railway.....	50	1,998,400	Q M	.....	.....	.....
do do consolidated 7's.....	1898	‡4,500,000	J & J	.....	.....	.....
Farmers' Loan & Trust Company.....	25	1,000,000	.....	.....	*425	.....
Frankfort & Kokomo Railroad.....	50	600,000	.....	.....	.....	.....
do do 1st 7's.....	1908	200,000	J & J	.....	.....	.....
Fort Worth & Denver City Railroad.....	100	2,880,000	.....	25½	15	*22
Galveston, H. & H. of '82, 1st 5's.....	1913	2,000,000	A & O	79	71	75 90
Gold and Stock Telegraph Co.....	100	5,000,000	Q J	.....	.....	.....
Grand Rapids & Indiana 1st 7's.....	1899	505,000	A & O	.....	*105	.....
do do 1st guaranteed 7's.....	1899	3,934,000	J & J	.....	.....	124
do do 1st extended land 7's.....	1899	1,010,000	A & O	.....	*113	122
Henderson Bridge Co.....	100	1,000,000	.....	.....	.....	.....
Ind., Ipecator & Sp. 1st 7's coupon.....	1900	187,000	A & O	.....	.....	.....
Iron Steamboat Company 6's.....	1901	500,000	J & J	90	85½	88 92
Int. & Gt. N'n 2d income.....	1909	370,000	.....	.....	.....	.....
Jefferson R. R. 1st mortgage 7's.....	1889	2,000,000	J & J	107	102½	102 105
Jerome Park Villa Site & Imp. Co.....	100	1,000,000	.....	.....	.....	.....
Keokuk & Des Moines.....	100	2,600,400	.....	16	5½	*6 8
do do preferred.....	100	1,524,600	.....	38½	25	.....
Little Rock & Fort Smith Railway.....	100	4,096,135	.....	.....	.....	.....
do do 1st 7's.....	1905	3,000,000	J & J	.....	.....	.....
Louisville City 6's, act. of Leb. bra'h.....	'86	225,000	J & D	.....	.....	.....
do do 6's, Leb. branch extension.....	'93	333,000	A & O	.....	.....	.....
Long Island Railroad.....	50	.....	.....	100	80	.....
Brooklyn & Montauk Railroad.....	100	900,000	.....	.....	.....	.....
do do preferred.....	100	1,100,000	.....	.....	.....	.....
South Side 1st mortgage 7's.....	1887	750,000	M & S	.....	.....	*101
Smithtown & Port Jefferson 1st 7's.....	1901	600,000	M & S	.....	.....	.....
Louisiana & Missouri River.....	100	2,272,700	.....	.....	*24¾	25
do do preferred.....	100	1,010,000	.....	.....	*55	.....
do do preferred g'd.....	1921	329,100	.....	.....	*120%	124
Louisiana Western 1st 6's.....	1921	2,240,000	J & J	.....	.....	.....
Lake Erie & Western Railroad.....	100	7,720,000	18¾	7¼	*14½ 15
do do assessment paid.....	100	22¾	14¾	*20¾ 21¾

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NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		FEB. 1, 1887.	
			High.	Low.	Bid.	Askd.
Lac. & Sus. Central 1st E. side 7's.....1892	500,000	J & D				
do W. side 7's .. 1892	500,000	J & D				
Metropolitan Elevated.....100	1,382,000	Q J				
Mariposa Gold Convertible 7's.....1886	250,000	J & J				
Memphis & Charleston.....25	5,312,725		69½	29	59	60
do 1st consolid'd Tenn. lien 7's..1915	1,400,000	J & J			*128	
Missouri, Kansas & Texas.....100			38½	21		
Union Pacific South Branch 1st 6's..1899	2,296,000	J & J				
Tebo & Neosho 1st mortgage 7's.....1903	347,000	J & D				
Hannibal & Central Missouri 2d 7's 1892	32,000	M & N				
Boonville Bridge Co. 7's guarant'd 1906	1,000,000	M & N				
Milwaukee & St. P. con. Sink. F'd 7's. 1905	209,000	J & J				
do 1st m. Hastings & Dakota 7's 1902	84,000	J & J				
Milwaukee & Lake Winnebago.....100	520,000					
do do preferred.....100	780,000					
do do 1st 6's.....1912	1,430,000	J & J				
do do income 5's.....1912	520,000					
New York Life & Trust Co.....100	1,000,000	F & A				
Norwich & Worcester.....100	2,604,000					
Nash., C. & St. L. 1st 6's, T. & P. branch. 1917	300,000	J & J				
do 1st mort. 6's, McM., M. W. & Al. b	320,000	J & J				
New London Northern R. R.....100	1,500,000					
New York Mutual Gas Light.....100	3,500,000					
N. J. Southern int. guaranteed 6's....1899	1,449,600	J & J	101¾	91		*100
New Orleans, Mobile & Texas.....100	4,000,000					100
N. Y. & Texas Land Co., limited.....50	1,500,000		180	57½	165	50
do do Land Scrip	2,966,100				40	
N. Y., Texas & Mexico 1st 6's.....1912	2,103,000	A & O				
N. Y., Wood. & R. 1st 6's.....1902	800,000	J & J				
do do 2d income.....1912	1,000,000		30	10		9½
N. Y., B'klyn & Man. Beach pref.....100	650,000	A & O				
Nevada Central 1st mortgage 6's.....1904	720,000	A & O				
Oswego & Syracuse.....1,320,400						
Ohio Central incomes.....1920	842,000					*3½
Panama.....10	7,000,000	Q F				
Pullman's Palace Car debenture 7's..1888	1,000,000	A & O				
Phila. & Reading con. coupon 6's.....1911	7,304,000	J & D				
do registered 6's.....1911	663,000	J & D				
do coupon 7's.....1911	7,310,000	J & D				
do registered 7's.....1911	3,339,000	J & D				
do imp't m'tge. coupon 6's.....1897	9,394,000	A & O				
do general mtge. coupon 6's. 1908	19,686,000	J & J				
do income mtge. coupon 7's. 1896	10,000,000	J & D				*54
do debenture coupon 6's.....1893	670,500	J & J				*24½
do debenture conv. 7's.....1893	10,395,900	J & J				*11½
do pref. 1st series con. 5's.....1922	6,000,000	M & N				*34
do 2d do 5's.....1933	5,000,000	F & A				
do def'd inc. irredeemable.....	34,300,000					
do do small.....						
Pittsb'h, Bradford & Buffalo 1st 6's..1911	800,000	A & O	82½	70	80	
Rensselaer & Saratoga R. R.....100	10,000,000		170	155		
Second Avenue R. R.....100	1,199,500					
Sixth Avenue R. R.....100	1,500,000					
do 1st mortgage.....1889	415,000	J & J				
Savannah & Charleston 1st 7's.....1889	500,000	J & J				
Sandusky, Day'n & Cincinnati 1st 6's. 1900	608,000	F & A				
St. Louis, Jacksonville & Chicago.....100	1,448,800					
do preferred.....	1,033,000					
Sterling Iron & Railway Co.....70	2,300,000					
Scioto Valley Railway.....50	‡ 2,500,000		17	6½	*10	11
Spring Valley Water Works 1st 6's ..1906	‡ 7,000,000	M & S				
Terre Haute & Indianapolis R. ....50	1,988,000	F & A			*97	100
Third Avenue R. R.....100	2,000,000				220	240
do coupon bonds.....		J & J				
do registered bonds.....						
Texas & St. Louis Railway in Texas 100	3,128,000					
do 1st 6's 1910	2,128,000	J & D			*74½	76
do general 1st 6's 1921	3,915,000	J & D				
Texas & St. Louis R'way in Mo. and Ark..	9,582,500					
do do do 1st 6's 1911	4,740,000	M & S			*48½	49½

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FREE LIST—Continued.

NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		FEB. 1, 1887.	
			High.	Low.	Bid.	Ask d
Toledo, Delphos & Burlington.....50	7,000,000					*7½
do do 1st main 6's.....1910	1,250,000	J & J				
do do 1st Dayton div. 6's.....1910	1,000,000	A & O				
do do 1st term. trust 6's.....1910	250,000	J & J				
do do income 6's.....1910	1,250,000					*7
do do Dayton div. inc. 6's.....1910	1,000,000					
Tonawanda Valley & Cuba.....100	600,000					
do do 1st 6's.....1931	500,000	M & S				
Union Trust Co.....100	1,000,000				410	
United States Trust Co.....100	2,000,000				510	
Valley Railway Co. cons. gold 6's.....1921	1,700,000	M & S	105½	104		104
Vermont Marble Co.....100	3,000,000					
do do sinking fund 5's.....1910	1,200,000	J & D				
Warren Railroad.....50	1,800,000				*125	
do 2d mortgage 7's.....1900	750,000	A & O			*123	
Williamsburgh Gas Light Co.....50	1,000,000	Q J				
Wabash funded interest bonds.....1907					*100	
Toledo & Illinois Division 7's.....	126,000	F & A			*100	
Lake Erie, Wabash & St. Louis 7's.....	350,000	F & A			*90	
Great Western 1st mortgage 7's.....	350,000	F & A			*100	
Illinois & Southern Iowa 7's.....	42,000	F & A			*95	
Decatur & East St. Louis 6's.....	472,500	F & A			*88	
Quincy & Toledo 6's.....	37,500	F & A			*80	
Toledo & Wabash 2d mortgage 6's.....	127,500	F & A			*85	
Wabash & Western 2d mortgage 6's.....	262,500	F & A			*85	
Great Western 2d mortgage 6's.....	437,500	F & A			*85	
Consolidated convertible 6's.....	637,000	F & A			*65	
Central Arizona Mining.....10	3,000,000					
Excelsior Water & Mining Co.....100	10,000,000					
Homestake Mining Co.....100	12,500,000	Mo.	23	11	*17½	18
La Plata Mining & Smelting Co.....10	12,000,000					
Little Pittsburgh Consol. Mining.....100	10,600,000					
Mariposa L. & M. Co., California.....100	20,000,000					
do do preferred.....100	5,000,000					
Ontario Silver Mining Co.....100	15,000,000	Mo.	30	22	*14	25
Standard Consol'd Gold Mining Co.....100	10,000,000					
Silver Cliff Mining Co.....50	10,000,000					

NATIONAL BANK STATISTICS.—Statement of the Comptroller of the Currency on February 1, 1887, showing the amounts of National Bank notes and of Legal-Tender notes outstanding at the dates of the passage of the Acts of June 20, 1874, January 14, 1875, and May 31, 1878, together with the amounts outstanding at date, and the increase or decrease.

NATIONAL BANK NOTES.

Amount outstanding June 20, 1874.....	\$349,894,182
Amount outstanding January 14, 1875.....	351,861,450
Amount outstanding May 31, 1878.....	322,156,965
Amount outstanding at date*.....	292,793,452
Decrease during the last month.....	3,693,425
Decrease since February 1, 1886.....	24,861,571

LEGAL-TENDER NOTES.

Amount outstanding June 20, 1874.....	\$382,000,000
Amount outstanding January 14, 1875.....	382,000,000
Amount retired under Act of January 14, 1875, to May 31, 1878.....	35,318,984
Amount outstanding on and since May 31, 1878.....	346,681,016
Amount on deposit with the Treasurer of the United States to redeem notes of insolvent and liquidating banks and banks retiring circulation under Acts of June 20, 1874, and July 12, 1882.....	92,525,108
Increase in deposit during the last month.....	1,354,334
Increase in deposit since February 1, 1886.....	45,935,676

*Circulation of National Gold Banks not included in the above, \$281,280.

W. L. TRENHOLM,

Comptroller of the Currency.

BANKERS' OBITUARY RECORD.

Allen.—Judge William C. Allen, a leading banker of Racine, Wis., died January 13th, aged 72 years. He was a Judge in Walworth County, Wisconsin, for a number of years, and occupied several important political positions.

Armstrong.—Matthew Armstrong, for many years President of the Hudson County National Bank, died at his home in Jersey City, N. J., on January 3d, aged 63 years. He was a member of the Jersey City Board of Finance for one term.

Carney.—Captain James Carney, for thirteen years Cashier of the First National Bank, of Richmond, Me., died on January 1st, aged 82 years. He retired from active business in 1878.

Gillette.—C. S. Gillette, President of the First National Bank, Hartford, Conn., is dead.

Greenleaf.—John H. Greenleaf, President of the Laclede County Bank, Lebanon, Mo., died on December 9th, 1886, aged 52 years.

Gurley.—William Gurley, President of the Union National Bank, of Troy, N. Y., died on January 11th, aged 66 years. He was Mayor of Troy for several years, and a member of the State Legislature in 1867.

Hobbs.—A. Hobbs, President of the Edwards County Bank, Kinsley, Kan., is dead.

Hogarth.—Hon. John P. Hogarth, National Bank Examiner for the Detroit District, died at his home, Monroe, Mich., Saturday, September 18, 1886, in his sixty-sixth year. A more extended notice, giving some of the facts regarding Mr. Hogarth's life and public services appeared in the JOURNAL for November, 1886.

Knapp.—Shepherd F. Knapp, at one time Receiver of the Bowling Green Savings Bank, of New York, died on December 25th, 1886, aged 54 years.

Landell.—Washington I. Landell, for a number of years President of the Kensington National Bank, of Philadelphia, Pa., died on January 15th, of ossification of the heart, aged 69 years. He was connected with the bank nearly 15 years.

Lindsay.—Jesse H. Lindsay, President of the National Bank of Greensboro, Greensboro, N. C., is dead.

Loomis.—Henry Loomis, President of the Burlington (Vt.) Savings Bank, died on December 18, 1886, aged 68 years. He was President of the bank 50 years and the last survivor of the corporators of that bank. The Trustees, on December 23d, passed resolutions of respect to his memory. He was for 31 years a Trustee of the University located at Burlington, and gave much of his time and money to its support.

Marsh.—John Marsh, Cashier of the Citizens' National Bank, Muncie, Ind., is dead.

Near.—Andrew Near, for many years Vice-President of the State of New York National Bank, died on January 11th, at Kingston, N. Y., aged 78 years. He was one of the oldest leading citizens of Kingston.

Newman.—William H. Newman, one of the charter members of the New York Produce Exchange, and its Vice-President from 1863 to 1870, died on January 11th, aged 64 years. He was at one time officially connected with several New York banks.

Owens.—Rufus S. Owens, Auditor of the Chelsea (Mass.) Savings Bank, died on December 30, 1886, aged 60 years. He was a member of the State Legislature in 1867.

Pinneo.—James B. Pinneo, President of the National Newark Banking Company, Newark, N. J., died on January 9th, aged 80 years. He was President of that bank (the oldest financial institution in Newark) since 1854, and was also a Director in the Howard Savings Institution.

Pollock.—Thomas C. Pollock, formerly President of the St. Nicholas Bank, of New York city, died January 28th, aged 57 years. He resigned his position last October owing to ill health.

Pope.—Samuel M. Pope, Chairman of the Board of Trustees of the Burlington Savings Bank, of Burlington, Vt., died on January 2d, aged 72 years. For many years he was Vice-President of the Merchant's National Bank, of Burlington, and was highly esteemed.

Printup.—D. S. Printup, of Printup Brothers & Co., Rome, Ga., is dead.

Sprigg.—Joseph A. Sprigg, President of the First National Bank, Baltimore, Md., died December 23, 1886, aged 65 years.

Todesco.—Herr Todesco, a well-known banker, of Vienna, Austria, died on January 16th.

Warner.—Charles Warner, President of the National State Bank, of Troy, N. Y., died suddenly of apoplexy on January 16th, aged 58 years. He was County Treasurer for three years.

White.—Frank Worth White, a member of the New York Stock Exchange and of the stock commission firm of Loomis L. White & Co., died of pneumonia on January 18th, aged 30 years. He was admitted to membership in the Stock Exchange in April, 1881.

Williams.—John Williams, President of the Fulton Bank, of Brooklyn, N. Y., died on January 9th, aged 68 years. He became connected with the bank 15 years ago, and was its President for ten years. He was a prominent resident of Brooklyn for half a century and filled a number of important political offices.



F. G. Babcock.

RHODES' JOURNAL OF BANKING.

Vol. XIV.

MARCH, 1887.

No. 3.

THE REPLY OF SECRETARY MANNING to the House resolution touching the retirement by the Treasury Department of the \$1 and \$2-notes constitutes a stronger arraignment of the stupid and dishonest currency system of the United States than any that has come under notice. He says plainly that the \$125,000,000 per annum of surplus taxation is the measure of the clear distance which separates the Government from a present need or excuse to reissue the greenbacks. That temporary notes which are a debt of principal only, like notes which are a debt of principal and interest, should at once be cashed and canceled from abundant and superfluous coin in hand not now capable of being applied to any other use he holds "to be so obvious a principle of sound finance, such as a prudent citizen would apply to his private affairs, that any Secretary of the Treasury would be subject to just reproach for departure therefrom by reissues, were it not that the Act of May 31, 1878, seems to require of him this fatal misstep." But, besides, the faith of the Government is solemnly pledged to pay the greenbacks in coin or its equivalent. The payment of the bonded debt from the surplus is attended with the difficulty that, after the 3 per cents are redeemed, there are no other bonds falling due for four years, and they can only be purchased at a high premium, and, besides, it causes contraction of the currency through the withdrawal of bank circulation. The remedy is very clear: first, the coinage of the silver dollar should be stopped; then the greenbacks should be paid with the funds in the Treasury, coin certificates being largely used in the operation, and excessive taxation abolished. These reforms are supported by language and arguments adapted to convince any person but a modern politician of their practical utility.

IN HIS LAST ANNUAL REPORT the Director of the Mint called attention to the fact that there had been a demand for some time past for dime pieces. In order to supply the want the Mints have been called upon to recoin other silver coins into dimes. There is an abundance of such other coins, as the Director says: "The fact that there is a large

accumulation in the Treasury of fifty and twenty-five cent silver pieces tends to indicate that the coinage of those denominations has been in excess of the requirements of the public." This is stated very gently, indeed, for it is a well-known fact that the Treasury has been carrying from \$25,000,000 to \$30,000,000 worth of subsidiary coins which are so practically useless that Treasurer Jordan has reported them separately from the other money in the Treasury as "Assets not available." Under these conditions, with such an excessive amount of silver halves and quarters in the Treasury, and a demand for dimes, what was more natural than that Director Kimball should suggest that, "instead of buying silver for the coinage of dimes, for which there is a pressing demand," it would be preferable "to recoin the worn twenty-five and fifty-cent pieces in the Treasury, and uncurrent three, five and twenty-cent pieces which may be presented to the Treasury for redemption." But it appears that this did not meet the views of the silver men, for the joint resolution introduced in Congress to deal with the subject provides that bullion shall be purchased for the new coins. This is a matter that has escaped attention by the newspapers, but it well illustrates the selfishness of the silver men—their total disregard of any interest but their own.

THE VIEWS OF COMPTROLLER TRENHOLM on the matter of the reduction of National bank circulation, as explained to the Senate Committee on Finance, and published in this number, are worthy of close attention. He is undoubtedly right in opposing the issue of the circulation on the premium of bonds deposited, but it is questionable if allowing the banks to issue up to the face value of their bonds would not tend to prevent the present rapid decrease in the circulation. He does not favor even this proposal, however, and it must be confessed that any change calculated to increase the market value of bonds which the Government may be compelled to purchase before maturity is hardly feasible. Notice should be taken of the point that, after the 3 per cent. bonds are all called, of which the banks now hold less than 50 millions, the limit of \$3,000,000 per month to the deposit of lawful money to reduce circulation will begin to apply, so that this will be the maximum amount of the reduction when the 3 per cents have all been disposed of. The only positive recommendation made by the Comptroller is the repeal of the tax upon the minimum amount of circulation, and perhaps a reduction of the minimum amount now required for each bank. These two proposals are hardly in harmony, but there are strong reasons in favor of both, and they would tend to insure a continuance of the National bank system.

MANY WELL-MEANING PEOPLE are advocating an adoption by the Government of a Postal Savings Bank system for the very laudable purpose of encouraging the accumulation of small savings. While, of

course, this purpose is to be commended, the proposed means of accomplishing it is very questionable. Unless some plan is devised for investing deposits, the evil from which we are already suffering (hoarding money in the Treasury which should be in active circulation) will be intensified. The Government cannot invest deposits in its own bonds without buying them at a large premium, and it is already in receipt of more revenues than it can advantageously use for that purpose. The policy of investing deposits in any other class of securities is one which involves a number of serious objections, and should not be entered upon without some means of avoiding them is first devised. The savings banks as now conducted in New York and New Jersey, as well as all the New England States, are under strict supervision by the State, and are doing a grand work. Other States are gradually perfecting their laws so as to build up similar institutions. There is not a whit of evidence to show that the United States Government is capable of taking care of the people's savings.

IT IS TO BE HOPED THAT the attempt to pass a law providing for the establishment of a system of savings banks in the State of Illinois on the plan of the New York system will prove successful. The State has no system whatever deserving the name, the savings banks being all joint-stock concerns, having deposits aggregating only about \$4,000,000, or about \$1.33 per head of the population. The advantage of a system devised wholly in the interest of the depositors will be recognized when we say that the savings banks of the State of New York, which has about one-half more inhabitants than Illinois, have total deposits of \$559,000,000, or about \$112 per capita. Massachusetts, with a population of less than 2,000,000, has saving deposits of \$304,000,000, or \$152 per head, and Connecticut has \$102,000,000, being an average of over \$174 for every man, woman and child in the State. A place where persons of small means may safely deposit their money and earn a little interest is an aid to the advancement of the people which neither Illinois nor any other State can afford to neglect.

THE REPORT OF THE SENATE FINANCE COMMITTEE on the bill to establish a Sub-Treasury at Louisville, Ky., is worthy of notice, not because the Committee opposed it as a useless expense, but on account of the argument contained in it against the Sub-Treasury system. There are now no less than 160 places where public revenues are collected and disbursements made, outside the Sub-Treasury cities, with absolute security to the Government, through means of National bank depositories. As the report says: "The cause which led to the adoption of the Sub-Treasury system no longer exists." It is extravagant and injurious to the business of the country, causing money to be locked up from time to time when it is needed outside, and thus inducing monetary panics. Besides, it leads to an improper connection between

the Government and the money market. When our finances are arranged on a more scientific basis—if that time ever comes—one of the principal changes to be made will be the abolishment of the Sub-Treasury system.

ALTHOUGH THE FACT has been fully demonstrated that legislation cannot fix the market value of a commodity, the attempt to make an exception to the rule with reference to money is of frequent occurrence. A bill is now pending in the Massachusetts Legislature to prevent the making of a contract to pay a greater rate of interest than 10 per cent. per annum. The author of the bill has stated that in 32 States and Territories there is a penalty for usury, the rate of interest varying from 5 per cent. in Louisiana to 18 per cent. in Montana. The efficacy of legislation in regulating the value of money, if there is any, ought to be demonstrated by the experience of some one of these 32 States, but the evidence is not forthcoming. In many States severe penalties are attached to usury, yet they have not saved a single borrower from paying the full market rate for money. On the contrary, severe usury laws usually operate to increase the rate which the borrower has to pay. The weak point in all such laws is their lack of power to compel owners of money to lend it whether they want to or not.

THE RETIREMENT OF SECRETARY MANNING and the language used in his letter of resignation give rise not only to regret but anxiety regarding the future of the country's finances. The Secretary has done his duty sturdily and well in a very difficult position. With the best chances for placing our monetary system on a perfect footing and reforming the tax and tariff laws into a logical system that probably any nation ever enjoyed, Congress has insisted on continuing in the old stupid and dishonest course against which the Secretary has always protested. It is evident that Mr. Manning had no hope of a return to rational methods during his term of office, and no doubt this had much to do with his retirement. His successor will have to encounter a condition of affairs and an outlook that no prudent man will face without shrinking.

THERE IS NO ACCOUNTING for the vagaries of State legislators when dealing with financial matters. A case in point which came up in Tennessee during the past month was the introduction of a bill to prevent the payment of interest on deposits except by savings banks. This proposal was advocated on the ground that the banks are paying 4 to 6 per cent. on deposits, and are thereby becoming moneyed monopolies, as no one can borrow from them at less than 12 to 15 per cent. The bill was introduced in the interest of the young men of the State. When it is remembered that there is no regular system of savings banks in the State, the bill and the arguments in favor of it appear all the more farcical.

REDUCTION OF THE SURPLUS.

BY JOHN JAY KNOX.

In an article upon "The Future of the National Banking System," published in the *North American Review* for January, the subject of the reduction of the surplus was briefly referred to. The proposition was to provide for the refunding of the four per cent. bonds, amounting to about 738 millions, into two-and-a-half per cents in all respects precisely like the fours except in the rate of interest, the Government offering to the holders of the fours the inducement to exchange the old bonds for the new by paying in advance the difference in interest between two-and-a-half per cent. and four per cent. as calculated by the Actuary of the Treasury Department. Since the publication of that article I have received from the Actuary of the Treasury of the United States the following letter, giving an exact calculation of the difference to be paid to the holders of the four per cents in money. It is as follows:

UNITED STATES TREASURY DEPARTMENT, }
WASHINGTON, D. C., December 24, 1886. }

John Jay Knox, Esq., President National Bank of the Republic, New York.

MY DEAR SIR:—In response to your request of the 11th inst. as to "the difference in interest between 738 millions of 4 per cents maturing in 1907 and a bond exactly the same, maturing at the same date, bearing interest at $2\frac{1}{2}$ per cent." I would say that, throwing out of consideration the superior advantages offered by the $2\frac{1}{2}$ per cent. bond for the purposes of bank-note circulation, the present value to the holders of one dollar and a half a year for 20 years, re-invested quarterly, is, if computed at a 4 per cent. rate of investment, \$20,583; if invested at 3 per cent., \$22,479; and, if invested at 5 per cent., \$18,896 on each \$100 bond.

Very truly yours, E. B. ELLIOTT, Government Actuary.

MEMORANDUM.

Present value of one dollar and a half a year for 20 years, re-invested quarterly, at the following rates of interest per annum.

$2\frac{1}{2}$ per cent.	\$23,552
3 per cent.	22,498
4 per cent.	20,583
5 per cent.	18,896

Corresponding difference in interest on \$738,000,000 reduced from 4 per cent. to $2\frac{1}{2}$ per cent. per annum.

\$173,810,000
166,084,000
151,908,000
139,445,000

According to this calculation, the holder of \$100,000 of four per cent. bonds would receive new two-and-a-halves, maturing at the same date as the fours, and in addition \$23,552 cash, if the rate of interest upon the interest advanced by the Government is cast at two-and-a-half per cent., or at a little above the borrowing power of the Government.

If the rate of interest is cast at four per cent. the holder of \$100,000 of bonds would receive new two-and-a-half per cents and \$20,583 cash.

I have conversed with many large holders of the four per cents, including officers of banks and trust companies and other corporations, and all of them, without exception, have expressed the opinion that if such an offer was made the four per cents would be readily returned to the Government, either for conversion or for reduction in the rate of interest by stamping on the four per cents as proposed in the bill introduced in the House by Hon. Abram S. Hewitt, of New York.

Private individuals who are satisfied with a small income hold Government bonds for the purpose of avoiding taxation; National banks hold them

as security for circulating notes and for Government deposits; savings banks and trust companies hold them as a reserve and because they are not subject to taxation; and insurance companies and other corporations are required by law to deposit them with State authorities. It is evident that a bond having a low rate of interest, payable at the same time as the fours, could be used equally as well for any or all of these purposes.

The bill of Senator Aldrich, now pending in the Senate, provides: "That the two-and-one-half per centum bonds herein authorized, issued in exchange for four per centum bonds, shall not be called in and paid so long as any bonds of the United States heretofore issued, bearing a higher rate of interest, shall be outstanding and uncalled, and the last of such bonds originally issued under this Act, or the substitutes issued therefor, shall be first called in; and this order of payment shall be followed until all of such bonds shall have been called in or paid." The bill also authorizes the issue of circulation of National banks up to the par value of the two-and-a-halves. Such legislation would immediately enhance the value of the two-and-a-halves, and the holders of the fours, and particularly the National banks (who hold about 125 millions), would hasten to make the exchange in order to obtain the earliest numbers of the new bonds, for the same reason that similar exchanges were promptly made for the three-and-a-halves, and subsequently for the threes at the time those bonds were issued.

The new two-and-a-halves can also be made more valuable, and the proposed exchange rendered certain, by extending the date of the maturity of a portion of the new bonds to a date subsequent to 1907, when the present bonds are payable.

Under the present law the whole 738 millions of fours mature on July 1, 1907. The Government cannot, of course, at that time pay the whole amount, and will undoubtedly, at the maturity of these bonds, extend the time of payment by reducing the rate, as it did at the date of the maturity of the five and six per cents on July 1, 1881, when 579 millions of these bonds were extended or continued at the rate of three and a half per cent.; or, as it did two years subsequently, on July 1, 1883, when more than 800 millions of three-and-a-halves were continued at the rate of three per cent.

The bill of Senator Aldrich can be so amended that the date of the payment of the new two-and-a-halves to be issued may be postponed, at the same rate of interest, beyond the maturity of the fours, and made payable in instalments of 100 millions, or less, annually during each year succeeding July 1, 1907, until the whole amount is paid, as follows:*

<i>Rate of Interest.</i>	<i>Maturity of Bonds.</i>	<i>Amount.</i>
2½ per cent.....	July 1, 1907.	\$100,000,000.
2½ per cent.....	July 1, 1908.	100,000,000.
2½ per cent.....	July 1, 1909.	100,000,000.
2½ per cent.....	July 1, 1910.	100,000,000.
2½ per cent.....	July 1, 1911.	100,000,000.
2½ per cent.....	July 1, 1912.	100,000,000.
2½ per cent.....	July 1, 1913.	100,000,000.
2½ per cent.....	July 1, 1914.	100,000,000.
2½ per cent.....	July 1, 1915.	87,000,000.
		\$887,000,000.

* There is a precedent for making bonds under the same law payable at different dates in the bonds issued by the Government to Pacific Railways, which mature at seven different dates, commencing January 16, 1896, and ending January 1, 1899.

Or, if the annual payments were fixed at 80 millions, then the final payment of 87 millions would be in the year 1917, ten years after the maturity of the present bonds. This would make the new two-and-a-half per cents exceedingly desirable to all holders of United States bonds, and particularly to that large class who desire the *longest* bonds. The holders of the four per cents first presenting their bonds for exchange would receive the new two-and-a-halfs having the longest time to run, and there is no doubt there would be a brisk competition among holders to obtain the longest bonds, which under the bill proposed would be the first bonds issued.

It has been proposed by Senator Beck, and by Representative Scott and others, to loan the surplus reserve, which is estimated by the Secretary of the Treasury to be 100 millions annually, temporarily at two per cent. to holders of Governments who would deposit such bonds as security. Even at this low rate of interest, upon the condition named, it is not believed that the Government would succeed in loaning any considerable amount of the surplus; but, if the Government will offer to the holders of the fours the inducements which are here outlined, it may not only refund all of these bonds into the two-and-a-halfs—the lowest rate of interest of any Government—but may at the same time receive *four per cent. interest* upon the interest which it pays in advance to these bondholders. In other words, it may successfully reduce its surplus and complete the whole transaction by offering for every \$100,000 of the fours the same amount of two-and-one-halves and \$20,588 cash.

According to the calculation of the Government Actuary, as given above in his letter, the just and equitable amount to be paid to the holders in advance as interest upon the 738 millions of fours for an exchange of such bonds for two-and-a-half per cents is \$178,810,000 in cash.

With the additional inducement of an extension of the date of maturity of the new two-and-a-half per cents, there is no doubt that the whole transaction could be consummated by offering to the holders of the fours in the aggregate \$151,908,000, thus effecting a gain to the Government in the whole transaction of \$21,907,000, and at the same time reducing the surplus during the next two or three years \$151,908,000, according to the exact calculation of the Actuary of the Treasury Department.

This plan for refunding the last loan of the Government, if the proper legislation can be obtained, is perfectly feasible, and can be readily carried out, and would be unsurpassed even by the brilliant transactions of Secretary Sherman, when these very bonds, the four per cents, were issued in the year of the resumption of specie payments—1879.

The proposed plan will be of advantage to the bond-holder, and, owing to the existing circumstances, still more advantageous to the Government. It provides for the reduction of the surplus as rapidly as the state of the Treasury will warrant, and will give ample time for both parties to mature a bill for a just and permanent reduction of the customs duties,

THE PRIZE ESSAY on "Country Collections" will probably be ready for publication in the April issue. The Judges have the various contributions in hand, and the JOURNAL's readers may confidently expect something of practical interest—and real value—on this important branch of banking practice in place of the wild-geese-chase system (or rather *no system*) now in vogue.

POWER OF A NATIONAL BANK TO BORROW MONEY.*Editor Rhodes' Journal of Banking:*

HUTCHINSON, KANS., February 26, 1887.

SIR:—I see in your valuable JOURNAL for January, under the head of "Banking Law," that the power of a National bank to borrow money has been sustained by the Courts in numerous decisions. If the Courts have adjudicated the question, why is it that the Comptroller of the Currency insists that the borrowing of money is *not* one of the acts permitted under the National Banking Law? In other words, are we to follow the decisions of the Courts or the Comptroller?

VERITAS.

According to a communication received from the office of the Comptroller of the Currency upon the subject mentioned in our correspondent's letter, it appears that Comptroller Trenholm does not hold it to be illegal for a National bank to borrow money. He takes the view that "the whole business of a bank consists in borrowing money to lend again. It borrows its capital from its stockholders; it borrows deposits from the community. Every note that it issues represents value borrowed from the person into whose hand that note first goes, and to be paid to whatever holder of the note presents it for redemption. Therefore, it is a fundamentally untenable proposition to say that it is not a part of the business of a bank to borrow money to lend again."

At the same time, he holds that "It is seldom safe for a bank, by offering inducements of interest or other advantages to those from whom it borrows, to increase its indebtedness beyond what may be regarded as its natural limits, by which I mean the limits that arise out of the industrial circumstances of the community. Now, what I think is that, when a bank habitually adds to its own capital and ordinary deposits resources artificially obtained—as by borrowing money in some other place or attracting to it by the payment of interest deposits which it would not otherwise obtain—and employs such increased resources in extending its business, there arises an unnatural and artificial relation between the real resources of the community and the capital upon which it is trading, a relation which may be at any time disturbed by the failure of these external resources. Such a disturbance is certain to cause embarrassment not only to the bank but to those of its customers who have in this way been induced to depend upon a rate of accommodation which it is not in the power of the bank to keep up.

"For these reasons I have advised banks not to seek to extend their business by increasing their resources beyond their natural limits through the rediscounting of paper or the creation of bills payable. This advice is accompanied with a reminder that, since the obtaining of resources in this way is not one of the enumerated powers of National banks, in order to be unquestionably legal the creation of such obligations should always be supported by the formal and recorded resolution of the Board of Directors.

"The Courts have decided that, where the Board of Directors authorize the use of the credit or of the assets of a bank in effecting a loan, such loan is valid; and, while I do not know of any decision to the effect that in the absence of this condition an otherwise similar loan would not be valid, yet I think the inference is, that if the question were raised, it would be decided in that way."

ENGLAND'S FINANCIAL AFFAIRS AND INSTITUTIONS.

AS SEEN BY THE ASSOCIATE EDITOR OF THE JOURNAL.

LONDON, February 22, 1887.

The writer had an opportunity to converse with a number of gentlemen who are well informed regarding the condition of financial affairs in England, and they are unanimous in saying that the feeling prevailing as to the prospects of American properties are very good. They themselves recognize fully the evidences of renewed prosperity which have appeared so abundantly in the United States during the past year, and, besides, they speak as if business men generally here were convinced of their validity. A noticeable fact is that financial men speak as if they were very well disposed toward American properties, and less criticism is bestowed upon the management of our railroads, etc., than might, perhaps, be expected. Intelligent Englishmen, however, are puzzled to account for the vagaries of Congress on currency matters. They are not able to understand how the country can prosper, as it does, under the control of men who are foolish enough to continue the silver dollar coinage. Among the commercial class there appears to be a widespread feeling of rivalry, arising almost to bitterness, respecting America. Of course, the testimony of but one person to this fact is far from conclusive, but the feeling is evidenced when conversing with persons in various parts of England and Scotland, and it must commonly prevail. The merchants believe that they are unfairly handicapped with the United States in the contest for trade, and that England's tariff laws are too generous, while ours are just the opposite. Whether this feeling is or is not justified by the facts, it appears that they would rather not trade in American products if it were merely a matter of choice.

THE ROYAL MINT.

Permits to visit the Royal Mint are only to be obtained from Mr. Freemantle, Deputy-Master, upon application to the Chancellor of the Exchequer, and they always state the exact hour at which admission is to be obtained.

The Mint is a spacious marble building situated in the "city" and near the Tower of London. There is a large gate-way in front opening on a court-yard which the building surrounds on three sides.

After entering his name on the book in the reception room, the visitor is conducted to the smelting department on the left of the court-yard. The furnaces are not unlike the grills in an oyster saloon, and smelting precious metals is no more curious than the same operation when applied to baser products. We were shown a crucible about twelve inches high intended to hold 1,200 ounces of gold, but no gold is coined at present. The next operation after smelting consists in rolling out the bars of metal into strips the thickness of the coins that are to be struck. The silver strips which were being worked bore slight resemblance to that metal, being of a dingy bright color, something like blackened zinc, a result of oxidation. The bars are rolled and re-rolled many times under immense pressure in order to reduce them to the right thickness. When this is done they are tested and annealed in order to free them from

the excessive hardness caused by the pressure. The silver is now in thin strips about six or seven feet long. The strips are introduced into a stamping machine which at each blow strikes out two discs the size of the coins required, the strips of metal being just wide enough for two coins. This stamping, in the case of small coins (such as sixpences, which were being worked on this occasion) is done very fast. The discs or blanks are next fed into a machine which presses the edges outward on both sides in preparation for the final stamping. This is also done very rapidly, so that the pieces flow from the bottom of the machine like a stream of water. The blanks being yet of a very dull color are next washed in acid and rolled in a drum containing sawdust until they come out looking like discs of white pasteboard. They are also annealed, the metal having again been unduly hardened by the manipulation mentioned. The blanks are now ready to be fed into the machine which makes the "coin of the realm," stamping at one blow the inscription on both sides as well as the milling around the edge. By a system of levers and springs a very heavy pressure is obtained from one of these machines, but this pressure can be graduated to the greatest nicety. For sixpences three tons' pressure is sufficient, but for the largest pieces twenty tons is required. One machine will turn out about 100 pieces per minute. The machines are manufactured in Birmingham.

The pieces, to all intents and purposes, are now coined, and, in the case of copper, they would be ready for distribution and circulation, but with gold and silver coins the law requires a perfection never attained at this stage by all the pieces. Coins of these metals are, therefore, taken into a new department to be tested as to weight. This operation is carried on by means of a delicate and interesting machine invented by Mr. Cotton, formerly a Director of the Bank of England. Thirty-five of these instruments stand upon tables in one room. The pieces are fed into a small cylinder at the top, a quantity at a time, so that one man can attend to a number of the machines. The pieces are pushed out one by one from the bottom of the heap upon a little platform where they rest an instant and then drop over either forward toward the right or the left. Most of them go into a receptacle in front, and one occasionally to the right or left. The first are true in weight or within the tolerance prescribed by law; those dropped to the right are over the weight and are sent back to be reduced, and those that fall to the left are light in weight and have to be smelted again. Even now there will be some pieces showing imperfections. Therefore, before being packed up, the coins are run through a simple machine in which a large number at a time are passed over a cloth belt so as to show first one side and then the other. An attendant, by watching carefully, is able to pick out those that are disfigured.

Gold has not been coined at the Royal Mint in London for some time, the Empire's coinage of this metal being carried on at the Melbourne and Sydney Mints. The pieces coined at those places have a distinctive inscription, and are lettered "M" or "S" as the case may be. The pieces coined in London bear no signature. The coins from the Royal Mint were formerly all distributed through the Bank of England, but silver and copper pieces are now sent to Scotland, Ireland and the Colonies direct, free of expense, as they may be required.

The mechanical operations mentioned have to be carried on under strict rules to prevent loss by carelessness or speculation. Every distinct manipulation

is accomplished in a separate room having its regular staff of workmen under a responsible head. Each department is charged with the weight of metal intrusted to it, and this weight has to be accounted for before the day's business is done. In the meantime, from the time work is begun until the afternoon's balance is struck, no one occupied in the room is allowed to leave it. By using these precautions the work of supplying the coin of Great Britain is carried on without friction.

THE BANK OF ENGLAND.

The Bank of England occupies a whole square in the centre of the banking district which lies, of course, in the "city." Its various buildings and courts, covering an area of about eight acres, are inclosed in a wall showing no windows toward the street. The various offices are open to the public during business hours, but some of the most interesting portions of the institution may be visited only by special permission. Among these is the Directors' Room, a spacious apartment of noble proportions.

The Issue Department of the bank is in a separate building (in which in earlier times the whole business was centred), where gold may at any time be exchanged for notes at the fixed price of £3 17s. 9d. per ounce. Here everything is open and business-like, the scales and trays on the various counters giving it the appearance of a store or "shop," as the English would say. At one side there are desks where notes may be redeemed. The writer, being the happy possessor of a £5 note (the lowest denomination issued), presented it for payment for the purpose of noting the usual forms gone through. The clerk, after examining the note, requires the payee to indorse on it his name and address. A description of the note is then put down in a book, and the corner of the note which bears the signature of the Cashier is torn off by the clerk. The coin is then paid over and the body of the note put away to be filed later on.

In one of the more private offices the visitor, under official guidance, is allowed to watch a staff of clerks sorting and entering the redeemed notes preparatory to filing them. These are distributed to various clerks according to the description of the notes, one handling the £5 and another the £10 denomination, etc. The notes are carefully arranged in order according to the numbers they bear, and are then entered in books. All the notes redeemed upon any day are packed together in boxes containing about 6,000 notes each. The record books and boxes are kept in such a manner that any note can be found, in case reference is required, in about five minutes. Such reference is frequently called for in cases of lawsuits, etc. The notes, after being paid, are kept for five years and then burned. The official conductor said there were about 55,000 notes paid daily, representing £1,000,000. The figures given by him, as well as the process gone through in filing the redeemed notes, differ from other printed accounts of the matter, and for this reason particular inquiry was made on these points.

Upon entering the Bullion Department the attendant turns the visitor over to the official in charge, not being allowed to enter the vaults himself. The spacious vault visited contained about £1,750,000 in gold bars and foreign coins, but this money was only for everyday use, the bulk of the reserve being locked up in other vaults. At this place there is a large weighing machine for weighing gold in bulk. The bars are distributed in regular form on trucks around the walls. Each bar is valued at about £800, and 100 are arranged on

each truck. The coin is arranged in bags containing about £2,000 each, about £100,000 being arranged on a truck for moving around easily. The coins, American and foreign, are bought by the bank by weight at their bullion value, and are not generally melted down or recoinced into British money. They are, for the most part, held with a view to being sold again in their existing shape. This, American bankers know, is different from the common procedure in the United States. A noticeable thing in this department was the absence of silver in any shape.

All the printing of the bank is done on its own premises, and is apparently under as strict a supervision as any other department. Here are printed not only the bank notes, but postal orders used by the Post Office, Indian Government notes, and all the various blanks in use in the bank. For the latter purpose a number of compositors are employed, and, as eight or more presses are run, the whole forms a compact but complete printing office. It is well known that the bank notes are printed on paper specially made in Hampshire for the purpose. Only two notes are printed on a sheet, and, as there is but one impression in black, there is nothing unusual in the process, excepting the numbering of the notes. The presses register the number of impressions, and the printers are bound to account for every sheet received, either in the shape of good notes or spoiled sheets. The signature of Cashier May is printed and not written. The postal orders are printed to the number of 18,000 a day, on bank paper, or, at least, paper of the same quality, but with a different watermark, and the bank has been entrusted with this work probably because it is the safest place in the kingdom for the purpose. The Indian notes were of the denomination of 50 rupees, and are each printed in four languages, being the tongues of the four principalities of India. The printing is in colors, and is more elaborate than that of the English notes. They are not signed until ready for issue in India.

In connection with the Issue Department is a room containing sixteen of the same delicate weighing machines used in the Mint. Those in the bank, however, are made to tip the pieces only to the right or left. The full-weight pieces are thrown to the left and the light ones to the right, no separation being made of over-weight pieces. Should there be such they would go in with those of full weight. All the gold sovereigns received in the bank are tested for weight in this room, about 100,000 a day passing through the machines.

A large department of the bank is devoted to the payment of dividends on various Government and other shares and to transfers of stocks. The ordinary banking business is mainly done in the Private Drawing office and the Bill office. In the former deposits are made and checks cashed, and in the latter discounting of notes is carried on, but there is little in the methods to attract the attention of a stranger.

It may be of interest to American bankers to see the kind of deposit ticket used in the Bank of England. It is printed on blue writing paper 8 inches deep and $4\frac{1}{2}$ inches wide. The back is ruled for a list of "Cheques payable in London." The rule that "Cheques on Clearing Bankers should be paid in before half-past three, and on Saturdays before half-past two" is made so that such checks may go through the Clearing-House the same day, there being a number of clearings every day in London. Following is the style of the ordinary ticket :

BANK OF ENGLAND.

Please receive for Credit of the Account of —

Particulars } per _____
 for entry in } _____
 Pass-book to } _____
 be given here.

_____ 188 .

Bank Notes

Coin

—— Cheques, payable in London (see back)

£

N. B.—Cheques on Clearing Bankers should be paid in before HALF-PAST THREE; and on Saturdays before HALF-PAST TWO.

(1238)

BANKING LEGISLATION IN MINNESOTA.

The Legislature of Minnesota appears to have taken up in serious earnest the work of regulating the methods of private banks in that State. As mentioned in the February number of the *JOURNAL*, Public Examiner Henry M. Knox called attention to the fact that 180 out of a total of 237 banks in the State were private institutions, and all but 11 of them are using corporate titles; that is, there are 107 banks regularly incorporated doing business in the State and 119 more using titles that induce people to believe they are incorporated when they are not.

Such a condition of affairs is not desirable for any community. Let the private bankers of the State of Minnesota be deserving of the highest degree of confidence, yet the fact that they can use deceptive titles is bound to attract dishonest people to sail under the same false colors. The experience of other States has been such that it was found necessary to prevent individual bankers from using corporate titles.

A bill now pending in the Minnesota Legislature is aimed at this evil. The bill has been reported favorably by the Senate Judiciary Committee, and its friends hope to see it pass both branches of the Legislature, when it will certainly become a law, as the Governor has already publicly expressed his desire to have such a measure enacted. The bill provides that no person or persons engaged in the business of banking in the State, not subject to the supervision of, and not required to report to, any officer elected or appointed by the State, shall make use of any office sign at the place where such business is transacted having thereon any artificial or corporate name; nor shall such person or persons make use of or circulate any letter-heads, bill-heads, blank notes, blank receipts, certificates, circulars, or any written or printed or partly written or printed paper whatever having thereon any artificial or corporate name. Any one violating this provision of the law is declared to be guilty of a misdemeanor, and, upon conviction, is made liable to a fine of not less than \$50 nor more than \$500 for each offense.

The private banks of the State have made a strong fight to prevent the passage of the bill, a fact which of itself ought to demonstrate the necessity of such a law.

The restrictions which the State puts upon incorporated banks should assure such banks that the confidence which these restrictions create may be enjoyed exclusively by the banks that submit to them. It is unfair to such banks to permit banks which are unrestricted to masquerade in the livery of incorporated banks, enjoying all the advantages of a charter without assuming any of its obligations or duties.

It seems unwise for bankers who are using their own individual credit and capital—if either is of a character to command confidence—to sink their identity in a corporate title. For instance, Smith and Jones, who are known to be men of great wealth and unquestioned integrity, might find it to their interest to do business where they are known as "Smith & Jones" rather than as "The Merchants' Bank." People would be much more likely to have

confidence in "Smith & Jones," whom they know, than in the "Merchants' Bank," whose identity they cannot disclose.

Another important measure before the Minnesota Legislature, and one which will undoubtedly pass, transfers from the State Auditor to the Public Examiner all the duties relative to the regulation of banking. The Auditor now issues charters to banks, authorizes them to commence business, and calls for four reports each year. These duties more properly belong to the Public Examiner, who, under the bill mentioned, is given the title of Superintendent of Banks.

A third bill makes certain changes in the law regulating loans by banks. The law now limits loans to 15 per cent. of the capital and surplus, and is essentially the same as Section 5,200 of the National Bank Act. The bill provides that the limitations of the old law shall not apply to loans based upon collateral security of warehouse receipts covering produce stored in elevators and warehouses provided that the actual market value of the produce shall at all times exceed by at least 5 per cent. the amount loaned on it; that the produce shall be deposited in a warehouse or elevator in which the borrowers of the money have not a controlling interest; and that the full amount of the loans shall at all times be covered by policies of insurance.

LATER.—Advices from our St. Paul Correspondent, under date of March 1st, state that the bill transferring all supervision from the State Auditor to the Public Examiner has passed both Houses of the Minnesota Legislature, and will, of course, have the Governor's signature. This gives the Examiner—Hon. Henry M. Knox—the granting of all charters as well as a proper supervision of the banks, including calling for reports of condition under the provisions of the law. His *ex-officio* title will be "Superintendent of Banks."

*BORROWING MONEY.

SOME POINTS OF INTEREST TO NATIONAL BANKS.

Editor of Rhodes' Journal of Banking:

SIR:—The general rule in interpreting charters is that a corporation has no more power than is specifically granted, and that what is not so granted is forbidden.

Assuming that the bank is a thing distinct from its stockholders, and that it borrows the money contributed by them, then this kind of borrowing is specifically authorized by the law. Section 5,140 provides, not only that capital stock may be paid in, but that it shall be, and the manner of payment; and Section 5,141 provides penalties for not making such payment. Other sections of the law make provisions for increase or reductions, and in case of impairment of capital stock. So, if National banks borrow their capital stock, it is a form of borrowing freely granted by law.

The power of borrowing money by receiving deposits is another granted power. (See Sections 5,135 and 5,202.)

To cite the sections which grant to National banks the power to borrow by the issue of circulating notes would be tedious. Every one knows that, if

* By a correspondent of the JOURNAL—who is a bank officer as well as student of banking law.

issuing circulating notes upon a deposit of United States bonds be borrowing money, that the National Currency Act was drawn for the special purpose of permitting National banks to exercise such a power.

The form of borrowing about which there is doubt is none of the foregoing, but the right of a National bank to borrow upon bills payable, upon its notes (other than circulating notes), or by rediscounting its own bills receivable. Borrowing in these ways often leads to danger. All good bankers know this.

The men who framed the Currency Act were experienced bankers. They prescribed in what manner a bank should get its funds: first, by its capital and circulation, which in the National system are in part the same thing (all capital may not be in the form of circulation, but all National bank circulation, being secured by bonds, is a part of capital), and, second, from deposits. They did not prohibit soliciting deposits by offering interest, but they did not grant the power to do so. They did not grant the power to borrow on bills payable, and they did prohibit borrowing by the issue of post-notes to circulate as money.

Another point remains to be considered. The Courts have decided that an obligation for borrowed money is binding upon a National bank, particularly when the loan is made with the authority of the Directors of the borrowing bank, but it does not appear that the Courts have decided that the power to borrow money (in a sense apart from borrowing circulation, capital and deposits) is granted by the law. It must not be forgotten that an act may be *ultra vires* beyond the chartered powers of an institution and yet binding upon it. Not only this, but it has been decided that a National bank can enforce a contract which it had no power to make. This is the decision of the United States Supreme Court in regard to loans made direct on real estate security.

It is well to note that, while the Supreme Court held that a National bank might recover on a contract which was clearly *ultra vires*, it did not say that such infringement of charter was without penalty. The penalty is forfeiture of charter, which can, in the case of any act of a bank which is beyond its chartered rights, be enforced in a suit brought under Section 5,289 of the United States Revised Statutes.

The fact that the Courts may decide that a contract made *ultra vires* by a National bank is binding upon such bank in a pecuniary sense does not protect the bank from a suit for forfeiture of charter brought by the Comptroller, nor does it absolve the Comptroller from bringing such suit.

It is the duty of the Comptroller to warn the Managers of banks to cease illegal practices which are generally more dangerous than profitable, and, if they do not obey, to enforce the penalties. This is the only way in which innocent stockholders can be protected. X. Q.

THE RIGHT OF CONTRACT.—A resolution introduced in the Senate by Mr. Van Wyck last month seemed to question the right of a National bank to loan money on a discount note requiring payment in gold coin only. The law permits individuals to make contracts providing for the payment of anything, whether money or goods. Any one can contract for payment in gold or silver or copper or wheat or potatoes, and the law says that such a contract can be enforced. Why, then, should a National bank, which is permitted to discount negotiable paper, be subject to strictures because it exercises that right in a strictly legal manner?

"WHAT'S IN A NAME?"

I.

In the January JOURNAL we published a *fac-simile* of a signature to a check received at this office in payment for a year's subscription. It was a very curious specimen of chirography, and, in order to make it interesting, we facetiously called it "John Smith's" autograph, and offered as a premium to the successful guesser a year's subscription to the JOURNAL—limiting the competition, however, to *Tellers only* connected with banks which were paid-up subscribers or were on our books as old subscribers but not yet paid for this year. We also, inadvertently, excepted the State of Kansas, which fact was evidently taken by many as a clue which led up to the right solution.

We had no idea the difficult signature would create such general interest, and were astonished at the number and great variety of guesses received. Up to this writing nearly five hundred different Tellers have been heard from, of which number over one-half deciphered the signature correctly—a fact, by the way, which shows the good training and quick perception of the young men who are being educated to officiate as Cashiers, Vice-Presidents, and possibly Presidents, of financial institutions at some time, we trust, in the near future. The Tellers who deciphered the name correctly—under the conditions named—have been placed on the JOURNAL's subscription lists for this year.

The puzzling signature (not an easy one to read, even with the clue possibly given) was that of Mr. W. P. Hazen, Cashier of Chatham T. Ewing & Co.'s Bank, Thayer, Kans.

Those who have returned correct solutions of the name deserve great credit, and we take pleasure in showing our appreciation of their efforts by publishing the names of a number of the successful competitors, as follows:

W. P. Shackelford, Bank of Decatur, Ala.; Edw. M. Joyes, First National Bank, Opelika, Ala.; Geo. W. Lorenz, People's Savings Bank, Sacramento, Cal.; A. L. House, Pacific Bank, San Francisco, Cal.; Jno. T. Griffith, Bridgeport National Bank, Conn.; Robert Foote, National Tradesmen's Bank, New Haven, Conn.; F. L. Trowbridge, First National Bank, New Haven, Conn.; W. R. Hubbell, National Iron Bank, Falls Village, Conn.; Geo. O. Norton, Grafton National Bank, Dak.; M. P. McArthur, Security Bank, Tyndall, Dak.; M. C. Skinner, First National Bank, Devil's Lake, Dak.; W. H. Burr, Citizens' National Bank, Grand Forks, Dak.; C. E. Corry (Loomis & Corry, bankers), Columbia, Dak.; Geo. M. Snow, First National Bank, Ketchum, Idaho; A. W. Howard, First National Bank, Aurora, Ill.; Cherrill, Sholl & Co., Carthage, Ill.; J. W. Cary, Continental National Bank, Chicago, Ill.; F. G. Sanburn, Farmers' National Bank, Knoxville, Ill.; L. C. Schwardtfeger, German-American National Bank, Lincoln, Ill.; B. F. McLean, Union National Bank, Macomb, Ill.; A. L. Wilson (Ohlwiene, Schreiber & Co., bankers), Red Bud, Ill.; H. S. Bower, Bank of Tolono, Ill.; C. C. Paddleford, First National Bank, Tuscola, Ill.; Frank L. Bunn, Third National Bank, Bloomington, Ill.; C. A. Webster, Galesburg National Bank, Ill.; O. H. Ferris, Hancock County National Bank, Carthage, Ill.; Ross Matthews, First National Bank, Pittsfield, Ill.; John S. Feimley, Griggsville National Bank, Griggsville, Ill.; H. L. Emley, First National Bank, Huntington, Ind.; E. W. D. Holway, Winneshiek County Bank, Decorah, Iowa; Jno. H. Owens, Des Moines National Bank, Des Moines, Iowa; John X. Aleck, Cadwell's Bank, Logan, Iowa; W. T. Fenton, First National Bank, Ottumwa, Iowa; Geo. R. Slocum, Primghar Exchange Bank, Primghar, Iowa; Frank L. Williams, City Bank, Marshalltown, Iowa; F. H. Gunison, First National Bank, Mason City, Iowa;

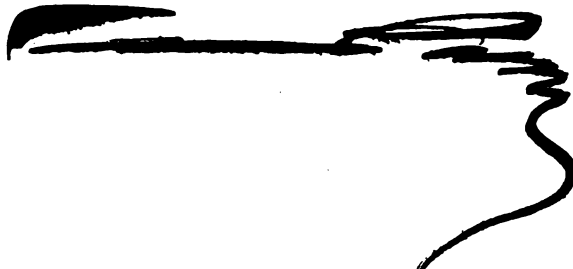
W. K. Ferguson, First National Bank, Algona, Iowa; Chas. G. Lane, First National Bank, Red Oak, Iowa; A. Hatch, First National Bank, McGregor, Iowa; M. F. Browne, People's National Bank, Burlington, Kans.; Sylvester Rapter (with Silvester Johnson, banker), New Haven, Ky.; James O. Otis (office of Commissioners of Savings Banks), Boston, Mass.; H. B. Bailey, Boylston National Bank, Boston, Mass.; J. R. Monroe, Kalamazoo Savings Bank, Kalamazoo, Mich.; H. H. Terwilliger, Muskegon County Bank, Montague, Mich.; Burt Parkhill, First National Bank, Mount Pleasant, Mich.; Richard Barrett, Lumberman's National Bank, Muskegon, Mich.; O. S. Miller, Anoka National Bank, Anoka, Minn.; G. D. La Bar, First National Bank, Brainerd, Minn.; Chas. R. Oliver, Wilkin County Bank, Breckenridge, Minn.; R. G. Tweston, Bank of Pelican Rapids, Pelican Rapids, Minn.; A. J. Lehmick, Lumbermen's National Bank, Stillwater, Minn.; B. B. Somerville, Chillicothe Savings Association, Chillicothe, Mo.; A. L. Stringer, Safe Deposit & Savings Bank, Kansas City, Mo.; John R. White, First National Bank, Springfield, Mo.; C. B. Littlefield, Bank of Knob Knoster, Knob Knoster, Mo.; H. B. Hill, First National Bank, Fort Benton, Mont. Ter.; W. W. McCrackin, First National Bank, Butte, Mont. Ter.; H. H. Wall, First National Bank, Auburn, Neb.; E. G. Baker, First National Bank, Beatrice, Neb.; A. Anderson, First National Bank, Columbus, Neb.; Henry G. Koehler, First National Bank, Blue Hill, Neb.; L. E. Fuller, First National Bank, Crete, Neb.; E. D. Higgins, First National Bank, Ponca, Neb.; F. R. Allen, Paterson Savings Institution, Paterson, N. J.; A. M. Brown, First National Bank, Key Port, N. J.; W. T. Cooper, National State Bank, Newark, N. J.; H. H. Johnson, Mechanics' National Bank, Trenton, N. J.; C. Frank Allen, First National Bank, Las Vegas, N. M.; Jas. D. Proudft, Second National Bank, Sante Fé, N. M.; M. W. Browne (Browne, Manzanaras & Co.), Socorro, N. M.; John W. Parry, Glens Falls National Bank, Glens Falls, N. Y.; W. C. Donnan, National Bank of Le Roy, N. Y.; Harry F. Wilton, Union Bank, Medina, N. Y.; F. E. Brockway, First National Bank, Owego, N. Y.; E. W. Stone, Tioga National Bank, Owego, N. Y.; W. S. McCartney, Central National Bank, Cambridge, Ohio; Harry Heinking, First National Bank, Cincinnati, Ohio; J. H. Page, First National Bank, Cleveland, Ohio; O. L. Hardman, Winters National Bank, Dayton, Ohio; W. E. Agler, First National Bank, Garrettsville, Ohio; D. Rockhold, Merchants' National Bank, Hillsborough, Ohio; M. E. Griswold, Montpelier Banking Company, Montpelier, Ohio; H. H. Ratcliff, First National Bank, Mount Pleasant, Ohio; C. C. Enlase, Lebanon National Bank, Lebanon, Ohio; Thos. H. Wilson (Wick Brothers & Company, bankers), Youngstown, Ohio; Geo. D. Couch, First National Bank, Carbondale, Pa.; M. H. Sellers, National Bank of Chambersburg, Chambersburg, Pa.; T. E. Clyde, Chester National Bank, Chester, Pa.; J. L. Sternberg, First National Bank, Erie, Pa.; F. A. Simpson, Butler County Bank, Millerstown (Barnhart's Mills P. O.), Pa.; W. Steele, Merchants' National Bank, Philadelphia, Pa.; G. W. Ritchie, Commonwealth National Bank, Philadelphia, Pa.; F. H. Lea, Iron City National Bank, Pittsburgh, Pa.; H. F. Wyers, National Bank of Chester County, West Chester, Pa.; A. B. Pickard, National Bank of Fayette County, Uniontown, Pa.; J. H. Stoner, First National Bank, Waynesboro, Pa.; Frank Colville, People's National Bank, McMinnville, Tenn.; G. B. Burke, State National Bank, Austin, Tex.; "Teller," Bowie Bank, Bowie, Tex.; J. S. McDuffie, Ennis National Bank, Ennis, Tex.; Jno. E. Arnold, Fort Worth National Bank, Fort Worth, Tex.; W. H. Campbell, Utah National Bank, Ogden, Utah; H. D. Fuller, Shenandoah Valley National Bank, Winchester, Va.; R. L. Campbell, Shenandoah County Bank, Woodstock, Va.; C. W. Lockwood, Bank of Eau Claire, Eau Claire, Wis.; W. S. Brown, Tobacco Exchange Bank, Edgerton, Wis.; James H. Cole, Sawyer County Bank, Hayward, Wis.; C. W. Twining, First National Bank, Monroe, Wis.; E. M. Proctor, Manufacturers' National Bank, Neenah, Wis.; E. B. Kilborn, Manufacturers' National Bank, Racine, Wis.; W. B. Geery, First National Bank, Ripon, Wis.; Stedman Thomas, Dairymens Bank, Sheboygan Falls, Wis.; A. F. Falls, Merchants' Bank of Canada, Chatham, Ont.; Geo. Burn, The Bank of Ottawa, Ottawa, Ont.; Geo. W. F. Carter, Merchants' Bank of Canada, Montreal, P. Q.

Besides the foregoing, there were quite a number who guessed anything but the right name. Some of the guesses were "away off"—so much so that we cannot well see any resemblance between them and the genuine signature. Others are not only ingenious but quite curious, and show a considerable study and patience in arriving at the incorrect solution. In the April JOURNAL we

shall publish some of them in connection with an article further illustrating the subject of queer signatures.

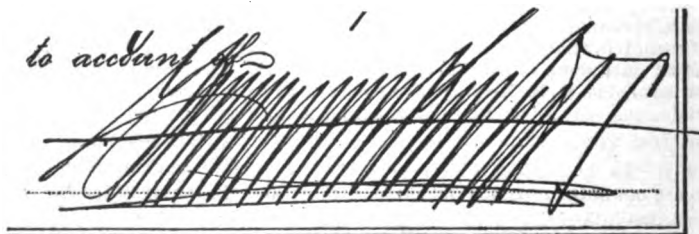
The following *fac-simile* extract from a letter and signature was recently sent to this office in reply to a request for the same for publication; it is that of a very successful and well-known bank official, whose autograph on bank notes has, no doubt, been in many of our readers' hands. The name is not Brown, Jones or Smith. But we leave our readers to guess it:

Yours of the
11th with signature
below please find
By J. H. Jones



The signature given below is one well-known in the West. It is the "mark" of a firm doing an extensive business in a western city whose name is frequently inspected by bankers. It is sent to us by a friend who considers it more of a puzzle than Hazen's; and we are not sure but he is right:

to account of



Here is the *fac-simile* autograph of a bank Cashier who, no doubt, can read his own name after the ink is dry, although it is uncertain if any other person can. We don't think he lies awake nights for fear it will be counterfeited :

In order to give all our friends a chance, we offer the following liberal proposition : Any bank official or employee, other than President, Vice-President or Cashier, who sends a correct reading of the *three* photographed signatures before the first day of May next will be entitled to a copy of the JOURNAL free from date to January 1, 1888.

In case a successful competitor is already a subscriber, and does not wish an extra copy, we will, if desired, publish his name as one of the lucky guessers in a subsequent issue of the JOURNAL.

The continuation of this article in the April number of the JOURNAL will give some additional specimens of names frequently seen by bankers which are difficult to decipher.

Practical Banking and Banking Law.—In response to many inquiries whether we have issued or intend to issue in a single publication the articles on "Practical Banking" which appeared in the JOURNAL during the past two years, and the department of "Banking Law and Replies to Questions," we would state: The series of articles entitled "Methods and Machinery of Practical Banking"—the Patten Series, ended with the 1886 Volume of the JOURNAL—is undergoing revision, and will probably be published in book form toward the end of the present year. It will be a volume of rare value. The price has not yet been determined, but will probably not exceed \$3, and a discount will be given to banks ordering several copies. A number of institutions have already signified their intention of purchasing a copy for every clerk in their employ.

The department of "Banking Law and Replies to Questions" we have no immediate intention of publishing in a separate volume. This matter could not all be comprised in a single book, and, as it is published from year to year in the bound volumes of the JOURNAL, fully indexed, it is accessible to our readers in that shape. Furthermore, subscribers who are desirous of being informed on doubtful or disputed points in banking law and practice of general interest can always receive answers to their inquiries through that section of the Law Department devoted to "Brief Replies to Subscribers."

THE PORTRAITS of prominent bankers and financiers appearing in the JOURNAL are not inserted as a source of profit to the publishers—we only charge the actual cost to those whose portraits are accepted—but solely as a practical method of presenting our readers with faithful likenesses of gentlemen who are prominent in the financial world.

**Notes and Comments on
BANKING PRACTICE.**

**SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.**

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

Small Accounts.—Is it the better policy for a bank to take all business that is offered, or should a discrimination be made against accounts that carry very small balances? Opinions differ on this point. Large city banks, with a well-established business, sometimes fix a minimum limit to balances, refusing all accounts that do not keep, on an average, at least that amount to their credit. New banks, catering for business, are apt to be less strict in their requirements. The proper course would seem to be to take all accounts offered, no matter how small, provided they are *bona fide* business accounts. A man of limited means, without much experience in banking matters, who is starting a business on a small capital, is often at a loss where to open an account. To such a man a bank that will take his account and grant him small discounts is the friend in need. Such accounts often turn out to be among the best on the bank ledgers. But accounts that are opened merely for convenience, on which money is put in one day only to be drawn out the next, should be refused unless there is some special reason to the contrary. It merely increases the clerical work, and ultimately the clerical force, without any sufficient compensation to the bank. Men who are in the habit of over-checking should be mercilessly weeded out. A bank derives no profit from such accounts, and they are a source of danger.

Directors' Examinations.—Too much cannot be said in favor of regular examinations of a bank's affairs by the Board of Directors; and for several reasons. In the first place, it is the plain duty of the Directors of a bank to keep themselves informed as to matters under their charge of which they have voluntarily assumed the care and direction. This is a duty which they owe both to their fellow stockholders and the public who deal with the bank. In the second place, it is a good thing for discipline and the general conduct of a bank's business for the managers to look around and see for themselves how affairs are, so as to tighten the loose screws and brush out the cobwebs, so to speak. Men take more pride in their work when their efforts are seen and appreciated by their superiors. Again, the officers of a bank are all heavily bonded for the proper performance of their duties, and it is but just and right that the money, securities and accounts should be properly audited at least once in three months either by the Directors themselves or by competent accountants acting under their authority. To properly examine a bank a certain degree of familiarity with the system of book-keeping is requisite, and, where examinations are made only at long intervals, Directors do not acquire this necessary knowledge of the bank's books, and consequently their examinations are apt to be superficial. Bank Directors as a rule are keen,

shrewd, observant men, and it cannot be doubted but that frequent examinations would be followed by practical suggestions which would be of benefit to the institution. And last, but not least, it would be a good idea to bring Directors and clerks into personal contact. A free and unrestrained intercourse between these two sets of officers would tend to make many a dark thing plain and crooked path straight. "A word to the wise is sufficient" is a saying of ancient date, and a word to a wise Director spoken in season by a clerk who had his eyes open might often avert a serious loss from defalcation or mismanagement.

Balancing Pass-Books.—Some banks make it a rule to balance all pass-books once in three months. It is better to balance active accounts every month or every two months. Other accounts may be allowed to run from three to six months. Frequent balancing of pass-books is one of the surest ways to discover and correct errors. Pass-books should be called in during the month at the convenience of the Book-keepers or of the clerk whose duty it is to balance them. This spreads the work over the month and prevents crowding at special times. Postal cards, with the printed request, "Please send in your pass-book for balance, and oblige," etc., will be found convenient and time-saving. Adjust the deposit side first, because it is easier to find differences on that side, and cross-entries made to correct errors are more readily noticed. When a pass-book is returned to a customer there should be enclosed a postal card, addressed to the bank, and bearing a form similar to the following: "Pass-book and vouchers, showing a balance of \$—, has been received and found correct." This is to be signed by the customer and returned to the bank. It is thought by some to be a check against fraud to have the pass-books balanced by a special clerk, independent of the Book-keepers. There is considerable force in this argument. At the same time the system is open to the disadvantages which always attend the use of the same ledger by two men. They are likely to be in each other's way, and so hinder rather than help each other. Some Book-keepers arrange the checks in numerical order before balancing, but when, as is usually the case, bank clerks list the checks, this plan is rather a disadvantage, because, if a check has been entered wrong in the cash-book or posted wrong to the ledger, and the work has to be checked off item by item, the checks, being in numerical order, are widely scattered from the order in which they have been posted to the ledger. Books sent in for balance should be attended to promptly, and not allowed to lay over three or four days.

Unpaid Collections.—It has become quite a general practice for city merchants to send their drafts direct to some bank or banker in the town where their customer is located instead of depositing them with their home bank. This plan, properly conducted, is a source of convenience to the drawer of the drafts and also one of some little profit to the country banks. The city merchant is usually willing to pay a small sum for collecting, but sometimes objects to paying anything when the draft is returned dishonored. It is but just that the drawer should pay in either case, for the bank is at an outlay of its time and labor whether the draft is paid or not. Even postage and stationery make up no inconsiderable item of a bank's expense in the course of a year.

NOTE.—Several pages of "Banking Practice" matter, including two Forms of much value to bank book-keepers, are crowded out of this issue. The April instalment will, therefore, be of more than usual interest.

*** NOTED SAVINGS BANK OFFICERS.**

Thomas Jeremiah, William Purves and Cyrus P. Lee.

THE RECORD OF THEIR WELL-SPENT LIVES.**I.**

Thomas Jeremiah.—No doubt very many of the JOURNAL's readers will remember the broad-minded man—a philanthropist in the highest meaning of the term—who is the subject of this sketch. His face for many years was familiar to the patrons of the Bowery Savings Bank, in New York city; and his admirable management has left, as a perpetual monument, the greatest institution of the kind in this country. The bank to-day has aggregate resources (of which over \$10,000,000 is surplus) amounting to the enormous sum of over fifty-five million dollars (\$55,000,000), belonging to 104,130 depositors.

Mr. Jeremiah was born in the city of New York on March 3, 1793. He was engaged in the pork and provision business in the early years of his life, during which time he laid the foundation of an ample fortune.

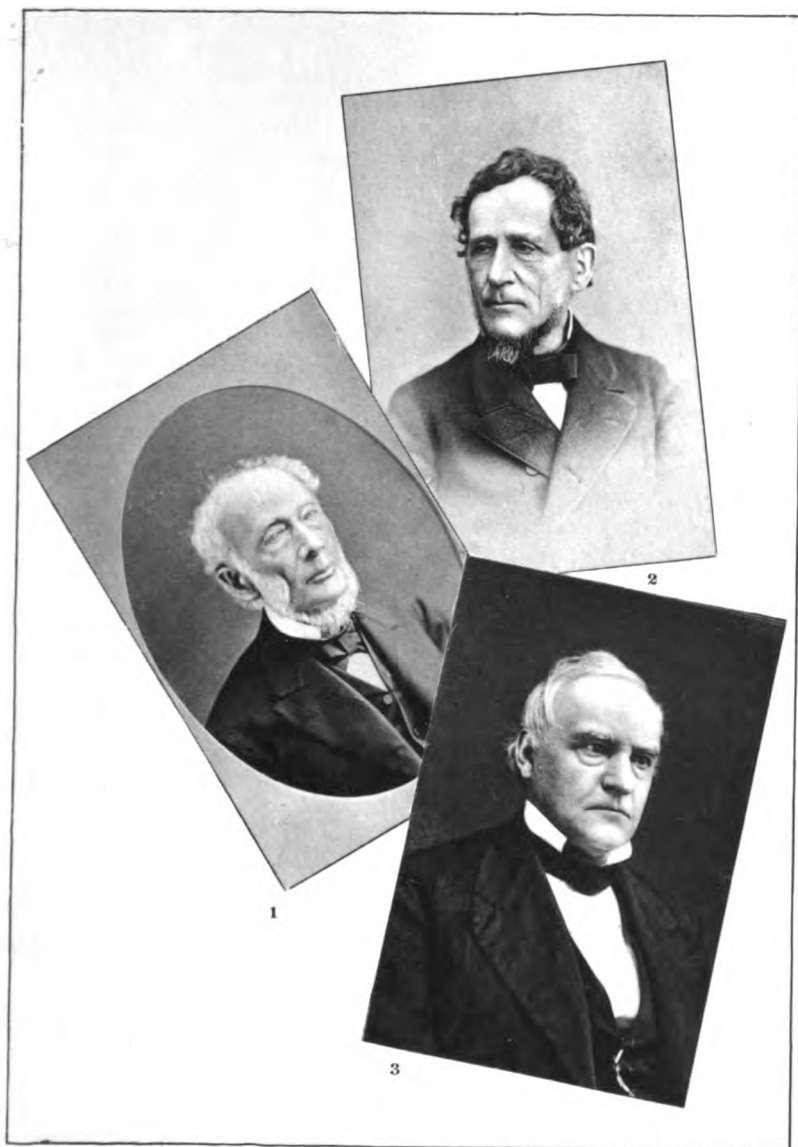
He was one of the original incorporators, on May 1, 1834, of the Bowery Savings Bank, and acted as a Trustee of that institution until January, 1841, when he resigned on account of removing to Staten Island. He did not remain away long, however. Upon his return to the city he was elected to fill the first vacancy in the Board of Trustees, which occurred on May 10, 1843. He served on the Funding Committee during the years 1845-46-47-50-51-52-53-54-55-56-57-58, and was Vice-President from January 11, 1837, to January 13, 1841, and also from October 14, 1857, to March 10, 1858. In 1858 he was elected President of the bank, which position he held until his death on December 2, 1872.

As an evidence of what his efforts accomplished in building up the bank it may be stated that when he was elected President the deposits were only \$7,256,563 (a large sum, however, considering the city's population and the growth of savings banks in those days) and at the time of his death they had increased to the enormous aggregate of \$29,310,834—in itself a grand tribute to the fidelity and helpfulness of a busy life.

But there was another and more humane side to Mr. Jeremiah's life, one which, possibly, is not so well-known to the world at large; but it found a lodgment in the hearts of a multitude of men and women—young men just starting in life, many who were buffeted by storms and temptations, besides hosts of poor widows and orphans who live to-day and whose remembrance of the good man is so helpful that they can indeed rise up and call him blessed.

Mr. Jeremiah's great love for the bank entrusted to his charge was proverbial. He saw in it, by reason of its great scope and widespread means of usefulness, a sure means of benefit and profit, morally as well as financially,

* See illustration (group of three portraits) on facing page.



NOTED SAVINGS BANK OFFICERS.

1. Thomas Jeremiah.

2. William Purves.

3. Cyrus P. Lee.

[See page 252.]

BRADFORD RHODES & CO.,
F. RUTLAND PHOTOGRAPHS

to all who could be induced to seek its protection—not only by the certain return but sure increase of the money deposited. It was to impress the great lessons of Industry and Economy upon the people—more especially the army who depend upon their daily toil for a living—that he devoted his life-work, and right royally did he succeed. Much might be written and said about his efforts in this direction did the space of this brief sketch permit, and it would only tend to increase respect and admiration for the man.

He was always easy of access and approach. If any favors were shown, the poor and needy received possibly a little more attention than the rich. The severity of a business transaction was tempered with a grace that always carried good feeling with it, and no one was ever humiliated by extending a favor or granting a concession. A church dignitary or high official of the State would be treated with all the courtesy demanded by his position, but he would never thrust aside the poor washerwoman or humble laborer to make room for a more pretentious person.

Very frequently his time was devoted to carrying a portion of a deposit to one who was too sick to come to the bank for it. The writer remembers that in his private desk he had pigeon-holes containing several hundred books of depositors whose interests he looked after personally. Some were the property of poor widows with children who could not conveniently come to the bank, others belonged to cripples, while many were on the sick list. In many cases where legal documents were required from a poor depositor he would draw the papers himself to save the expense where it could not be afforded.

As to his integrity—he was incorruptibility personified. It is related by an employé of the bank who was present that on one occasion a borrower offered him a bonus for obtaining a loan. The honest indignation and withering sarcasm with which he rebuked the would-be briber could teach a good lesson (as well as prove a strong safeguard) if its moral force could be felt by some of the present generation.

When the Trustees of the bank were desirous of showing their appreciation of his services by increasing his salary, he invariably said: “No! give it to those who are dependent for support on their own exertions and need it more than I do.”

On one occasion a very valuable lot came into his possession at a remarkably low price. It was at once re-sold to an anxious expectant without profit to himself.

Many are the instances which might be cited of his self-sacrificing generosity. Several times he was persuaded, against his better judgment, to engage in business enterprises that promised well at the outset, but turned out badly in the end; and, when deserted by those to whom he had yielded and trusted, he would manfully shoulder the entire burden and carry it forward, many times to success.

He was always very kindly disposed towards other similar institutions, and no savings bank in the city or country ever asked his advice in vain. A malicious attempt to trespass or infringe upon the rights of a neighboring bank received as much attention and provoked as much indignation as if he was personally attacked.

In framing a law to be submitted to the Legislature he exercised as much care and thought in its effect upon other banks as his own institution.

Unselfishness in all business transactions was the predominant characteristic of his life.

In January, 1859, he wrote a letter to the Legislature of New York, in which the sentiments expressed seem to have been the keynote of all his previous and subsequent convictions regarding the proper sphere of Savings banks. He wrote :

"Institutions for savings being creatures of the Legislature, originated for wise and beneficent purposes, no objection should ever be made by them to any legislative action with a view to salutary supervision and, if necessary, appropriate restraints. Institutions such as are Savings banks, benevolent in their character and benignant in their operation, *cannot be too well guarded*, nor can their managers be men of too high integrity."

The writer cannot permit this account to be closed without relating an incident where the kindly advice of Thomas Jeremiah was the means of shaping the course of a life work—and the memory of his wise counsels a continuous blessing :

In January, 1872, a young man of 25 came to New York a perfect stranger, with less than ten dollars in his pocket—in fact no resources whatever outside of a good education and a firm resolution to succeed. He was born and spent his boyhood on a farm in Western Pennsylvania not far from the Ohio line. His intercourse with the world had been only such as was received by him while working his way through country schools and a high-class academy, making both ends meet by teaching part of the time, coupled with such aid as a devoted father could give. In two days after his arrival in the city he secured employment as a reporter on a daily newspaper. The closing of a Savings bank about that time caused considerable uneasiness and general distrust among depositors in every savings institution in the city, and the young stranger was detailed to visit some of the principal institutions, secure statements of their actual condition, and write articles which, if possible, would tend to allay the general distrust. While engaged in this work he met Thomas Jeremiah, and the bank President's manner was so courteous, his frankness and undoubted honesty so evident in every detail regarding the condition of the bank under his charge, that the personality of the man made a lasting and favorable impression at once. It was mainly due to his wise suggestions and keen perception—pointing out a line of work he believed his interviewer was fitted to undertake—that shortly thereafter the publication of a small and unpretentious paper devoted in the main to Savings bank affairs was begun, and on the foundation thus laid RHODES' JOURNAL OF BANKING was reared and has steadily grown year by year under the care of its founder—the editor and proprietor—to its present remarkable success.

The portrait of Mr. Jeremiah as shown herein is from a photograph he gave the writer in the spring of 1872. The portrait is not very sharp, on account of dimness in the photograph, though it is a faithful likeness of the man as he appeared in the eightieth year of his age.

Such, in brief, is the record of a man who, take him for what he was, lived and died one of Nature's Noblemen.

II.

William Purves.—There died, in the city of Philadelphia, on the 28th of last October, a man who well deserves the record of a busy and well-spent life. William Purves, the subject of this sketch, was born in Philadelphia, December 28, 1809, and consequently was nearly seventy-seven years old at the time of

his death. Alexander Purves, the famous cloth merchant, was his father. He gave his son a good education at the classical school of Mr. Ross, the author of the Latin grammar bearing his name. It was the intention of young Purves to enter upon a collegiate course, and his early education and training were with that view; but, on account of the unexpected death of his father, he was obliged to change all his plans and diverge from the business life laid out for him. Accordingly he obtained a situation as clerk in the carpet store of Lapeley Bros., which position he held for two years. He next secured a place in the old United States Bank, where he remained until that institution failed, at which time he held the position of Second Teller. From his experience and aptitude for the business he was one of those selected to assist in closing the books and business of the bank, and this occupied his time for nearly two years longer.

It is perfectly safe to assume that the knowledge and training gained by Mr. Purves while in the United States Bank laid the foundation for his subsequent career of usefulness in connection with the management of the largest savings institution in Philadelphia—in fact the largest in the United States outside of New York. For four years longer, however, he was engaged in the book business with Mr. Henry Perkins under the style of Perkins & Purves, after which he finally concluded to accept a position in the old Philadelphia Bank. While he was with this bank he made many valuable suggestions and changes in regard to the methods of bank book-keeping that were not only adopted by the management but have been quite generally used by Philadelphia banking institutions and others throughout the country.

In December, 1849, he was elected Treasurer of the Philadelphia Saving Fund Society, with which institution he was connected until the day of his death. He acted as Treasurer until November, 1884, when he was elected Vice-President. As showing the earnestness and success of his efforts in building up the institution, it may be stated that when he first assumed office the assets of the Society were only about \$2,000,000, with 10,000 depositors, while at the time of his death the total resources aggregated nearly \$30,000,000, belonging to over 100,000 depositors.

He was prominent in church matters, having been an elder in the First Presbyterian Church for many years, and during the latter part of his life in the Calvary Church. He was also actively connected with many charitable organizations.

As an evidence of the public esteem in which Mr. Purves was held, the following, from one of the leading Philadelphia newspapers, published at the time of his death, is appropriate:

"The death of Mr. William Purves, for thirty-seven years Treasurer of the old Philadelphia Saving Fund Society, at Seventh and Walnut streets, is a public loss to Philadelphia. He was honored and respected by all who knew him, and really beloved by the thousands of depositors in the institution for his kind and courteous treatment of all who came in contact with him."

The Society with which he was so long connected passed a series of Resolutions showing its appreciation of his character and qualifications, from which the following is extracted:

"Mr. Purves was peculiarly fitted by nature and education for the position he occupied. He was calm in turmoil and excitement, never losing his balance, and ready at all times to meet with composure every case that presented itself for consideration. His amiable temper and gentle disposition led him to give a ready ear to every person

however humble, who appealed to him for a hearing. He was always courteous to the high and the lowly, especially listening with patience to those who are habitually suspicious about the safety of their money when it is out of their sight and placed temporarily beyond their immediate control. When, however, a person approached him inspired by aims of negotiation, he was ever on the watch, and no man gained an advantage over him. Mr. Purves became very popular in the discharge of his duties, and much of the reputation enjoyed by the Society is due to the confidence reposed in him as a fiducial officer."

III.

Cyrus P. Lee.—In the death of Mr. Cyrus Peck Lee, the city of Buffalo, N. Y., lost one of its most highly respected citizens, and the Erie County Savings Bank a life-long and faithful official. Mr. Lee was born in Sandy Hill, N. Y., September 12, 1809, and removed to Buffalo when a young man. He early became identified with the business interests of the city, and for over half a century was prominent in business and financial circles. For several years he served as clerk in the post-office, and afterward as deputy postmaster, which position he held during four different administrations.

In 1854 the Erie County Savings Bank was organized by a number of prominent citizens, and Mr. Lee was elected Secretary and Treasurer, which position he held with honor, discharging its duties with marked ability up to the time of his death.

During the fifty years of his life spent in Buffalo he saw the city expand from a comparatively small beginning to its present rank as one of the leading commercial and financial centres of the country. His history, as has been truly said, was the history of the city, his name being associated with nearly every worthy business enterprise, but more especially its charities. In them his position was in the front rank, standing ever ready to lend a helping hand to relieve suffering and distress.

But it was in the banking business that he stood, probably, in advance of any local financier whose name can now be recalled. He was not a mere figure-head, but was ready at all times to assume, if necessary, the duties of any subordinate in the bank. That was one of his peculiarities, and it doubtless had more to do with the success of the institution than anything else. No matter how small the detail or trivial the duty, *he* always had time to attend to it if no one else had. He was thoroughly bound up in the welfare of the institution with which he was connected.

Although all savings banks are closely hedged by statutory provisions designed to protect depositors, yet there was a feeling that money was safer in the bank controlled by Mr. Lee than in other similar institutions, simply because of his well-known ability and sterling integrity. It was a proud boast of his, and one on which he loved to dwell, that "the Erie County Savings Bank could *never fail*. It might, in case of a prolonged run, be obliged to close its doors temporarily, but when its real estate and other assets were put on the market and disposed of there would be enough to give every man one hundred cents for every dollar he had on deposit, and have a considerable surplus left." The total resources of the bank at the present time exceed \$18,000,000.

It was that supreme confidence in the man which gave the bank its strong hold on the community. He was proud of the prosperity of the institution, and deeply interested in everything that could be done for the benefit of its

depositors, fully realizing the dignity and responsibility of his position as one worthy the entire consecration of all his powers.

His memory of names and faces is said to have been so remarkable that when he was in the post-office he formed a personal and permanent acquaintance with every person who ever asked him for a letter or newspaper. He probably knew more people than any man in Erie County, and out of the more than thirty thousand depositors in the bank at the time of his death it is safe to assume that the large majority felt they had lost a personal friend. It is stated as a fact that he knew most of them by name and considerable of their personal history besides.

He was a remarkably fine penman, and felt a just and pardonable pride in the neatness and accuracy of his work. He was also a thorough accountant. When the bank was first organized he devised a system of book-keeping which, without material change, has been ever since used by the bank. The peculiar feature of it is that at the close of every day's business a balance is struck, and a written statement made, showing the exact financial condition of the institution. This system has always worked well, and is believed to afford all possible checks against errors, and at the same time is a safeguard against loss. Another remarkable characteristic of the man was his supervision of the payment of his employees—a duty which he had discharged personally every month for the past thirty-two years.

On Saturday, October 30, 1886, he rose from a sick bed and went to the bank to attend to the accustomed payment of the employees. It was his last official duty. On the following Tuesday he died.

He was a devoted adherent of the Episcopal Church, being a member of the Church of the Ascension and a Warden since 1873.

About three years since he was ordained as a lay minister for mission work. Only a few weeks before his death he performed the marriage ceremony for a young couple at Lancaster.

He was a gentleman whose principles were so well grounded that he could easily forgive and forget an injury, but always remembered a kindness.

A very touching memorial and resolutions, expressive of their appreciation of his worth and services, were unanimously adopted by the Board of Trustees of the Erie County Savings Bank, from which the following extract is taken :

"Of our personal affection for Mr. Lee, the product, with most of us, of the almost daily intercourse and counsels for many years, we cannot adequately speak. We see his face, so expressive of his intelligence and character, no more. We bid farewell to our faithful friend and officer, assured that his fidelity to every trust in the world will make him master over many things in larger spheres of duty. And now be it

Resolved, That the Trustees of the Erie County Savings Bank do hereby adopt the foregoing memorial as an expression of their regard for their departed friend.

Resolved, That said memorial and these resolutions be recorded in the minutes of this Board; that a copy of the same be transmitted to the family of the deceased, to whom we tender our sincere sympathy in their bereavement; and that a copy be also published in the newspapers of Buffalo.

Resolved, That we will attend the funeral of Mr. Lee in a body as a testimony of our affection and respect.

M. C. CURTIS, Assistant Cashier of the American National Bank, of Kansas City, Mo., writes under date of March 2d: "I beg leave to inform you that we consider it [their page in our new *Bankers' Directory & Collection Guide*] the best advertisement we have yet had in any publication in which we advertised. It is the best BECAUSE IT BRINGS US BUSINESS."

***FRANCIS G. BABCOCK.**

In this issue of the JOURNAL we present a finely executed portrait of Mr. Francis Granger Babcock, one of the representative bankers of the country. Mr. Babcock was born in Chenango County, State of New York, in 1831, and is a descendant of an old New England family, his grandfather, Luke Babcock, having been a resident of Connecticut, but leaving it to become one of the first settlers of Chenango County.

The subject of this sketch was educated at Bacon Academy, in Colchester, Conn., where he enjoyed educational advantages of a high order. Mr. Babcock to this day remembers with grateful appreciation the training which he received in that place of learning, and speaks in the highest terms of praise about his old tutor in mathematics, James S. Eaton, a graduate of Andover Seminary, Mass., who was acknowledged as one of the best mathematicians in the country.

After leaving school, Mr. Babcock began his business career in a country store in Connecticut, and no better school in which to lay a firm foundation for a commercial education could have been selected for him. He very soon gave evidence of his natural aptitude for business pursuits, and his shrewd insight into human nature may be traced to the information picked up by him in that country store in Connecticut.

Subsequently his business talents and enterprise attracted the attention of his uncles, the Messrs. Ushers, who at that time carried on the most extensive trade with the West Indies of any house in the State of Rhode Island. They made Mr. Babcock their chief clerk, and in this wider field he further demonstrated the possession of abilities which have since placed him in the foremost rank of banking men.

When the Erie Railroad was completed, in 1852, and began running from Piermont to Dunkirk, Mr. Babcock at once recognized the important influence which the railroad would exert upon business enterprises along its line. He located in Allegany County, New York, first taking a position as a clerk in a country store.

About six years later he associated himself with his father-in-law, Mr. Charles S. Clark, in the business of manufacturing and dealing in pine lumber and the sale of general merchandise. This business was conducted for nearly twenty-five years, until the death of Mr. Clark in the latter part of 1880. During this time Mr. Babcock prospered in everything he undertook. Quick to perceive the character of any investment brought to his attention, he rarely failed to profit by any legitimate opportunity which offered itself. He early saw that the development of the country would exceed anything that people in his younger days dreamed of.

He became extensively interested in the ownership of pine lands in the States of Michigan and Pennsylvania. All his investments were made after personal examination and location of the property purchased, and with a clear perception

*The sketch of Mr. Babcock appeared in the February JOURNAL, but is repeated herein, as the portrait was inserted in but a small part of the edition—on account of a fire in the artist's place destroying the plates—and we deem it more satisfactory to our readers to have the sketch and the portrait presented together in one number.

of its future value. Some of these investments turned out far more profitable than anticipated. Large tracts of land purchased in Pennsylvania with reference to their value as timber land proved to be petroleum-producing, and Mr. Babcock came to be widely known as one of the largest oil land owners and sellers in McKean County, Pennsylvania.

In the year 1871, Mr. Babcock, who had then become one of the best known business men in Western New York, removed his residence from Allegany County to Hornellsville, in the adjoining County of Steuben. At that time, as now, Hornellsville was one of the most important points on the line of the present New York, Lake Erie & Western Railroad, of which road Mr. Babcock was always a firm and enthusiastic friend. In Hornellsville no man is better known and more highly esteemed. He is public-spirited, and always ready to aid in advancing the interests of the town where he has made his home.

In 1874 he built the Babcock building, one of the principal structures in Hornellsville. In 1875 he established the Bank of Hornellsville, which is now a very prosperous institution. It was organized under the State law, and two-thirds of its stock is owned by Mr. Babcock, who has been President since its organization. The remainder of the stock is owned by his brother, Mr. D. D. Babcock, who is Vice-President of the bank, and by members of the respective families of both, so that the institution may aptly be termed a family bank.

Enormous as are the enterprises in which Mr. Babcock is interested, he gives them all his personal attention, and they show the ability and genius of the man who controls and guides them. He is recognized as one of the ablest men in the State, and his opinion on any business question is always received with confidence and as authority.

In addition to the enterprises already mentioned, Mr. Babcock is interested in the importation and breeding of Holland and Scotch cattle, to which he has given considerable attention for several years. He is the owner of the celebrated Babcock Stock Farms, located at Hornellsville, which are unrivalled in this State. Here some of the best horses in the country are being bred. In connection with his brother, Mr. D. D. Babcock, he also owns a fine farm in Kansas, comprising some 12,000 acres, upon which are kept from 2,500 to 3,000 head of cattle and horses.

Notwithstanding the extent and diversity of Mr. Babcock's business enterprises, he has found time to take an active part in politics. He was a delegate to the National Convention in 1880, and a member of the Executive Committee of the Democratic State Committee in 1882 and 1883, representing the Congressional District then composed of Chemung, Steuben and Allegany Counties.

Mr. Babcock is, in the truest sense of the term, a self-made man. He was not born in poverty, but, from the time he was ten years of age, he has had to make his way and to depend upon his own resources for a living. With the exception of fifty dollars, his only inheritance has been the industry, enterprise and business ability which have won for him wealth and prominence.

"INFORMATION OF GREAT VALUE."—"We have at hand Messrs. Bradford Rhodes & Co.'s *Bankers' Directory & Collection Guide*, corrected to latest dates and full of information of great value to every banker, merchant and collection agent. It may be obtained at 78 William street."—*N. Y. Journal of Commerce*, March 4, 1887.

BANKING LAW.

* Legal Decisions Affecting Bankers.

RECEIPT OF DRAFT BY CREDITOR TO APPLY IF COLLECTED—DUTY AS TO TAKING STEPS TO COLLECT AND AS TO RETURN IF NOT PAID.

Plaintiffs sued defendants for a balance of account with a special count upon the indorsement of a protested draft which had been taken in conditional payment and dishonored. The material facts show that, on December 14, 1888, defendants, dealing at Ishpeming, in Marquette County, Michigan, bought a draft of D. F. Wadsworth & Co., bankers at that place, on a Chicago bank for \$475, payable to defendants' order, which they indorsed and mailed to plaintiffs, who were New York merchants, to apply, if collected, as a payment of \$500, being with \$25 rebate. Plaintiffs received it to apply when paid, and sent it to Chicago, where, on the 20th of December, it was presented and protested. On December 24th, which was Monday, the draft and notices of protest reached plaintiffs in New York city, who mailed notice to defendants, and also telegraphed to know why the draft was dishonored. Defendants telegraphed back to return it and they would send a new one; also that they had made a further remittance of \$500. On the 29th of December plaintiffs returned the draft, which, in the course of mail, reached Ishpeming on January 2, 1889, when Wadsworth & Co. had failed. Defendants claimed that the plaintiffs were bound to return them the draft at once so that they could have got Wadsworth & Co. to redeem it before their failure, and that the omission to do so made them liable for the consequences. The plaintiffs' letter of December 29th was as follows: "Inclosed please find protested draft, for which please give us credit for \$477.91 and remit us new draft." The Court below held that this letter showed conclusively that plaintiffs only held the draft as agents, and had no right to retain it, but should at once have returned it, and ordered a verdict for defendants. On appeal,

Held, The testimony showed very clearly that the draft had been properly dealt with by the plaintiffs, and that the protest and notices had been sent in due time. Upon this we do not think there is any conflict of testimony, and it seems to have been so considered in the Court below. The decision went upon the ground that the plaintiffs were mere collecting agents until payment, and had not been diligent. That they had the duties of collecting agents is true, but they were something more. There is no rule of law which requires a person who has received a security conditionally to give it up again at one time more than another. If defendants had a right to recall the draft when protested, they had a right, on the same principle of agency, to recall it before dishonor or to change its application. We do not so understand the authorities. It is not reasonable to deprive a holder of what he has taken collaterally any more than of what he has taken absolutely. If a debtor wishes to get back his paper he has a right to do so by paying the debt, but not otherwise. If plaintiffs had taken this paper in absolute payment of their account it is not very clear why they could not have had the right to hold defendants as indorsers on its dishonor, although the original amount was cancelled, and they would not have been compellable to return it unpaid. They had the right to so credit it if they had seen fit, and the same difficulty would have arisen which has now arisen, namely, that defendants as indorsers would have had to pay paper which

* All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL's Law Department as early as obtainable.

Attention is also directed to the series, "Powers of Bank Cashiers," "Law Notes and Comments" and "Replies to Law and Banking Questions," which are included in this Department.

the failure of the drawers prevented them from getting refunded. It is unfortunate that it was not returned; but there is nothing in the law of negotiable paper which would have required more than plaintiffs did. The defendants had not warned plaintiffs that they had any fears of the solvency of the drawers of the draft, and there was nothing in the telegram to indicate uneasiness or require haste. Plaintiffs could not be at fault for not having the draft sent back to Ishpeming for presentation to the drawers unless they had reason to believe that delay would be dangerous. There was no such evidence in the case, and nothing was shown which should have led them to think so. Defendants themselves do not appear to have been alarmed any more than plaintiffs. Had they been warned of the danger or urged to immediate action in such a way as to apprise them that they ought to be quick in enforcing their collateral security they might have been bound to look after it. They were in no case bound to return it to defendants unless received on that condition. Defendants could always have redeemed it if they had seen fit.

There was evidence aimed at showing that New York wholesale houses had a custom of returning dishonored drafts to their debtors from whom they received them. If this testimony was admissible the case should have been left for the jury. But there were two objections to it. The law of negotiable paper has never been allowed to be changed by local customs even more general than this, unless, possibly, when the paper itself is purely local. This was a foreign bill, drawn and indorsed in Michigan and payable in Chicago. It is difficult to see how New York business usages could apply to such an instrument. And, further, no such custom was even colorably shown. The witness who swore to it did so as to a usage of two houses only; he had no further knowledge. Beyond this the only proof offered was of single cases which had no tendency to prove custom. (*Lamb vs. Henderson*, 29 N. W. Rep., 733.)

We can see no reason why plaintiffs could not recover either on the account or on the indorsement.

Judgment reversed.

Stringfield and others vs. Vivian and others, Supreme Court of Michigan, November 17, 1886.

BILL OF EXCHANGE—BANKRUPTCY OF ACCEPTORS IN ENGLAND—HOLDER LOSES RECOURSE AGAINST DRAWER BY PROVING CLAIM AND ACCEPTING COMPROMISE WHEREBY ACCEPTORS ARE DISCHARGED.

Defendant, a citizen of this country, drew a bill of exchange to his own order at 60 days' sight upon Johnston & Co., who were English merchants residing in Liverpool. Defendant sold it to the plaintiffs, who were American bankers residing in New York. The bill was duly accepted by Johnston & Co., payable in London, who thereby, as to the plaintiffs, became the principal debtors, the drawer being contingently liable upon their default and holding the position of a surety for the payment of their debt. The bill was protested for non-payment at its maturity, Johnston & Co. having failed and being unable to meet their liabilities, and the holders now sue the drawer to recover its amount. The latter defends upon the ground that, as surety, he was entitled upon the payment of the bill to be subrogated to the rights of the holders, and that the latter had so destroyed or materially impaired those rights as to have lost all remedy against the drawer. The fact relied on as the cause and basis of this result is that the acceptors were discharged in bankruptcy, upon a compromise, by the English Courts, and that the plaintiffs, who were originally not parties to the proceeding, became so afterwards voluntarily, and proved their claim and accepted the composition decreed, whereby the judgment became binding upon them in this country as well as in England; and so the acceptors were wholly discharged, and right of subrogation as surety rendered valueless. The answer made to this contention is that the foreign discharge in bankruptcy was operative against the holders in this country even although they had never become parties to the proceeding; and so the release of the acceptors flowed from no act of theirs; and, consequently, they had not invaded or affected the drawer's rights.

Held, The foreign discharge would have been in and of itself no defense to the American holder of the bill. If property of the bankrupt should be

found in our jurisdiction the plaintiffs were at liberty to proceed against it by attachment and collect their debt out of such property, and the foreign bankruptcy proceedings would neither prevent nor stand in the way, for the sufficient reason that their only force in our jurisdiction comes from our consent, and we have chosen thus to limit that consent. This right remaining to the plaintiffs was a valuable right. It charged with the payment of the protested bill any present or future acquisitions of the acceptors which might come under our jurisdiction and might result in the collection of the whole debt, or a compromise settlement, induced by the desire or interest of the debtors to have access to our markets and freedom to resume their business among us. To that right, thus valuable and material, it was the privilege of the surety to succeed by way of subrogation whenever he should pay the debt, and the plaintiffs could not deprive him of it, or impair or destroy it, except at the peril of releasing him from his liability. Just that was what the plaintiffs did. Tempted by the compromise offered, they sought to obtain the defendant's consent to its acceptance by him. That consent he withheld; but they, acting upon their own conceptions as to what was most for their interest, voluntarily submitted themselves, and their rights as creditors, to the foreign jurisdiction, proved their debt, and accepted the compromise decreed. The condition of the dividend was a release of the debtor. They could not take the compromise and avoid the condition, and so by their act they discharged the acceptors entirely and everywhere. That such is the effect of their voluntary submission to the foreign jurisdiction is inevitable on principle and has been often decided. (11 Barb., 558; 3 Pet., 411.) The unavoidable consequence follows. The creditor, having by his own voluntary act released the debtor from all remaining liability, his surety is discharged.

Phelps vs. Boland, New York Court of Appeals, November 23, 1886.

RECEIPT OF CASHIER'S CHECK IN PAYMENT OF PROMISSORY NOTE—FAILURE OF BANK—RECOVERY ON NOTE.

Defendant was indebted to the plaintiff bank on a promissory note for \$2,287.67. On May 24, 1884, the day of the maturity of the note, defendant, who had on deposit with the Penn Bank, of Pittsburgh, more than this amount, drew its check on such bank for the amount of the note and presented it to the said Penn Bank. The latter received the check and charged it to defendant's account, and issued and delivered to the defendant therefor its Cashier's check for the amount payable to the order of the plaintiff's Cashier. Defendant on the same day presented this instrument, without indorsement, to the plaintiff, who received it and delivered up to defendant the promissory note. On May 26, 1884, the 25th being Sunday, plaintiff caused the instrument issued by the said Penn Bank to be duly presented, duly indorsed, to the Penn Bank for payment, which was refused—the Penn Bank being insolvent and having suspended—whereupon the instrument was duly protested for non-payment, and the plaintiff notified the defendant of the presentment, demand and refusal, demanded payment of the said sum of \$2,287.67, and offered to the defendant, indorsed, but without recourse, the instrument so protested. Defendant refused, claiming that the note was paid. Plaintiff then sued defendant to recover the amount of the note, and judgment was rendered against defendant. On appeal,

Held, The receipt by the defendant in error (the plaintiff) of the Cashier's check of the Penn Bank, and the contemporaneous delivery of the note to the maker thereof, was a conditional payment only of the note. The check was taken for a pre-existing debt. The case stated does not aver any agreement that it was to be accepted as absolute payment. The burden of proof was on the maker of the note to overthrow the presumption that the check was taken as a conditional payment. It was of no higher character than the note, and it certainly was not money. (51 Pa. St., 357; 85 Pa. St., 244; 15 Pittsb. Leg. J., 139.)

Due diligence was used in presenting the check on the next business day after it was received and payment thereof was demanded and refused. There-

upon, on the same day, the check was duly protested for non-payment, and the plaintiff in error (the defendant) was duly notified of the presentment, demand and refusal. Payment of the note was demanded accompanied with an offer on its payment to return the check. The check not having been taken as payment, and nothing having been realized thereon, the plaintiff in error has no just cause to complain of this judgment.

Judgment affirmed.

Canonsburgh Iron Co. vs. Union National Bank, of Pittsburgh, Supreme Court of Pennsylvania, October 4, 1886.

BANK AND DEPOSITOR—PASS-BOOK NOT A CONTRACT BUT A RECEIPT—DEPOSIT TO CREDIT OF THIRD PARTY DOES NOT PASS TITLE WHERE NO KNOWLEDGE OR ACQUIESCENCE BEFORE REVOCATION.

The pass-book issued by the defendants contained the following entry :

"Dawson & Co. in account with Mrs. William Branch, Dr. 1889, July 12. To dep't, \$5,000."

Held, This entry did not constitute a written contract. It was merely evidence in the nature of a receipt of the fact that plaintiff, or some one for her, had deposited that sum with defendants, as bankers, and, like any other receipt, might be contradicted or explained by oral testimony.

In this case the husband of the plaintiff deposited \$5,000 of his own funds to the credit of the plaintiff; but he never communicated the fact to her, never said anything to her about giving her the money, never gave her the possession of the pass-book, and the whole matter of the deposit rested entirely between himself and the defendants. This money he afterwards drew out. Subsequently, he having died, plaintiff sought to recover the amount from the bank as her property, claiming that, by the mere act of placing this money to her credit on the books of the bank, her husband's title to and control over it entirely ceased, and it became the absolute property of the plaintiff, between whom and the defendants the relation of debtor and creditor arose immediately.

Further *Held*, An incomplete voluntary gift creates no right which can be enforced. A gift requires the assent of both minds as much as a contract. To say that a conveyance or transfer of property by way of gift imports an agreement is only to say that ownership cannot be thrust upon a person against his will. Knowledge of the gift on the part of the donee at the time it is made may not be essential in order that it may take effect. If the act of transfer be complete on the part of the donor, subsequent acceptance by the donee *before revocation* will be sufficient. But a mere deposit of property by the depositor, in the name of another, with a third person will not of itself be sufficient to pass the title. This act is one entirely between the depositor and the bailee, to which the person in whose name the deposit is made is in no way a party. It would of itself no more pass title than the execution of a deed by a person and the placing it on record by him without the knowledge or consent, express or implied, of the person named as grantee. (104 Mass., 228; 138 Mass., 581; 72 Me., 140.)

Branch vs. Dawson, Supreme Court of Minnesota, December 13, 1886.

INSOLVENT BANK—ACTION AGAINST DIRECTORS TO RECOVER BILLS RECEIVABLE HELD BY THEM AS INDEMNITY.

In a suit by the Assignee of the Penn Bank, of Pittsburgh, against the Directors to recover certain bills receivable of the bank alleged to have been wrongfully appropriated by the defendants (the Directors of the bank) when the same was insolvent, and should by them have been known to be insolvent, the Master found that the defendants had possession of about \$450,000 of the bills receivable of the bank which they held as indemnity for \$289,000 of paper issued by them for the accommodation of the bank, which paper was discounted by other banks and brokers and the proceeds paid into the vaults of the Penn Bank.

Held, This transaction appears to have been done in entire good faith and with the hope and for the purpose of enabling the bank to resume payment

successfully. There is nothing in the case to connect the Directors with the great fraud by which this institution has been wrecked. They may have reposed too much confidence in the officers of the bank, but they did not steal its money. The case itself does not raise any question of their negligence. It is conceded that, when these securities were selected, set apart, and handed over to the defendants, they took a good title thereto; but it is alleged that, on the following Monday, the said securities were so mingled with other securities of the bank that they could not be identified, and the doctrine of confusion of goods has worked to destroy the defendants' title to the notes. It is at least doubtful whether the doctrine referred to is applicable to such a case; and, even if it were, the Master has found no funds to which it could be applied. He has found that there was no mingling whatever, and we think he is sustained by the evidence. The securities passed over by the bank to the defendants to indemnify them for raising this loan of \$289,000 incurred in law to the benefit of the other banks advancing the money. This is settled law. (37 Pa. St., 31; 79 Pa. St., 168.) They are entitled to the full benefit of the securities. They have done no act which would justify a Court of equity in forfeiting their rights.

Appeal of Warner, Assignee, Supreme Court of Pennsylvania, January 4, 1887.

PROPERTY OBTAINED BY FRAUD IMPRESSED WITH TRUST—HOW FAR SUCH PROPERTY CAN BE FOLLOWED.

It is elementary that a person obtaining property by fraud acquires no title to it, but it is held by him and by all persons claiming under him with notice in trust for the original owner. So long as the property can be identified in its original or in a substituted form it belongs to the original owner if he elects to claim it; and if it passes into the hands of an innocent purchaser for value the title of the defrauded owner, at his option, at once attaches to the avails so long as the identity is preserved no matter how many transmutations of form the property has passed through. So long as the trust property can be traced and followed into other property into which it has been converted, that remains subject to the trust. The product or substitute has the nature of the original imparted to it. The depositing of trust money in a bank, although it creates the relation of debtor and creditor between the bank and depositor, does not change its character or relieve the deposit from the trust. It is not the identity of form but the substantial identity of the fund itself which is the important thing. In support of these propositions, and as illustrating the extent to which Courts of equity have carried this principle, see 3 Maule & S., 562; 4 DeGex M. & G., 372-387; 2 Hem. & M., 417; 13 Ch. Div., 696; 2 Grat., 544; 52 N. Y., 1; 96 N. Y., 32; 99 N. Y., 131; 6 Jones Eq., 34; 57 Pa. St., 202; 30 Kan., 156; 104 U. S., 54.

And some cases go so far as to hold that the trust character still adheres to money even though it cannot be traced into any specific property.

Third National Bank of St. Paul vs. Stillwater Gas Co., Supreme Court of Minnesota, November 22, 1886.

LIABILITY OF DIRECTOR OF BANK FOR OVERDRAFTS AND MISMANAGEMENT OF CASHIER.

This was an action instituted by the liquidators of the defunct Exchange Bank to recover from Matthew H. Gault, M. P., the sum of \$109,621.42, the amount of over-drafts by Thomas Craig, the bank's late Manager and Cashier, now an absentee from Canada. These drafts were made between February 24, 1879, and March 27, 1883. The defendant was one of the Directors of the bank during that period, and resigned on the latter date. It was alleged that the appointment of Craig, who was Gault's brother-in-law, was due to the endeavors and influence of Mr. Gault, and that he was aware during all that time that Craig was engaged in stock gambling and was speculating with funds belonging to the bank, but neglected to disclose this knowledge to the shareholders, and thereby violated his trust and duties as a Director. That, as such Director, he neglected to obtain sufficient security from Craig to cover

his indebtedness. That ignorance of the over-drafts referred to was impossible, as the deposit ledger containing Craig's account was open to inspection. It was further alleged that, on March 22, 1883, the bank was in an insolvent condition, and that the defendant, knowing this fact, as well as that of Craig's inability to pay his indebtedness, sold ninety-five shares to another Director, who thereupon transferred them to Craig in trust for the sum of \$15,825, with which Craig was debited in the books of the bank. This sum was paid to the defendant, who withdrew from the Directorate. There were further allegations to the effect that the defendant and his co-Directors submitted false statements to the shareholders, all of which led to the suspension and insolvency of the bank. There was also an allegation that Mr. Gault withdrew \$4,640.83 charged to The Montreal Conservative Association in 1878, the cheques for which were drawn to meet defendant's election expenses in that year. The conclusions of the declaration were that the defendant be condemned to pay the amount sued for to the liquidators. The defendant denied all knowledge of Craig's defalcations, and pleaded that, owing to ill-health, he was physically incapable to attend to his duties as a Director of the bank from August 22, 1882, and continued so until after his resignation, and could not, consequently, be held responsible for any over-drafts issued from December 22, 1882, up to the time that he ceased to be a Director. He further contended that Craig subsequently paid into the bank a much larger sum than that alleged to have been overdrawn, and that such sum should be set off against the amount claimed. There was also a plea of prescription to the item of \$4,640.83. Craig was examined under a commission sent to New York, and admitted his indebtedness. Other witnesses were also examined in support of the allegations of the parties. The case was heard on its merits, and judgment was rendered dismissing the action. The Court held that Gault could not be held responsible for credits given to Craig during the time of his (defendant's) illness. It also maintained the defendant's contention that whatever the bank received from Craig must be imputed to the payment of Craig's indebtedness at the time, and the defendant, not being responsible for the acts of Craig subsequent to December, 1882, must have the benefit of all the payments made after the 22d of that month, which, according to the evidence, amounted to \$111,000. The plea of five years' prescription covering the sum of \$4,640.83 was maintained. In the course of its judgment, the Court held that Directors are responsible for flagrant negligence or fraud; that if they are deceived by the connivance of the employees and the Managing Director they are not liable; that a Director is responsible for his personal fraud and for the fraud of his co-Directors when authorized or ratified by him; that he is not responsible for the acts of his co-Directors during his illness if he is unable to attend to them, and that no action lies against him for damages caused by non-fulfillment of his duties during such illness.

Exchange Bank vs. Gault, Superior Court of Montreal, January 10, 1887.

RECEIPT AND CREDIT BY BRANCH BANK OF DRAFT DRAWN ON ANOTHER BRANCH BANK—RIGHT TO CHARGE BACK AMOUNT ON DISHONOR BY DRAWEE.

On the 15th of February, 1883, Mr. T. G. Davey, of London, Ont., purchased at the Mahon Bank, in London, a draft drawn by the Mahon Bank on the Bank of Montreal, London, in favor of the plaintiffs. Across the face of the draft appeared the words, "Payable at par at the Toronto branch of the Bank of Montreal." The draft was sent to plaintiffs in payment of an account due to them by the Railroad News Company, and was received by them on the 16th, and deposited in the Imperial Bank, Toronto, on the 17th (Saturday). On Monday, the 19th, the draft was sent in the usual way by the Imperial Bank to the Toronto branch of the Bank of Montreal, and credited by the latter institution to the Imperial Bank. The draft was then sent the same day to London, reaching the Bank of Montreal there on the morning of the 20th, and on that day the Mahon Bank closed its doors. The draft was dishonored and charged back by the defendants to the Imperial Bank, and by the Imperial Bank to the plaintiffs, who brought this action, contending (1) that the note on

the face of the draft habitually used by the Mahon Bank without objection by the defendants was an acceptance or guaranty by the defendants of the payment of the draft, and (2) that the draft was, in effect, paid on presentation at the Bank of Montreal in Toronto, and the payment could not afterwards be revoked by charging back the draft. The judgment is against the plaintiffs, and reads as follows: "But for the words partly written and partly printed across the face of the check, 'payable at the Bank of Montreal, Toronto, at par,' it is clear under the authorities that the Bank of Montreal had the right to charge back the check to the Imperial Bank upon its dishonor at the London branch. I do not think that this legal right is altered by these words. The check is drawn on the London branch and is payable at that branch. These words do not change the place of payment. The check must be read to give effect to every part of it, and, so reading it, it is clear the whole effect of these words is a statement by the drawer that the Toronto branch will make no charge for cashing the check; and I find that this was by agreement between the drawer of the check and the Bank of Montreal; but I do not think that, upon the Bank of Montreal cashing the check, they thereby assumed the risk of there being no funds to meet it, and lost the right to charge it back upon its being ascertained that there were none. I think the plaintiffs must fail; but, as the words were well calculated to mislead, and have caused this difficulty, and caused this litigation by permitting, as I think they did, the drawer of the check to use this form of check, I will not give them costs."

Action dismissed with costs as against the Imperial Bank, and without costs as against the Bank of Montreal.

Mr. Falconbridge, Q. C., for the plaintiffs, and Mr. Worrell for defendants.

Rose & Belford vs. Bank of Montreal, Queen's Bench Division of the High Court of Justice, Toronto, Ont., January, 1887.

FORGERY OF NOTE WITH CONDITION—DEFENSE ON GROUND THAT CONDITION WAS NOT FULFILLED.

Defendant was a soliciting agent of the Continental Insurance Company, and sent an application and two promissory notes to the Chicago department of that company. The application and notes purported to be signed by J. C. Moore. The notes were for the premium for an insurance. A policy was not issued on the application because, upon inspection, the notes and application were suspected to be forgeries. The evidence showed conclusively that the defendant forged the name of J. C. Moore to the notes and application with the intent of procuring the commission due him as agent for procuring the insurance. Under his contract with the company he was entitled to payment of his commission on but one of the notes at the time of the issuance of the policy, and that note provided that it should not be valid unless the company issued a policy. Counsel for the defendant claimed that, as the application was not accepted and no policy issued, there was no crime, because the notes never became obligations to pay money.

Held, We cannot concur in this view. The defendant forged the instruments with a criminal intent, and attempted to defraud the insurance company by forwarding them and demanding his commissions. He cannot escape conviction because his crime was detected before any one was injured or defrauded by reason of it.

State vs. McMackin, Supreme Court of Iowa, December 11, 1886.

NATIONAL BANK—THEFT OF SECURITIES—NEGLIGENCE—POWER TO RECOVER PROPERTY.

Where a large amount of money and securities in the hands of a National bank, including a special deposit of bonds belonging to the plaintiff, were stolen,

Held, The mere fact of the loss of the plaintiff's property by that means was not sufficient to sustain an allegation of negligence.

Further *Held*, That a National bank would certainly have power to take measures for the recovery of its own property lost in the way described; and,

if the loss included the property of others, and it was deemed best, having reference to the bank's own interest, that these measures should be taken by the bank alone for itself and all concerned, it might lawfully undertake to act for others thus jointly concerned with itself as well as for itself alone; and want of proper diligence, skill and care in the performance of such an undertaking would be ground of liability to respond in damages for such failure. Much more would the bank be liable in such a case if, in the performance of such a contract, it used the property of the plaintiff for the recovery of its own.

Wylie vs. Northampton National Bank, Supreme Court of the United States, December 12, 1886.

SAVINGS BANK—PAYMENT OF WIFE'S MONEY UNDER TRUSTEE PROCESS AGAINST HUSBAND.

Plaintiff sued a savings bank for money deposited by her husband in her name, part of which had been paid out under trustee process against her husband, but to which suit the plaintiff was not a party. Plaintiff's husband appeared and disclaimed the funds, but the Court below directed a verdict for the defendant. On appeal,

Held, The answer admits a deposit in the name of the plaintiff. The plaintiff testified that the money was her own, and her husband, who seems to have been supposed by the bank to have been her principal and the then depositor, disclaimed the funds. This evidence fully warranted a finding that the plaintiff was a creditor of the bank. It follows that the Court erred in directing a verdict for the defendant.

Townsend vs. Webster Five-Cent Savings Bank, Supreme Judicial Court of Massachusetts, Worcester, January 4, 1897.

POWERS OF BANK CASHIERS.

Continued from page 154, February number of the JOURNAL.

XIV. Power to Extend the Time of Payment of Bills and Notes.—There is a dearth of authority on the question of what power the Cashier of a bank possesses in respect to extending the time for the payment of a bill or note held by the bank, and the only two decisions which have come to our notice on the subject seem to arrive at directly opposite conclusions. In the case of *The Bank of East Tennessee vs. Hooke*, 1 Coldw. (Tenn.), 156, decided in 1860, the action was against the indorser on a bill of exchange, who claimed that he was discharged because a new bill had been taken by the Cashier in renewal or discharge of the former bill. The Court, after stating that the evidence implied that the indorser knew of the new arrangement and assented to it, said: "But this consideration aside, the arrangement obviously was an unauthorized one on the part of the Cashier and of no binding obligation on the bank unless it were made to appear that the bank either previously sanctioned or subsequently ratified it, which does not appear in the record."

On the other hand, in the case of *Wakefield Bank vs. Truesdell*, 55 Barb., 602 (New York Supreme Court, decided in 1864), the Cashier is held to have authority to bind the bank by such an agreement. In that case a note held by the plaintiff bank falling due, the maker paid to plaintiff's Cashier interest on the note for six months thereafter, and the Cashier indorsed thereon "Interest paid to February 26, 1856." In an action against the surety the Court held that receiving the interest amounted to an agreement by the Cashier to extend the time of payment (although he did not so state), and that the surety was discharged. The Court further say: "But it is claimed that the Cashier had no authority to receive the interest and to contract to extend the time of payment. I do not consider the question entitled to a discussion. The Cashier is the financial officer of the bank, and his agreements in behalf of his principal in all matters relating to its business of discounting and banking are binding upon it to the same extent as if made by a resolution of the Board of Directors."

Reasoning on general principles, the decision in this latter case would not seem to be sound, as the Cashier would seem to have no inherent power to extend the time for the payment of a note or bill. Being a strictly executive

officer, the power to grant an extension to a debtor for the payment of his obligation would be such an act of discretion as to fall beyond the range of the ordinary powers which the law proclaims are inherent to the office. Furthermore, such indulgence granted in pursuance of a binding legal contract is sufficient to discharge an indorser or surety from his obligation if given without his consent, and it has been shown in a previous article ("Powers of Bank Cashiers," Article V., RHODES' JOURNAL OF BANKING, June, 1886) that the Cashier has no power to release an indorser or security from liability on a bill or note.

The power to extend the time for the payment of a bill or note not being inherent in the office of Cashier, we apprehend that to bind the bank it would be necessary to show either express authority or subsequent ratification by the Board of Directors, or a long-continued acquiescence in a practice of this kind from which authority might be presumed.

LAW NOTES AND COMMENTS.

The Inter-State Commerce Bill.

We give below a summary of the provisions of the "Act to Regulate Commerce" recently passed by Congress and signed by the President. The Act contains twenty-four sections. The 11th and 18th sections took effect on its passage. The remainder of the Act goes into force on March 12th.

Section 1 provides that the Act shall apply to common carriers engaged in the transportation of passengers or property wholly by railroad or partly by railroad and partly by water when both are used under a common control, management or arrangement for a continuous carriage or shipment from one State or Territory or the District of Columbia to any other State or Territory or the District of Columbia, or from any place in the United States to an adjacent foreign country, or from any place in the United States through a foreign country to any other place in the United States; and also the transportation in like manner of property shipped from any place in the United States to a foreign country and carried from such place to a port of transshipment, or shipped from a foreign country to any place in the United States and carried to such place from a port of entry in the United States, or an adjacent foreign country; but the provisions of the Act shall not apply to the transportation of passengers or property or to the receiving, delivering, storage or handling of property wholly within one State and not shipped to or from a foreign country from or to any State or Territory as aforesaid. The term "railroad" includes all bridges and ferries used or operated in connection with any railroad, and also all the road in use by any corporation operating a railroad, whether owned or operated under a contract, agreement or lease; and the term "transportation" includes all instrumentalities of shipment or carriage. The section further provides that all charges made for any service rendered or to be rendered in the transportation of passengers or property or for the receiving, delivering, storage or handling of such property shall be reasonable and just; and every unjust and unreasonable charge is prohibited and declared to be unlawful.

Section 2 provides that, if any common carrier subject to the provisions of the Act shall directly or indirectly charge or receive from any person a greater or less compensation for any services rendered or to be rendered in the transportation of passengers or property than it charges or receives from any other person for doing for him a like service in the transportation of a like kind of traffic under substantially similar circumstances and conditions, such common carrier shall be deemed guilty of unjust discrimination, which is prohibited and declared to be unlawful.

Section 3 makes it unlawful for any common carrier subject to this Act to give any undue or unreasonable preference or advantage to any particular person, company, firm, corporation or locality, or any particular description of traffic, in any respect whatsoever, or to in any respect subject any such person, company, firm, corporation or locality, or particular description of

traffic to any undue or unreasonable prejudice or disadvantage. It also provides that every such common carrier shall, according to their respective powers, afford all reasonable, proper and equal facilities for the interchange of traffic between their respective lines, and for the receiving, forwarding and delivering of passengers and property to and from their several lines and those connecting therewith, and shall not discriminate in their rates and charges between such connecting lines; but this is not to be construed as requiring any such common carrier to give the use of its tracks or terminal facilities to another carrier engaged in like business.

Section 4 makes it unlawful for any common carrier, subject to the provisions of this Act, to charge and receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, under substantially similar circumstances and conditions, for a shorter than for a longer distance over the same line in the same direction, the shorter being included within the longer distance; but this is not to be construed as authorizing any common carrier subject to this Act to charge and receive as great compensation for a shorter as for a longer distance. The Act provides, however, that, upon application to the Commission appointed under this Act, such common carrier may, in special cases, after investigation by the Commission, be authorized to charge less for longer than for shorter distances for the transportation of passengers or property; and the Commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section.

Section 5 declares it unlawful for any common carrier under this Act to enter into any contract, agreement or combination with any other common carrier or carriers for the pooling of freights of different and competing railroads, or to divide between them the aggregate or net proceeds of the earnings of such railroads or any portion thereof; and, in any case of an agreement for any such pooling of freights, each day of its continuance is deemed a separate offense.

Section 6 requires every common carrier, subject to this Act, to print and keep for public inspection schedules showing the rates and fares and charges for the transportation of passengers and property which it has established, and which are in force at the time upon its railroad, as defined by the first section. Such schedules must plainly state the places upon its railroad between which property and passengers will be carried, and contain the classification of freight in force upon such railroad. They must also state separately the terminal charges, and any rules or regulations which in any wise change, affect or determine any part of the aggregate of such rates and fares and charges. The schedules must be plainly printed in large type, of at least the size of ordinary pica, and copies for the use of the public must be kept in every station upon any such railroad in such places and in such form that they can be conveniently inspected. It is further provided that any common carrier within the terms of this Act who receives freight in the United States to be carried through a foreign country to any place in the United States shall also in like manner print and keep for public inspection at every depot where such freight is received for shipment schedules showing the through rates established and charged by it to all points in the United States beyond the foreign country to which it accepts freight for shipment; and any freight shipped from the United States through a foreign country into the United States, and through rates on which shall not have been made public as so required, shall, before it is admitted into the United States from said foreign country, be subjected to customs duties as if it were of foreign production; and any law in conflict with this section is repealed. The section further provides that no advance shall be made by any common carrier in the rates, fares and charges so established and published except after ten days' public notice, which shall plainly state the changes proposed to be made in the schedule then in force, and the time when the increased rates, fares or charges will go into effect; and the proposed changes shall be shown by printing new schedules or be plainly indicated upon the schedules in force at the time and kept for public inspection. Reductions in such published rates, fares or charges may be made without previous public notice; but notice of any such

reduction must be immediately publicly posted, and the changes made shall be immediately made public by printing new schedules, or immediately be plainly indicated upon the schedules in force at the time and kept for public inspection. When any such common carrier shall have established and published its rates, fares and charges, it is unlawful for such common carrier to charge, demand, collect or receive a greater or less compensation for the transportation of passengers or property, or for any service in connection therewith, than is specified in such public schedule which may at the time be in force. Every such common carrier must also file with the Commission hereinafter provided for copies of its schedules of rates, fares and charges which have been established and published as provided for, and promptly notify the Commission of all changes made in the same. Every such common carrier must also file with said Commission copies of all contracts, agreements or arrangements with other common carriers in relation to any traffic affected by the provisions of this Act to which it may be a party. And in cases where passengers and freight pass over continuous lines or routes operated by more than one common carrier, and the several common carriers operating such lines or routes establish joint tariffs or rates or fares or charges for such continuous lines or routes, copies of such joint tariffs shall also, in like manner, be filed with said Commission. Such joint rates, fares and charges on such continuous lines, so filed as aforesaid, shall be made public by such common carriers when directed by said Commission, in so far as may, in the judgment of the Commission, be deemed practicable; and the Commission, from time to time, shall prescribe the measure of publicity which shall be given to such rates, etc., or to such part of them as it may deem it practicable for such common carriers to publish, and the places in which they shall be published; but no common carrier party to any such joint tariff shall be liable for the failure of any other common carrier party thereto to observe and adhere to the rates, fares or charges thus made and published. It is further provided that if any such common carrier neglects or refuses to so file or publish its schedules or tariffs of rates, fares and charges, or any part of the same, it shall, in addition to other penalties prescribed in the Act, be subject to a writ of *mandamus* to be issued by any Circuit Court of the United States in the judicial district wherein the principal office of such common carrier is situated or wherein the offence may be committed (and, if the common carrier be a foreign corporation, in the judicial circuit wherein it accepts traffic and has an agent to perform such service) to compel compliance with the aforesaid provisions of this section, the writ to issue in the name of the people of the United States at the relation of the Commissioners appointed under this Act; and failure to comply with its requirements is punishable as a contempt. The Commissioners, as complainants, may also apply in any such Circuit Court for a writ of injunction against such common carrier to restrain it from receiving or transporting property among the several States and Territories, or between the United States and adjacent foreign countries, or between ports of transshipment and of entry and the several States and Territories, as mentioned in the first section, until such common carrier shall have complied with the foregoing provisions of this section.

Section 7 makes it unlawful for any common carrier subject to the provisions of this Act to enter into any combination, contract or agreement, express or implied, to prevent, by change of time schedule, carriage in different cars, or by other means or devices, the carriage of freights from being continuous from the place of shipment to the place of destination; and provides that no break of bulk, stoppage or interruption made by such common carrier shall prevent the carriage of freights from being treated as one continuous carriage from the place of shipment to that of destination unless such break, stoppage or interruption was made in good faith for some necessary purpose and without any intent to avoid or unnecessarily interrupt such continuous carriage or to evade any of the provisions of this Act.

Section 8 provides that in case any common carrier subject to the provisions of this Act shall do, cause to be done or permit to be done any act, matter or thing in this Act prohibited or declared to be unlawful, or shall omit to do any act, matter or thing in this Act required to be done, it shall be liable to

the persons injured thereby for the full amount of damages sustained in consequence of any such violation, together with a reasonable counsel or attorney's fee, to be fixed by the Court in every case of recovery, to be taxed and collected as part of the costs.

Section 9 provides that any person or persons claiming to be damaged by any common carrier within the terms of this Act may either make complaint to the Commission as provided for hereafter, or may bring suit in his or their own behalf for the recovery of the damages for which such common carrier may be liable under the provisions of this Act in any District or Circuit Court of the United States of competent jurisdiction. Both remedies, however, cannot be pursued, and the party must in each case elect which of the two methods of procedure he will adopt. In any such action brought for the recovery of damages the Court before which it is pending may compel any Director, receiver, trustee, or agent of the corporation or company defendant to attend, appear and testify in such case, and may compel the production of the books and papers of such corporation or company party to such suit. The claim that any such testimony or evidence may tend to criminate the person giving it will not excuse the witness from testifying, but such evidence or testimony shall not be used against such person on the trial of any criminal proceeding.

Section 10 provides that any common carrier subject to the provisions of this Act (or, when it is a corporation, any Director or officer thereof, or any Receiver, trustee, lessee, agent or person acting for or employed by such corporation), who alone, or with any other corporation, company, person or party, shall willfully do or cause to be done, or shall willingly suffer or permit to be done, any act, matter or thing prohibited or declared by this Act to be unlawful, or who shall aid or abet therein, or shall willingly omit or fail to do any act, matter or thing in this Act required to be done, or shall cause or willingly suffer or permit any act, matter or thing so directed or required by this Act to be done not to be so done, or shall aid or abet any such omission or failure, or shall be guilty of any infraction of this Act, or shall aid or abet therein, shall be deemed guilty of a misdemeanor, and shall, upon conviction thereof in any District Court of the United States within the jurisdiction of which such offense was committed, be subject to a fine not to exceed \$5,000 for each offense.

Section 11 provides for the creation of a Commission, to be known as the Inter-State Commerce Commission, to be composed of five Commissioners who shall be appointed by the President by and with the advice and consent of the Senate. The Commissioners first appointed under the Act are to continue in office for the term of two, three, four, five and six years respectively from January 1, 1887, the term of each to be designated by the President. Their successors are to be appointed for the term of six years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the Commissioner whom he shall succeed. Any Commissioner may be removed by the President for inefficiency, neglect of duty or malfeasance in office. No more than three of the Commissioners shall be appointed from the same political party. No person in the employ of or holding any official relation to any common carrier subject to the provisions of this Act, or owning stock or bonds thereof, or who is in any manner pecuniarily interested therein, shall enter upon the duties of or hold such office. Said Commissioners shall not engage in any other business, vocation or employment. No vacancy in the Commission shall impair the right of the remaining Commissioners to exercise all the powers of the Commission.

Section 12 vests the Commission with authority to inquire into the management of the business of all common carriers subject to the provisions of this Act, to keep itself informed as to the manner and method in which the same is conducted, and the right to obtain from such common carriers full and complete information necessary to enable it to perform the duties and carry out the objects for which it was created; and for this purpose the Commission has power to require the attendance and testimony of witnesses, and the production of all books, papers, tariffs, contracts, agreements and documents relating to any matter under investigation, and to

that end may invoke the aid of any Circuit Court of the United States in requiring the attendance and testimony of witnesses, and the production of books, papers and documents under the provisions of this section. Any Circuit Court within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpoena issued to any common carrier subject to the provisions of this Act, or other persons, issue an order requiring the party so refusing to appear before said Commission and produce books and papers, if so ordered, and give evidence touching the matter in question; and any failure to obey such order is punishable as a contempt. The claim that any such testimony or evidence may tend to criminate the person giving it will not excuse the witness from testifying, but such evidence or testimony shall not be used against such person on the trial of any criminal proceeding.

Section 18 provides that any person, firm, corporation, association, or any mercantile, agricultural or manufacturing society, or any body politic or municipal organization, complaining of anything done or omitted by any common carrier subject to this Act in contravention of the provisions thereof, may apply to the Commission by petition, which shall briefly state the facts, whereupon a statement of the charges thus made shall be forwarded by the Commission to such common carrier, who shall be called upon to satisfy the complaint or to answer the same in writing within a reasonable time to be specified by the Commission. If such common carrier makes reparation within the time specified for the alleged injury it shall be relieved of liability to the complainant only for the particular violation of law complained of. If such carrier does not satisfy the complaint within the time specified, or there appears to be any reasonable ground for investigating said complaint, it is the duty of the Commission to investigate the matter complained of in such manner and by such means as it shall deem proper. It is the duty of the Commission in like manner to investigate any complaint forwarded by the Railroad Commissioner or Commission of any State or Territory at the request of such Commissioner or Commission, and it may institute any inquiry on its own motion in the same manner and to the same effect as though complaint had been made. No complaint shall at any time be dismissed because of the absence of direct damage to the complainant.

Section 14 provides that it is the duty of the Commission, whenever an investigation has been made by it, to make a report in writing in respect thereto which shall include the findings of the fact upon which the conclusions of the Commission are based, together with its recommendations as to what reparation, if any, should be made by the common carrier to any party or parties injured; and the findings so made shall thereafter in all judicial proceedings be deemed *prima facie* evidence as to each and every fact found. All such reports shall be entered of record and a copy thereof furnished to the party who may have complained and to any common carrier that may have been complained of.

Section 15 provides that if, in any case where an investigation has been made by the Commission, it is made to appear to its satisfaction, either by the testimony of witnesses or other evidence, that anything has been done or omitted to be done in violation of the provisions of this Act or of any law cognizable by said Commission by any common carrier, or that any injury or damage has been sustained by the complaining party or by other parties aggrieved in consequence of any such violation, the Commission must forthwith cause a copy of its report in respect thereto to be delivered to such common carrier, together with a notice to said carrier to cease and desist from such violation, or to make reparation for the injury so found to have been done, or both, within a reasonable time to be specified by the Commission; and, if within the time specified it is made to appear to the Commission that such carrier has ceased from such violation of law, and has made reparation for the injury found to have been done in compliance with the report and notice, or to the satisfaction of the party complaining, a statement to that effect shall be entered of record by the Commission, and the said common carrier shall thereupon be relieved from further liability or penalty for such particular violation of law.

Section 16 provides that, whenever any common carrier subject to the provisions of this Act shall violate or refuse or neglect to obey any lawful order or requirement of the Commission, it shall be the duty of the Commission, and lawful for any company or person interested in such order or requirement, to apply, in a summary way, by petition to the Circuit Court of the United States sitting in equity in the judicial district in which such common carrier has its principal office, or in which the violation or disobedience of such order or requirement shall happen, alleging such violation or disobedience, as the case may be, and said Court is given power to hear and determine the matter on such short notice to the common carrier as the Court shall deem reasonable; and such notice may be served on such common carrier, its officers, agents or servants in such manner as the Court shall direct. Said Court shall proceed to hear and determine the matter speedily as a Court of equity, and without the formal pleadings and proceedings applicable to ordinary suits in equity, but in such manner as to do justice in the premises; and to this end such Court is given power if it think fit, to direct and prosecute in such mode and by such person as it may appoint all such inquiries deemed needful to enable it to form a just judgment in the matter of such petition, and on such hearing the report of said Commission shall be *prima facie* evidence of the matters therein stated. And, if it be made to appear to the Court on such hearing or on report of any such person or persons that the lawful order or requirement of said Commission drawn in question has been violated or disobeyed, it is lawful for such Court to issue a writ of injunction or other proper process, mandatory or otherwise, to restrain such common carrier from further continuing such violation or disobedience of such order or requirement of said Commission, and enjoining obedience to the same. And, in case of any disobedience of any such writ of injunction or other proper process, mandatory or otherwise, the Court may issue writs of attachment, or any other process incident or applicable to writs of injunction or other proper process, mandatory or otherwise, against such common carrier; and, if a corporation, against any one or more of the Directors, officers, or agents of the same, or against any owner, lessee, trustee, Receiver or other person failing to obey such writ of injunction or other proper process, mandatory or otherwise. And the Court may, if it think fit, make an order directing the common carrier or other person so disobeying such writ of injunction or other proper process, mandatory or otherwise, to pay a sum of money not exceeding for each carrier or person in default the sum of \$500 for every day after a day to be named in the order that such carrier or other person shall fail to obey such injunction or other proper process, mandatory or otherwise, such moneys to be payable as the Court shall direct, either to the party complaining or into Court to abide its ultimate decision, or into the Treasury; and payment thereof may, without prejudice to any other mode of recovering the same, be enforced by attachment or order in the nature of a writ of execution in like manner as if the same had been recovered by a final decree *in personam* in such Court. When the subject in dispute is of the value of \$2,000, or more, either party to the proceeding before said Court may appeal to the Supreme Court of the United States under the same regulations now provided by law as to security on appeal, but such appeal shall not operate to stay or supersede the order of the Court or the execution of any writ or process thereon. And such Court may in every such matter order the payment of such costs and counsel fees as shall be deemed reasonable. Whenever any such petition is filed or presented by the Commission, it is the duty of the District-Attorney, under the direction of the Attorney-General of the United States, to prosecute the same; and the cost and expenses of such prosecution shall be paid out of the appropriation for the expenses of the Courts of the United States. For the purposes of this Act, excepting its penal provisions, the Circuit Courts of the United States shall be deemed to be always in session.

Section 17 provides that the Commission may conduct its proceedings in such manner as will best conduce to the proper dispatch of business and the ends of justice. A majority of the Commission constitutes a quorum for the transaction of business; but no Commissioner can participate in any hearing or proceeding in which he has any pecuniary interest. The Commission may,

from time to time, make or amend such general rules or orders as may be requisite for the order and regulation of proceedings before it, including forms of notices and the service thereof, which shall conform, as nearly as may be, to those in use in the Courts of the United States. Any party may appear before the Commission and be heard in person or by attorney. Every vote and official act of the Commission must be entered of record, and its proceedings shall be public upon the request of either party interested. The Commission shall have an official seal which shall be judicially noticed. Either of the members of the Commission may administer oaths and affirmations.

Section 18 provides that each Commissioner shall receive an annual salary of \$7,500, payable in the same manner as the salaries of Judges of the Courts of the United States. The Commission shall appoint a Secretary at an annual salary of \$3,500, payable in like manner. The Commission may employ and fix the compensation of such other employees as it may find necessary to the proper performance of its duties, subject to the approval of the Secretary of the Interior. The Secretary of the Interior must furnish the Commission with suitable offices and all necessary office supplies. Witnesses summoned before the Commission are to receive the same fees and mileage that are paid witnesses in the Courts of the United States. All of the expenses of the Commission, including all necessary expenses for transportation incurred by the Commissioners or by their employees under their orders in making any investigation in places other than the city of Washington, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Chairman of the Commission and the Secretary of the Interior.

Section 19 provides for the principal office of the Commission, which is to be in the city of Washington, where its general sessions are to be held; but, whenever the convenience of the public or of the parties may be promoted, or delay or expense prevented thereby, it may hold sessions in any part of the United States. It may, by one or more of the Commissioners, prosecute any inquiry necessary to its duties in any part of the United States into any matter or question of fact pertaining to the business of any common carrier subject to the provisions of this Act.

Section 20 authorizes the Commission to require annual reports from all common carriers subject to the provisions of this Act, to fix the time and prescribe the manner in which such reports shall be made, and to require from such carriers specific answers to all questions upon which the Commission may need information. Such annual reports shall show in detail the amount of capital stock issued, the amounts paid therefor, and the manner of payment for the same, the dividends paid, the surplus fund, if any, and the number of stockholders; the funded and floating debts, and the interest paid thereon; the cost and value of the carriers' property, franchises and equipment; the number of employees and the salaries paid each class; the amounts expended for improvements each year, how expended, and the character of such improvements; the earnings and receipts from each branch of business and from all sources; the operating and other expenses; the balances of profit and loss; and a complete exhibit of the financial operations of the carrier each year, including an annual balance sheet. Such reports shall also contain such information in relation to rates or regulations concerning fares or freights, or agreements, arrangements or contracts with other common carriers as the Commission may require, and the Commission may, within its discretion, for the purpose of enabling it better to carry out the purposes of this Act, prescribe (if in the opinion of the Commission it is practicable to prescribe such uniformity and methods of keeping accounts) a period of time within which all common carriers subject to the provisions of this Act shall have, as near as may be, a uniform system of accounts and the manner in which such accounts shall be kept.

Section 21 provides that the Commission shall, on or before the 1st day of December in each year, make a report to the Secretary of the Interior, which shall be by him submitted to Congress, and copies of which shall be distributed as are the other reports issued from the Interior Department. This report shall contain such information and data collected by the Commission as may be considered of value in the determination of questions connected with the regulation of commerce, together with such

recommendations as to additional legislation relating thereto as the Commission may deem necessary.

Section 22 provides that nothing in this Act shall apply to the carriage, storage or handling of property free or at reduced rates for the United States, State or municipal Governments, or for charitable purposes, or to or from fairs and expositions for exhibition thereat, or the issuance of mileage, excursion or commutation passenger tickets; nothing in this Act shall be construed to prohibit any common carrier from giving reduced rates to ministers of religion; nothing in this Act shall be construed to prevent railroads from giving free carriage to their own officers and employees, or to prevent the principal officers of any railroad company or companies from exchanging passes or tickets with other railroad companies for their officers and employees; and nothing in this Act contained shall in any way abridge or alter the remedies now existing at common law or by statute; but the provisions of this Act are in addition to such remedies; provided that no pending litigation shall in any way be affected by this Act.

Section 23 appropriates the sum of \$100,000 for the uses and purposes of the Act for the fiscal year ending June 30, 1888, and the intervening time anterior thereto.

Section 24 provides that the provisions of Sections 11 and 18, relating to the appointment and organization of the Commission, shall take effect immediately, and the remaining provisions within sixty days after their passage.

LIABILITY OF COLLECTING BANK FOR LACHES, NEGLIGENCE OR DEFAULT OF ITS CORRESPONDENT.—In our January number we published at considerable length the opinion of the Supreme Court of Michigan in the case of *Simpson vs. Waldby* (decided November 4, 1886) on this question, holding that a bank receiving paper for collection in the ordinary course of business is responsible for the negligence or default of any correspondent bank to whom the paper is retransmitted for collection. The Supreme Court of Montana, in a still more recent case (*Power vs. First National Bank, of Fort Benton*, decided January 5, 1887), have upheld the same doctrine in a very elaborate and well written opinion, wherein a large number of cases on all sides of the question are examined and discussed. This opinion is of great length, and we are able to give but a brief mention of it in our notes.

The Court states that the question of how far a bank is liable for the default of a correspondent or collecting agent in regard to a collection is one which has been solved in at least three different ways by many Courts of last resort in the United States which have at different times had the matter under consideration, and that, inasmuch as there is such a variety of opinion to be found among the highest Courts on this important question, it is purposed to examine at some length such of them as are accessible. The Court then goes into an exhaustive review of some twenty-five cases in which all the different phases of the question are considered, taking them in their chronological order, and, after mature consideration of the authorities, comes to the conclusion that, in the absence of a special contract, a bank is absolutely liable for any laches, negligence or default of its correspondent whereby the holder of negotiable paper suffers loss, following the decision of the Supreme Court of the United States in the case of the *Exchange National Bank vs. Third National Bank* (112 U. S., 284, decided in 1884), which the Court states is not only binding as an authority upon it, but that, "beyond a doubt, it is the correct doctrine sustained by the weight of reason and the general current of authority." The Court states that by such a rule alone can a depositor who entrusts his business to a bank be secure against carelessness or dishonesty on the part of collecting agencies employed by banks to carry out their contracts. That banks can easily avoid the effects of this stringent rule by making special contracts in special cases or declining to undertake collections at points where they have any fears as to the reliability or solvency of the agents whom they will be obliged to employ; but, when they undertake collections either at their own location or at distant points without a special contract limiting their liability, they must be held to do so for a sufficient consideration and to be responsible

absolutely to the owner of negotiable paper for the payment of all money collected thereon, and for all losses occurring through the negligence of the agent resulting in the failure to make such collection.

In connection with this general subject, we beg also to notice the able article of Mr. Francis B. Patten as to the responsibility of banks and bankers for their correspondents and their notaries, published in the *American Law Review* for November-December, 1886, in which he draws a distinction between those cases which bear upon the liability of a bank for the acts of their correspondents and those which relate to their liability for the negligence of their notaries, and shows that, while some of the leading text-books have proceeded on the assumption that the two cases were identical in principle, they in fact rest upon different principles of law and should be considered separately. The writer shows that, while there is great conflict on the first branch of the question, the decisions are almost uniform that a bank is not liable for the default of the notary whom it employs. On the question of the liability of a bank for the acts of its correspondents, he maintains the doctrine that the bank is absolutely bound for their negligences and defaults as being supported by the greatest weight of authority, and combats the view taken by Mr. Morse in his work on banking that the better rule is that a bank is only bound to the exercise of due care in the selection of a suitable sub-agent. In justice to Mr. Morse, however, it should be said that, since the publication of his work in 1879, a number of cases have been decided, holding the contrary doctrine—*i. e.*, that a bank is absolutely liable for the defaults of its correspondents—which have gone far to change the weight of authority to the latter rule.

PLEDGE OF PERSONAL PROPERTY—HOLDING AS SECURITY FOR SUBSEQUENT ADVANCES—APPLICATION OF PAYMENTS.—The Supreme Court of Pennsylvania in a recent case (Appeal of Pennsylvania Co. for Insurances of Lives), speaking of the lien of a party on property which has been pledged for a specific loan, say: "It is a principle too well settled to require the citation of authorities that personal property pledged specifically as security for a certain loan cannot be held as security for subsequent advances without an agreement to that effect."

The same Court, in the case above-mentioned, lay down the rule as to the application of payments between debtor and creditor as follows: "The general rule is that one who owes money on several distinct securities or accounts has a right to apply his payment to either as he pleases; but, if he makes a payment generally, and without specifically appropriating it, the creditor may apply it as he pleases. If neither debtor nor creditor makes any specific application of the money so paid the law will appropriate it according to the equity and justice of the case. This principle applies only, however, in cases of voluntary payments. It has no place in payments *in invitum* or where the money to be applied is the proceeds of the judicial sale of real estate. In such cases the law applies the proceeds in order of their priority to such liens as are divested by the sale."

DRAFT OR NOTE DRAWN PAYABLE IN EXCHANGE.—In the January number of the JOURNAL we held that, when a draft was presented to a bank payable in exchange on a given place, the holder could not demand cash, because it was not payable in money, but *in exchange*; and, further, that the drawee bank could not tender its own draft in payment, for the reason that that would be simply substituting its own obligation for that of the draft, but must tender the draft of some banker of good repute other than his own. This latter proposition has been maintained by a recent writer of authority, but there is a conflict of opinion on the subject. After mature consideration we have come to the conclusion that there is no good reason why, when a bill is drawn upon a bank payable in exchange, the drawee bank cannot sufficiently answer its terms by tendering its own draft. And the statement in the January JOURNAL is modified accordingly.

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—and which are not to be published. See advertisement on another page.

Editor Rhodes' Journal of Banking:

TELLURIDE, Colo., February 15, 1887.

SIR:—Will you kindly answer the following question through the JOURNAL. At what date does the note mature, and at what date is the interest due:

\$100.

DELTA, Colo., January 6, 1887.

Six months after date, for value received, I promise to pay A. Jones or order one hundred dollars (\$100) with interest thereon at the rate of two per cent. (2 %) per month, payable monthly.

JOHN DOE.

Respectfully yours,

C. R.

Answer.—The note in question, by the law of Colorado, is entitled to three days' grace in the time of payment, and it therefore matures on Saturday, July 9, 1887.

As to the dates when the monthly instalments of interest are payable, it has been held that, on mere instalments of interest on a note, the debtor is not entitled to days of grace.

Macloon vs. Smith, 49 Wis., 200.

See National Bank of North America vs. Kirby, 102 Mass., 497.

Catlin vs. Lyman, 16 Vt., 44.

Oridge vs. Sherborne, 11 M. and W., 374.

Coffin vs. Loring, 5 Allen, 153.

These instalments are payable, therefore, monthly without grace, or on the 6th days of February, March, April, May, June, and probably the last instalment on the maturity of the note, viz., July 9th. In February and March, however, the 6th day of these months falls on Sunday, and the question arises whether the payments of interest in these months are due on the 5th or on the 7th. The statute of Colorado allows grace on promissory notes, and provides that, when a promissory note falls due on a Sunday or holiday, it becomes payable on the preceding day. We think, however, that this provision would only apply to the due date of a promissory note which was reached by including days of grace, and that, in the case of a monthly instalment of interest, where no grace was allowed, the rule of the common law would govern, that in the case of instruments payable without grace, which mature on a Sunday, they do not become payable until the following day. We think, therefore, that the interest due in February and March was and is payable on the 7th day of those two months.

Editor Rhodes' Journal of Banking.

BURLINGTON, Vt., February 23, 1887.

SIR:—I think you are in error in the answer to your St. Paul correspondent published in the February number concerning drafts or other paper made payable "in exchange." Who is to be the judge of what constitutes a sufficient bill of exchange in the case mentioned? Certainly not the *payer* of the draft. I contend that the *holder* of the paper has the right to say what is a satisfactory bill of exchange to be taken in payment, and therefore he can refuse to take any "exchange" save a bill drawn by his *own bank*. It is not enough to say that any bill of exchange drawn by a banker in good credit is sufficient, for the banker might be in "good credit" to-day and fail to-morrow.

Yours truly,

VERMONT.

Answer.—We do not agree with our correspondent that the holder of the draft can select the exchange to be tendered, where the draft is payable "in exchange." We are of opinion that, in the case of such a draft, the drawee can tender any bill of exchange of a reputable banker which he may select. In the January number of the JOURNAL we stated that, although he could do

† NOTE.—Inquiries from Wessington Springs, Dakota; Concordia, Kansas; Sacramento, Cal.; Astoria, Oregon; and Fort Worth, Texas, have been received too late for the proper preparation of replies for this number. They will be published in the April JOURNAL.

this, he could not tender his own draft; but as to this latter, we now deem it erroneous (see remarks in "Law Notes and Comments" of this number), and we see no reason why the drawee cannot answer the terms of such a draft by tendering his own draft on the place specified.

In answer specifically to the claim that the holder has the right to select the exchange, we do not see how it can be maintained. A draft is drawn payable "in exchange" on New York. In other words, it directs the drawee bank to pay to the payee or his order an amount of money in a bill of exchange on New York. The drawee tenders its own bill, or it tenders the bill of another bank which it claims to be in good credit, but the collecting bank refuses to receive it, and claims the right to select the bill of exchange which shall be tendered. This the drawee refuses to do, and the draft is protested. Unless the collecting bank could prove that the draft tendered by the drawee was not good, would it not be held for the costs of the protest and for any other damages which might result from a failure to collect the draft? It presents a draft calling for a bill of exchange on New York. The terms of the draft are silent as to whose bill of exchange. Are not the terms of the draft fully answered by the tender of any good bill of exchange which the drawee may select, either its own or that of another banker? If so, and we think so, under the terms of such a draft we do not see how the collecting bank can claim the right to select its own bill, and to refuse any not of its own selection. If by this construction the collecting bank loses the exchange which it might otherwise obtain were its own draft bought for the purpose, this is not the fault of the construction of the instrument but of the terms of the draft itself, for, if the draft were made payable "with exchange," such bank could then demand the amount in cash.

Editor Rhodes' Journal of Banking:

CHATTANOOGA, Tenn., February 28, 1887.

SIR:—I want information as to the probable amount of State, County, Municipal and School bonds in the United States. If you can favor me with any statistics at your command, or inform me of the most available way to obtain the information, I will be under an obligation to you.

G. W. THOMPSON, *President City Savings Bank.*

Answer.—Mr. Robert P. Porter was appointed Special Agent to prepare debt statistics for the Census of 1880, and made several compilations on this subject. In the compendium of that Census, pages 1570, etc., can be found all the figures for 1880. The summary shows that at that time the total State and Territorial bonded debt amounted to \$246,974,476; County debt, \$106,767,946; Township debt, \$30,120,048; School District debt, \$9,849,242; City and Town debt, \$723,858,834; making the total State, County, School and City bonds, \$1,117,583,546. There is a book called "Lalor's Cyclopaedia of Political Science, Political Economy and United States History," which contains a valuable chapter on "Debts," prepared by Mr. Porter, comprising those of the United States, and the various States, as well as all the classes mentioned by our correspondent. The last volume of the work was issued in 1884. We furnish the set at publisher's prices; three large octavo volumes, full sheep, at \$6.00 per volume.

Editor Rhodes' Journal of Banking:

MILWAUKEE, Wis., February 11, 1887.

SIR:—In your opinion, is the answer to the enclosed clipping correct?

"Does the following note bear interest from its date or from maturity?"

"\$1,000.

"XVILLE, Tex., July 1, 1886.

"Ninety days after date I promise to pay to the order of John Brown one thousand dollars, at Bank of Xville, Xville, Tex. Value received. Interest at 10 per cent. per annum.

"I. O. You."

Answer.—We think it bears interest from its maturity. The interest clause refers to the rate of interest, in our opinion, because of the absence of words clearly showing that the note was intended to be charged with interest from date."

The above note and answer are taken from a well-known New York newspaper.

H. E. F.

Answer.—We think it is doubtful, from the wording of the above instrument, whether interest was intended to be paid from date or from maturity, and that

it is a case where parol evidence would be admitted to show the real intention of the parties. We have been unable to find any case wherein a note containing similar terms has been construed. In *Griffiths vs. Furry*, 80 Ill., 251, the note read as follows :

\$456.75.

One day after date we promise to pay Daniel Furry, or order, four hundred and fifty-six and 75-100 dollars for value received, ten per cent.

The Court held that the addition of the words "ten per cent." at the end of the note were in their connection without any meaning, and they were rejected as surplusage.

In *Gramer vs. Joder*, 65 Ill., 314, the note was as follows :

\$400.

ARISHE, October 8, 1864.

One year after date I promise to pay to the order of B. Joder, the sum of four hundred dollars at ten per cent. value received.

Held, This was a note bearing ten per cent. interest from date.

And it is settled law that a promise to pay "with legal interest" imports interest from date. (79 N. C., 162.)

In the absence of evidence as to the real intention of the parties, we think the probabilities are that the note in question would be construed as promising to pay ten per cent. interest from date.

Editor Rhodes' Journal of Banking:

LEBANON, Pa., February 15, 1887.

SIR:—Will you please inform me who is entitled to the exchange on the following collection when received through a corresponding bank :

\$1,000.

BEAVER, Pa., February 10, 1887.

One day after sight pay to the order of the First National Bank, of Beaver, one thousand dollars, with exchange, value received, and charge to account of To David Williams, Lebanon, Pa.

WILLIAM L. BROWN.

For some time past the First National Bank, of Beaver, has sent these drafts to us direct, with the request that we remit the amount to their New York correspondent, and we have done so, charging the exchange, which is our profit. They now send the above draft to the Exchange Bank, of Millersburg, which is one of our corresponding banks, and with which we have a reciprocal account. This bank claims the exchange, but I contend that we are entitled to it, as we make the collection from Williams the same as before, and that we, in our settlement with the Millersburg bank, are obliged to give par funds. I contend that the bank that collects from the drawee is entitled to the exchange in all cases in which the drafts are written "with exchange."

GEO. D. RISE, Cashier.

Answer.—We do not know that there is any general rule which can be laid down on the subject. The compensation for the collection of drafts is a matter of private contract or agreement. Some banks undertake collections without any specific compensation, looking to the probable remaining of the proceeds in their hands for a longer or shorter period, or to the increased business or patronage which it may bring, as a sufficient remuneration, while others charge a small percentage or sum for their services. As stated by our correspondent, it had been in the habit of collecting drafts similar to the above and remitting the proceeds for the exchange paid by the drawee. Now, instead of receiving the draft direct from the owner, as heretofore, it receives it from the Millersburg bank, to whom it has been first transmitted, and, after collecting it, remits the proceeds to that bank. For this service it asks the same compensation, but the Millersburg bank claims that it is entitled to the exchange. As a matter of fact, both the Millersburg bank and our correspondent are entitled to compensation, both having performed services in the matter of the collection of the draft; but, in the absence of any special agreement between the two banks as to compensation for collection, or as to any division of the exchange in proportion to their respective services, we think our correspondent is entitled to the same compensation which it has always received, and that the fact that

the Millersburg bank has also performed services in connection with the draft would not entitle it to claim any part of the money which our correspondent is entitled to for its services in the matter.

Editor Rhodes' Journal of Banking:

CORRY, Pa., February 15, 1887.

SIR:—Having been a constant reader of the JOURNAL for the past three years, I trust you will pardon the liberty I take in asking for your opinion on the following: When is a note given February 1, 1886, (10) ten days after date, due?

I claim that, allowing the three days, the note becomes due on February 14th, while my opponent claims it would fall due on February 13th, saying that the date of the paper should be figured in as one of the days which the note has run.

By answering in your JOURNAL as soon as convenient you will greatly oblige

A CONSTANT READER.

Answer.—In computing the number of days the note has to run the day of its date is excluded. (1 Barn., 303; 8 Mass., 453; 31 Me., 580; 2 Pa. St., 495; 3 McLean, 583.) The note, consequently, fell due on February 14th.

Editor Rhodes' Journal of Banking:

WATERLOO, Iowa, February 24, 1887.

SIR:—Can the holder of my note, due in ninety days from date with interest, compel me to pay interest for ninety-three days if tendered the amount due on the ninetieth day?

Respectfully,

T. A. JENNEY, Cashier.

Answer.—Our correspondent is liable to pay interest for the full period of ninety-three days unless the holder of the note agrees to waive the interest for the three added days and accept payment of the principal and interest on the ninetieth day.

Editor Rhodes' Journal of Banking:

STURGIS, Mich., February 22, 1887.

SIR:—John Jones has signed the inclosed note as security. Is he released from all liability if the note runs until it is past due?

\$50.00.

DETROIT, Mich., Dec. 23, 1886.

Thirty days after date I promise to pay to the order of Clapp Bros. & Co. fifty dollars, at their office in Detroit, with interest at 10 per cent. after due.

Value received.

SAMUEL SMITH.

No. 3478. Due January 25, 1887.

JOHN JONES.

Has the Michigan Supreme Court ever made a decision that the signor of a note is released if the note is not paid when due?

If you will answer in the next number of the JOURNAL you will greatly oblige

H. A. C.

Answer.—The mere allowing a note to run until past due is not sufficient to discharge a surety thereon, and we are quite certain that the Supreme Court of Michigan has never rendered a decision that the surety on a note (which we suppose our correspondent to mean when he uses the word "signor") is released if the note is not paid when due. In connection with this inquiry, however, it may be of interest to our correspondent to submit a few of the cases in which the Supreme Court of Michigan have discussed the liability of a surety and the acts by which he will be released.

The case of Inkster vs. First National Bank of Marshall, 80 Mich., 143 (Supreme Court of Michigan, 1874), was an action by the bank, the holder of a note, against Inkster, who had signed the note under the signature of the maker, adding to his name the word "surety." Inkster defended on the ground that he had made a request in writing of the plaintiff to proceed and collect the note against White (the maker) after the same had become due, but the plaintiff had neglected to do so. That when this request was made White was solvent, but at the time of the suit he was utterly insolvent, and consequently Inkster claimed that he was not liable on the note. The Court held: "Without expressing any opinion upon the case of a mere guaranty, and without undertaking to decide whether the plaintiff in error (Inkster) might or might not in a Court of equity, by giving proper indemnity, have called upon the bank to proceed against White for the collection of the note, and treating

the question now before us as one of common law only (which it is), the facts relied on by the defendant below (Inkster) constituted no defense to the action. As between him and the bank, so far as the right of action was concerned, he was a maker of the note and a principal. As between him and White he was but a surety; and, though the bank was apprised of this by his signature upon the face of the note as surety, this did not, in reference to the question here involved, change the nature of his liability to the payee or holder, or make it any more the duty of the latter to proceed against White at his request than if he had signed as principal maker without adding to his signature the word 'surety.' His liability to the holder was absolute and not conditional, and his duty was to pay the note; and, though as between himself and White he was but a surety, he cannot complain of any hardship because the holder would not at his request proceed to bring suit against the principal, as it was in his power at any moment after default to pay the note, take it up, and proceed himself against the principal for the amount. This was the duty which his contract imposed upon him by the common law, and such was the remedy which the common law gave him upon the performance of that duty. Such we understand to be the well-settled and general rule as to the obligation and rights of sureties, and we see nothing in this case to take it out of the general rule."

The Supreme Court of Michigan, in *Hayes vs. Knox*, 41 Mich., 529, decided in 1879, say: "Delay alone, where there is no agreement for delay which would be binding, has never been held to discharge a surety."

In *Michigan State Ins. Co. vs. Soule*, 51 Mich., 312 (1883), the Court say: "It is not claimed that in this State the failure of the creditor to enforce his demand against the principal at the request of the surety would have the effect to release the surety, for *Pain vs. Packard*, 13 Johns. (N. Y.), 174, which originated that doctrine, is repudiated in this State as it is in most others. * * * Mere delay by the creditor to collect the debt after a request to that effect by the surety will not operate as a discharge. * * * If time has been given the creditor is not bound by it unless it appears that the extension was for a consideration, for it is not the forbearance to collect or the promise to forbear but the contract which operates the discharge."

Our correspondent will see from the above extracts that a surety remains liable on a note after it falls due, and that mere delay or forbearance on the part of the creditor to enforce his demand against the principal debtor will not operate to discharge the surety, even though the latter has requested the creditor to proceed against such principal debtor, unless the creditor has made a binding contract extending the time of the principal to pay the note.

DIGEST OF RECENT DECISIONS IN COMMERCIAL LAW.

ARBITRATION.—In a common law arbitration and award it is settled law that where the submission is to three citizens, and there is no agreement that two may act and render an award, all three of the arbitrators must meet, hear the proofs, and sign the award to render it valid. [*Bayard vs. Harkrider*, *Supreme Court of Indiana*, December 7, 1886.]

ASSIGNMENT FOR BENEFIT OF CREDITORS—CLERICAL ERROR.—An assignment for the benefit of creditors conveyed all the property of the parties of the first part to the party of the second part in trust, etc., and then proceeded as follows: First—The party of the first part shall forthwith take possession of all and singular, etc., and shall sell and dispose of, etc. Second—With and out of the proceeds of such sales, etc., the party of the second part is directed to pay and retain all reasonable costs, etc. Action was brought to set aside this assignment as fraudulent, and the Court took the case from the jury and held that on its face the assignment was fraudulent and void. On appeal, *Held*, The alleged fraudulent part of the contract is that in the first item "party of the first part." No one can read the assignment and hesitate to say that it was a clerical error. Many of the following items show this in each of which the words "party of the second part" are used in a way inconsistent with any other view than that there was a clerical error in item first. This is not a case where it is necessary to reform the instrument. That remedy is

needed when the real and true interest of the parties cannot be discovered from the instrument itself. Here no extraneous evidence is needed. The true meaning and intent cannot be doubted, and such meaning and intent must not fall on account of a mere clerical error manifest to any reader. Judgment reversed. [*Smith vs. Bellows, New York Supreme Court, General Term, Third Department, December 1, 1886.*]

ASSIGNMENT FOR BENEFIT OF CREDITORS—PREFERENCE BEFORE ASSIGNMENT.—It is the settled law of this State that a debtor may prefer a creditor, provided he does not do so in a deed of assignment. The Act of 1843 strikes down such preferences in assignments. But, while a man retains dominion of his property, he may pay whom he pleases or secure whom he pleases. He may encumber or convey his property. He may prefer creditors as he chooses by payment or transfer. So long as he violates no law and commits no fraud the law will not interfere with him. It is only when a man loses dominion over his property and transfers that dominion to another that the right of a creditor to a *pro rata* dividend attaches. When it is in *gremio legis* his control over it ceases. [*Gallagher's Appeal, Supreme Court of Pennsylvania, November 15, 1886.*]

ASSIGNMENT FOR BENEFIT OF CREDITORS—PREFERRING CREDITORS—INDIANA.—Can a debtor in falling circumstances make a general assignment of all his property for the benefit of all his creditors, and effectually provide in the deed of assignment that certain enumerated creditors shall be first paid in full, and after they are so paid that all other creditors shall be paid ratably? The decision of the Court in 103 Ind., 166, must be regarded as foreclosing further discussion on this subject. The conclusion there reached makes it certain that whatever other methods a debtor may employ for the purpose of giving a preference to one or more of his creditors, he cannot give such preference while proceeding under the statute which provides for voluntary assignments, and prescribes the method of proceeding thereunder. Under the law of this State, a debtor, though he be insolvent, may prefer one or more of his creditors by securing them, or by a sale of property to them, if such security or sale be given or made in good faith. Where, however, resort is had to the statute, its provisions *ex proprio vigore* draw all the assignor's property, whether such property is specifically mentioned in the schedule or not, into the custody of the Court, to be administered by it through the instrumentality of the Assignee for the equal benefit of all the assignor's creditors. (105 Ind., 534.) Any attempt to prefer creditors by a stipulation to that effect in the instrument or deed of assignment, or by omitting property therefrom for that purpose, will prove futile. This result follows from a consideration of the general purpose and spirit of the statute, and especially from Section 2,662, which provides in substance that the assignment which a falling debtor may make shall be a general assignment of all his property in trust for all his *bona fide* creditors, and that all assignments for such purpose, except as provided for in that Act, shall be deemed fraudulent and void. Further *Held*, While the Act regulating voluntary assignments in this State renders the preference of creditors voidable, yet the fact that the deed makes provision for preferences does not overthrow the whole assignment and make the deed fraudulent *per se* unless it is apparent therefrom that such preferences were actually fraudulent and that the deed was not intended to have effect and be operative under and in accordance with the provisions of the statute. [*Henderson vs. Pierce, Supreme Court of Indiana, December 16, 1886.*]

CONTRACT—CONSTRUCTION OF—AGREEMENT TO PROCURE "GOOD AND APPROVED FREEHOLD SURETY" TO SIGN NOTE.—In an action on a contract, where the plaintiff agreed to procure "a good and approved freehold surety" to sign a note with him, it was claimed on the part of the defendant that this agreement conferred upon him the right, as he might see fit, to approve or disprove of any person who may have been offered as surety under that provision, and that the defendant had the right to reject any note tendered by the plaintiff on which the surety was for any cause unacceptable to him. *Held*, We are unable to agree to any such construction. The word "approved" has several shades of meaning. One of the definitions which Webster gives of it is "to make or show to be worthy of approbation or acceptance—to commend;" and it is in that sense we construe the word as it was used in connection with the surety which was to be furnished by the plaintiff. The

phraseology used in the provision in question was equivalent to saying that the plaintiff should execute a note with "good freehold surety worthy of approval." [*Andis vs. Personett, Supreme Court of Indiana, November 16, 1886.*]

FRAUDULENT CONVEYANCE—SETTING ASIDE.—It is settled law that a voluntary conveyance is valid between the parties, and it is equally well settled that one who participates in a fraud cannot avoid the transaction. A person subsequently becoming a creditor who seeks to set aside a fraudulent conveyance must prove that there was an intent on the part of the debtor to defraud subsequent as well as existing creditors. [*Barrows vs. Barrows, Supreme Court of Indiana, November 23, 1886.*]

MERCANTILE AGENCY—RESTRAINING PUBLICATION OF NAME AND BUSINESS STANDING.—Plaintiff brought a bill in equity to restrain the defendants from publishing or printing the plaintiff's name in the books, circulars, etc., of the defendant's mercantile agency. *Held*, It is not within the jurisdiction of a Court of equity to restrain by injunction representations as to the character and standing of the plaintiff or as to his property, although such representations may be false, if there is no breach of trust or of contract involved. (114 Mass., 69, and cases cited; 119 Mass., 484; L. R., 10 ch., 142.) The bill before us alleges that the defendants have published and intend to publish in the future the name and business standing of the plaintiff in the records and books of a mercantile agency. It does not even allege that the representations are false and malicious. If he has any remedy, which we do not mean to intimate, it is by an action at law. The bill does not state a case within the equity jurisdiction of the Court. Bill dismissed. [*Raymond vs. Russell and others, Supreme Judicial Court of Massachusetts, Suffolk, January 7, 1887.*]

PARTNERSHIP—ADVANCES PRELIMINARY TO BECOMING PARTNER—RECOVERY.—Plaintiff sued defendant in an action on contract to recover on certain promissory notes given by the defendant to plaintiff. The defendant claimed that the sums of money for which the notes were given were contributions to the capital stock of a partnership which he alleged to exist between the plaintiff and the defendant, and that, inasmuch as said partnership had never been liquidated, the plaintiff could not recover in this form of action. Plaintiff denied the existence of any partnership. *Held*, There being no written articles of co-partnership between the plaintiff and the defendant, the question whether the parties by an oral agreement formed a co-partnership was purely a question of fact. Upon this question we cannot revise the finding of the Justice of the Superior Court who tried the case without a jury except so far as to inquire whether there is any evidence to justify his finding. The facts and evidence reported to us tend very strongly to show that no partnership was ever formed. The plaintiff advanced money to the defendant, taking his note therefor, upon the agreement "that if, after further examination, the plaintiff should conclude to become a partner in the business, he should have the right to do so, and should be admitted as an equal partner with the defendant," and that in such case the sums for which the notes were given should be considered as contributions to the capital of the firm. No partnership was ever formed by this agreement. It was in its nature an executory agreement that a partnership should be formed and that the plaintiff should be admitted as a partner in the future when he signified that he desired to become a partner. It appeared in evidence that, when plaintiff signified to the defendant his choice to become a partner, the defendant refused to admit him or recognize him as a partner and has always since so refused. The Court was clearly justified in finding that no partnership was ever formed, and, therefore, that the plaintiff was entitled to recover on the note. [*Morrill vs. Spurr, Supreme Judicial Court of Massachusetts, Suffolk, January 6, 1887.*]

PARTNERSHIP—ASSIGNMENT BY PARTNER—LIABILITY OF INDIVIDUAL ESTATE FOR CO-PARTNERSHIP DEBTS.—G and B were co-partners; and, on January 1, 1883, G bought out B and assumed all the co-partnership debts. At that time the co-partnership was owing a large amount of money to different creditors. On May 15, 1884, G made an assignment to defendant for the equal benefit of his creditors. Plaintiffs, who were creditors of the co-partnership, sued defendant to participate in the estate of G. It was shown that B was insolvent. *Held*, We think they are entitled to participate. There is some conflict of decision upon the question

whether such creditors are entitled to come upon the individual property where there are co-partnership funds; but it is generally conceded that, where there are no co-partnership funds, and no solvent partner, the joint creditors may come upon the separate estate *pro rata* with the separate creditors. [*Alexander vs. Gorman*, *Supreme Court of Rhode Island*, December 8, 1886.]

SALE—OFFER OF—MUTUAL ASSENT.—As no contract is complete without the mutual consent of the parties, an offer to sell imposes no obligation until it is accepted according to its terms. So long as the offer has been neither accepted nor rejected the negotiation remains open and imposes no obligation upon either party—the one may decline to accept or the other may withdraw his offer, and either rejection or withdrawal leaves the matter as if no offer had ever been made. A proposal to accept or an acceptance upon terms varying from those offered is a rejection of the offer, and puts an end to the negotiation unless the party who made the original offer renews it or assents to the modification suggested. The other party having once rejected the offer cannot afterwards revive it by tendering an acceptance of it. [*Minneapolis & St. Louis R. R. Co. vs. Columbus Rolling Mill Co.*, *Supreme Court of the United States*, November 22, 1886.]

SALE—PURCHASE BY INSOLVENT—RESCISSION.—The mere fact that a purchaser is insolvent does not make his purchases invalid. Even the fact that he is deeply insolvent does not have that effect unless he purchases with no intention or expectation of paying; for, if there be no dishonest mind or purpose, there is no fraud. [*Dalton vs. Thurston*, *Supreme Court of Rhode Island*, December 2, 1886.]

STOCK—CONVERSION OF BY BROKER—MEASURE OF DAMAGES.—When a broker, without authority from his customer, disposes of stock which he holds for him, it is a conversion, and the measure of damages is the cost to the customer of replacing the stock within a reasonable time after the conversion, and not merely the amount advanced by the customer at the time the stock was purchased (45 Ill., 441; 53 N. Y., 211; 90 N. Y., 368; 81 N. Y., 226; 57 Ill., 452; 19 N. Y., 170). [*Brewster vs. Van Liew*, *Supreme Court of Illinois*, November 13, 1886.]

TRANSFER COMPANY—POWER TO BECOME SURETY—ULTRA VIRES.—The officers of a transfer company empowered by its articles of incorporation "to engage in the general freight and transfer business and such other business as may not be inconsistent therewith" have no power to sign a contract of suretyship on behalf of the company for the purpose of guaranteeing the credit of a third party. Such a contract is beyond the power of the corporation. [*Lucas vs. White Line Transfer Co.*, *Supreme Court of Iowa*, December 23, 1886.]

A Slight Error.—The following item deserves to be corrected. It has been going the rounds of the press, and was sent to the JOURNAL by a correspondent:

"The Superior Court has granted a stay of execution until April 1st next to H. M. Brooks, *alias* Maxwell, the St. Louis bank robber, which will indeed be a highly appropriate day for him to perform on the tight rope in the St. Louis jail."—*Exchange*.

The person who perpetrated the foregoing was evidently aching for an opportunity to work off a few stale puns or wilfully distorted the facts. In the first place, Brooks-Maxwell was not a "bank robber." He murdered his friend Preller, was convicted, and has been under sentence of death for several months past. What connection his crime could possibly have with robbing a bank we fail to see, as the latter offence is not a capital crime.

But we do see in the above paragraph a disposition on the part of certain scribblers for irresponsible newspapers to magnify and distort anything done by a bank official. Sensation is the order of the day, and the greater the lie about bank officials the more eager certain publishers are to print it. While it is true that bank officers, as a rule, rank higher in the scale of morality than any other class of business men—as they certainly do in ability—no person of sense believes them to be wholly immaculate. They are subjected to extraordinary temptations, under stress of which they sometimes commit crime; but there is no reason, because a bank officer or clerk occasionally yields to temptation, why all employees of banks should be "jumped on" promiscuously by the press and held up before the public as having committed crimes worthy of death. There is no "April Fool" about that!

BANKING AND FINANCIAL NEWS:

WITH COMMENTS ON THE MORE IMPORTANT MATTERS. THIS DEPARTMENT ALSO INCLUDES: RAILROAD AND INVESTMENT NEWS, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

Payment of Lost Coupons.—The Secretary of the Treasury has made an important ruling in a case involving the payment of lost coupons. Recently the Central National Bank, of Cincinnati, O., filed a claim at the Treasury Department for the payment of coupons attached to \$44,200 of 7.30 per cent. notes, which were lost, destroyed or stolen in 1866. The coupons, which represented about thirty months' interest, have not been recovered. In 1868 the Treasury Department issued 5 per cent. bonds in lieu of the notes. Nothing was said at that time about the coupons and no claim was made for their payment until 1886. The claim was referred to the First Comptroller, and he has given an opinion against its allowance on the ground that there is no proof that the coupons were attached to the notes when destroyed, and also because over twenty years elapsed after the coupons were missing before claim was made for payment of the interest thereon. The Secretary of the Treasury has approved the ruling of the First Comptroller.

A Massachusetts Usury Law.—A bill has been introduced in the Massachusetts State Senate by Senator Shea making the rate of interest 6 per cent. per annum when not otherwise specified, and forbidding any contract for more than 10 per cent. per annum. Mr. Shea, in arguing in favor of his bill, said that in thirty-two States and Territories there is a penalty for usury. In them the rate of interest allowed varies from 5 per cent. in Louisiana to 18 per cent. in Montana. In fifteen States, of which number Massachusetts is one, there is either no statute or a statute without penalty. Ex-Senator Pillsbury appeared in opposition to the bill in behalf of the Collateral Banking Association and several National banks and trust companies. He said that the proposition had been presented to and rejected by every Legislature since 1867, when the usury laws were repealed. It is impossible legislation, to begin with, as is proved by all human experience. If it ever works anywhere it is in a rural community, and is generally only heard of once in a great while when set up by some rascal in defense of a suit. The matter of money lending is regulated by a law as natural and inexorable as that which regulates the flow of water. If put forward as a philanthropic measure it is a mistake, and will be so pronounced most quickly by the people whom it is intended to benefit.

Amending State Banking Laws.—A bill has been introduced in the New York State Senate by Senator Walker, which proposes to revise the Statutes of the State so that any number of persons may associate to establish offices of discount and deposit upon the terms and conditions and subject to the liabilities prescribed in the bill; but the aggregate amount of the capital stock of any such association or bank is not to be less than \$100,000; providing, however, that banking associations with a capital of not less than \$50,000 may be organized in any city, village or place the population of which does not exceed 30,000 inhabitants. And it is further provided that banking associations with a capital of not less than \$25,000 may be organized in any village or place the population of which does not exceed 6,000 inhabitants. With the approval of the Superintendent of the Banking Department, individual bankers with a capital of not less than \$10,000 may be authorized to transact a banking business in any village or place the population of which does not exceed 3,000 inhabitants.

The Sub-Treasury System.—The report of the Senate Finance Committee, which is adverse to the bill establishing a Sub-Treasury at Louisville, Ky., is a strong argument against the Sub-Treasury system. The report is understood to have been drafted by Senator Aldrich, and is a very able paper. It shows that the Sub-Treasuries are far from being desirable, and that the National bank depositories are meeting the

public requirements far better than the Sub-Treasuries. The following extract from the report gives the views of the Committee on this matter:

"The Committee believe that no public interest will be advanced by the establishment of a Sub-Treasury at Louisville. Ample facilities are now afforded for the collection, disbursement and transmission of the public moneys by the designated depositories without expense or risk of loss to the Government, and the currency used is retained in the regular channels of trade. If economy and safety in the custody of the Treasury reserves and surplus funds is desired, the number of Sub-Treasuries should be reduced rather than increased. The cause which led to the adoption of the Sub-Treasury system no longer exists, and cannot be urged in favor of this bill. In 1844, when the present system was adopted, there was a general feeling that the Government deposits were insecure, and that the character of the State banks was such that they could not be properly selected to act as fiscal agents of the United States. The Committee are not aware of any advantage which would result to the banks or people of Louisville by the establishment of a Sub-Treasury in that city other than that they would not then be obliged to pay the expense of transmitting gold and silver coin to the nearest Sub-Treasury for purposes of redemption and exchange. If it is the intention of the promoters of this bill to oblige the Government to pay the expense of returning the silver coin to the Treasury, it would be much cheaper to pay express charges on all shipments rather than to establish Sub-Treasuries at all points where private institutions desire to avoid the expense necessarily incident to a portion of their business. In the distribution of certificates and other paper currency Sub-Treasury cities have now no advantage over other points, as it is the custom of the Treasury Department to charge in all cases a sum equal to the cost of transportation to parties requiring currency. The public revenues are now collected and disbursements made outside the Sub-Treasury cities with absolute security to the Government through more than 160 National bank depositories. The arguments used in favor of the establishment of a Sub-Treasury at Louisville might be urged with equal or greater force in behalf of a large portion of the 160 cities where these depositories are located."

New York City Savings Banks.—The annual reports of the 24 savings banks in New York city, showing their condition on January 1, 1887, make the aggregate resources \$320,475,726 against \$301,147,881 on January 1, 1886, an increase of \$19,327,895. The deposits amount to \$270,569,399 against \$255,946,181 a year ago, an increase of \$14,623,218. The number of depositors is 669,433 against 640,524, an increase of 28,909. The following shows the resources, deposits and number of depositors of each bank on January 1, 1887:

	Resources.	Deposits.	No. of Depositors.
Bowery	\$55,041,889	\$43,770,346	104,180
German	22,878,424	21,210,341	53,789
American	582,946	569,979	2,362
Franklin	8,857,165	8,306,056	15,047
Dry Dock	14,571,897	13,245,648	32,453
New York	7,769,200	6,191,657	15,729
Citizens	11,359,201	10,225,604	27,917
Irving	7,002,499	6,181,544	11,566
Bank for Savings	50,162,785	41,309,874	109,460
Greenwich	23,787,714	19,960,233	46,829
Harlem	3,065,309	2,876,242	13,774
North River	2,591,238	2,391,103	10,283
East River	11,564,085	9,890,416	17,547
Metropolitan	4,422,448	3,986,577	9,183
Merchants' Clerks	6,539,800	5,735,244	13,489
West Side	394,922	379,725	2,688
Seamen's	37,388,309	29,642,594	67,387
Emigrant	37,969,007	31,952,573	59,625
Union Dime	7,632,791	7,045,737	32,023
Manhattan	7,085,599	6,408,971	15,072
Excelsior	447,066	429,410	2,049
* Eleventh Ward	8,925	8,323	1,338
Broadway	4,322,315	4,002,041	6,404
* Closing.			

Important Legal Technicality.—Oscar L. Baldwin, the Cashier of the Mechanics' Nat'l Bank, of Newark, N.J., who was sentenced four years ago to 15 years' imprisonment for wrecking that institution, has been released by an order filed by Justice Bradley of the United States Supreme Court. Baldwin pleaded guilty on three indictments, and was sentenced to five years' imprisonment on each indictment, the sentences not to run concurrently. The decision of the Court says: "It is manifest that the sentence in this case is uncertain, because it does not specify upon which indictment either of the terms of imprisonment is to be undergone. If the prisoner is to be detained in

prison for three successive terms neither he nor the keeper of the prison, nor any other person, knows under which indictment he has passed his first term or under which he will have to pass the second or third. Without the last words of the sentence, declaring that the terms of the imprisonment should not run concurrently, it would be sufficiently clear and certain. It would then, by force of law, be a sentence of five years' imprisonment on each indictment, and each sentence would begin to run at once, and they would all run concurrently. Such a sentence is lawful and proper. But the addition that they were not to run concurrently, without specifying the order in which they were to run, is uncertain and incapable of application. The additional words must be regarded as void."

New Bank Reserve Cities.—Senator Morrill, from the Committee on Finance, has reported favorably a bill to amend Sections 5,191 and 5,192 of the Revised Statutes by adding Atlanta, Charleston, Galveston, St. Paul, Minneapolis, Indianapolis, Denver, Kansas City, Omaha, Richmond and St. Joseph to the list of lawful money reserve cities. Section 5,195, allowing one-half of the lawful reserve to be kept with banks in New York city, is also amended so as to read as follows:

"Section 5,195. Each association organized in any of the cities named in Section 5,191 of the Revised Statutes may keep one-half of its lawful money reserve, in cash deposits, with any association approved by the Comptroller of the Currency, organized and operating under the provisions of the National banking laws in either or any of the said cities mentioned in said section."

New York Trust and Loan Companies.—The semi-annual reports of the 16 Trust, Loan and Mortgage Companies to the Bank Superintendent of New York State shows an increase in deposits during the year of \$6,915,658. The following is a summary of their reports: Farmers' Loan & Trust Company—resources, \$24,017,070.66; excess of assets over liabilities, \$806,455.84; deposits in trust, \$20,265,198.76. United States Trust Company—resources, \$40,130,887.64; deposits in trust, \$31,206,770.22. Title Guarantee Trust Company—resources, \$823,324.05; surplus fund, \$20,324.05. Central Trust Company—resources, \$20,812,136.68; deposits in trust, \$7,031,887.83. Union Trust Company—resources, \$26,902,791.02; deposits in trust, \$1,372,340.69. American Loan & Trust Co.—resources, \$6,466,478.12; deposits in trust, \$9,997.75. United States Mortgage Company—resources, \$3,059,047.99; surplus fund, \$479,188.60. Equitable Trust Company—resources, \$4,788,531.14; liabilities, \$4,788,531.14. Mercantile Trust Co.—resources, \$21,989,716.27; surplus fund, \$800,000. Manhattan Trust Company—resources, \$195,715.99; deposits in trust, \$4,784.15. New York Guarantee & Indemnity Co.—resources, \$100,956.46; surplus fund, \$646.35. New York Life Insurance Trust Company—resources, \$18,631,865.60; excess of assets over liabilities, \$1,099,101.96. Metropolitan Trust Co.—resources, \$5,540,341.92; surplus fund, \$322,621.05. Brooklyn Trust Co.—resources, \$9,808,245.20; deposits in trust, \$390,006.62. Knickerbocker Trust Company—resources, \$1,101,928.98; deposits in trust, \$165,777.05. Long Island Loan & Trust Company—resources, \$2,873,585.23; deposits in trust, \$122,876.61.

How He Robbed the Bank.—After Howard E. Blackstone, the defaulting Note-Teller of the Canal National Bank, of Portland, Me., absconded last November, he wrote to the bank officials stating that his accounts were short \$76,000. For some time no trace of the shortage could be discovered, and Blackstone then wrote a letter to Mr. Elias Thomas, President of the bank, explaining how the money had been stolen. The letter is a remarkable production, and reads as follow:

MR. ELIAS THOMAS:—I have just received a letter from my wife, and she says you ask if I have ever used any notes of your father's. No, I have not, neither have I ever hypothecated any notes in my hands that were the property of banks. This would have led to my sure detection. The fact is, you have all had such implicit confidence in me that I have been able to get all the funds I needed without resort to forgery, as you will see when I explain how a man who handles no money can steal money. I did not ever need to have any notes. In order to get discount I would enter the names and amounts on the discount book, then check the note on the discount book as being a short-time note, as many are kept out for some informality. If the "tickler" had been referred to no such note would have been found entered. The proceeds I passed to the credit of different parties. Then I went to them and said they had been credited in error and asked for their check as the easiest way to fix it up on our books. When I was acting for the Teller the notes paid or charged up were not always credited to bills discounted. If I knew Mr. Robinson was to be away next week I could pass any amount to anybody's credit. The papers say I paid for these things. This is not true. If it were it would certainly implicate whoever took pay, of course. I did not operate often enough with any one firm to create suspicion. The loan is \$76,509.61 short. My other accounts are all right, except a Boston check for \$814, which should

be \$198.14. When the Bank Examiner came around I would put in enough collection notes to make good the deficit. When the Directors took a loan I raised the amounts of the notes sent away to Boston and New York. My speculations commenced in Maine mining stocks. Before that I was an honest man; and even then I had no more idea of robbing a bank than you have. I used my own money at first. I was elated with success and lost my head, risking all I had in cash besides buying options. When, options became due I had to have money from somewhere. This was when I first "borrowed" from the bank. I reasoned that I would soon be able to pay it all back, but that day never came. In January, 1884, the Diamond Wrench Manufacturing Company was formed. My friends were going in and urged me to do the same. I thought it very profitable. I put in \$5,000 and lost all, but, as I thought, through mismanagement. July 9, 1885, it was sold at auction. C. R. Milken was my only competitor. He offered me \$1,000 to go home. Now, I wish I had accepted his offer. He and George Burnham own one-quarter of the patent, for which they pay \$1,700. There has been some \$40,000 put into the company since July, 1886, and I think most of it can be got out. Mr. Libby will, I have no doubt, give you every assistance in his power. He is an honest, shrewd fellow, and has no knowledge of my wrong-doing. The papers say that I, like Mr. Gould, "took a prominent part in religious circles." That's a lie, but I expect to have much said about me that is not true. I am a member of the State Street Church, but have not been inside church for two years. Not at Woodford's either. I have taken my little boy to Sunday school occasionally, and that is all. No, I had too great a weight of sin upon me to enjoy anything religious. I haven't been happy a moment since I have been in this miserable business; and if a man don't believe that "the wages of sin is death" just let him try it. I feel like calling on the rocks to fall on me. I have been going around the past few days trying to get work, offering to work for my board, offering to wash dishes in a hotel. I might have been a bank Cashier. These things are so pleasant to contemplate. How I could ever be such a fool is more than I can understand. I have carried nothing away with me. You have all that is left of the wreck. I regret the shock to your father as well as all the rest of you, and believe me when I say that I am sorry and ashamed that I have so abused the confidence placed in me. If you want to communicate with me write my father.

H. T. BLACKSTONE.

Nebraska.—The First National Bank, of Ponca, Neb., was opened for business on February 3d in the building formerly occupied by the Farmers & Merchants' Bank. In 1883 Dorsey Bros. established the Farmers & Merchants' Bank, the business of which increased so rapidly that the present National institution, with \$50,000 capital, is the outgrowth of it. The stockholders of the new bank number some of Ponca's most successful business men, besides several leading capitalists of Omaha, Sioux City, and other cities. Hon. Geo. W. E. Dorsey will continue to act as President and F. M. Dorsey as Cashier. The past record of this bank is a sufficient guarantee that, with increased facilities, its future will be even more prosperous.

The Trade Dollar.—The bill passed by the Senate to redeem the trade dollar was amended by the House, and the amendment was rejected by the Senate. It was then referred to a Conference Committee, who agreed upon a new bill, which, on February 20th, was passed by both houses. The bill is as follows:

"Be it enacted, etc., that for a period of six months after the passage of this Act, United States trade dollars, if not defaced, mutilated or stamped, shall be received at the office of the Treasurer or any Assistant-Treasurer of the United States in exchange for a like amount, dollar for dollar, of standard silver dollars or subsidiary coins of the United States.

"SECTION 2. That the trade dollars received by, paid to or deposited with the Treasurer or any Assistant-Treasurer or National depository of the United States shall not be paid out, or in any other manner issued, but, at the expense of the United States, shall be transmitted to the coinage Mints and recoined into standard silver dollars or subsidiary coin, at the discretion of the Secretary of the Treasury, provided that the trade dollars recoined under this Act shall not be counted as part of the silver bullion required to be purchased and coined into standard dollars as required by the Act of February 28, 1878.

"SECTION 3. That all laws and parts of laws authorizing the coinage and issuance of United States trade dollars are hereby repealed."

A Record of Fifty Years.—In a very neat pamphlet, the Honesdale Bank, of Honesdale, Penn., records its history of half a century. The bank was organized in December, 1836, and became a National bank in December, 1864. As the latter had its charter extended in December, 1884, it bids fair to round the present century and celebrate its centennial. The bank started with a capital of \$100,000, divided among 195 stockholders, the largest single holding being 180 shares and the smallest 2 shares. In 1855 the capital was increased to \$150,000. In 1857, when the banks in Pennsylvania generally suspended specie payments, this bank resolved not to suspend, and did not. When the war broke out the bank, on April 12, 1861, subscribed \$1,000 to the war fund. On June 20, 1861, it subscribed \$5,000 to the State war loan. On August 7, 1862, it contributed \$5,000 more towards paying bounties to Wayne County volunteers, and, on August 13, 1861, it sent \$1,500 to the committee of Philadelphia banks for the purpose

of paying the State militia called out to repel invasion. Throughout the war it was a liberal contributor to the Government, and subscribed for a large amount of bonds. In 1884, when the charter was renewed, the bank reported that it had, while a National bank, paid \$800,000 in dividends, \$102,864 for taxes, and had a surplus of \$185,650. It has been very successfully managed.

The United States Bank Redivivus.—The New York *Star* has evolved out of its midnight oil and inner consciousness an enormous banking scheme. It is no less than the resurrection of the old United States Bank, which has been dead these many years, with rejuvenated flesh added to its antiquated bones. We quote from the *Star* its great scheme, premising, however, that "the founder of the First National Bank" never contemplated the laying of a foundation broad enough to support such a mammoth structure as that paper proposes erecting upon it. To the *Star* must be given, therefore, the entire credit for the greatest invention of the age. It is as follows:

"The furore about a bank to be started in this city has brought to light a scheme worthy of the great American nation and the greater American people. The founder of the First National Bank, of this city, foreseeing just the present financial and commercial condition of this country twenty-three years ago, provided in its articles of association power to increase its capital to fifty millions, thus laying the foundation for carrying into effect the present contemplated bank. The capital of that bank (after the word "first" is stricken out and it becomes the "National Bank") will be taken by capitalists in every part of the United States and also every part of civilized Europe, and its surplus of five millions will be carried to extra capital, making an aggregate of fifty-five millions. The principal Israelite houses of Europe will be represented in its direction, and Hon. John Sherman is to be "captured" for its President. Its business will not be confined to this Continent, but it will undertake the negotiation of war loans for European nations, and will carry out the refunding of their National indebtedness at a much reduced rate of interest. The Bank of the Republic will be consolidated with the National Bank for the necessity of having the whole of the main floor of the United Bank building for its immense business. The Government is to discontinue its Sub-Treasuries, and this bank is to be permitted to establish branches all over the United States, as well as in the principal financial centers of Europe, in order to successfully carry forward the immense enterprises of National and International financiering.

Detroit, Michigan.—The fifty-ninth quarterly report of the Wayne County Savings Bank, of Detroit, Mich., shows a very prosperous condition of affairs. The aggregate deposits are increased to \$3,788,000 and the interest earnings to over \$250,000. Nearly one-third of the whole amount of deposits is secured by National and State bonds, and the balance by loans on unincumbered real estate. Interest at the rate of 3 per cent. is paid on all deposits. There is no sounder or better managed institution in Michigan. Mr. S. Dow Elwood, well-known to many readers of the JOURNAL, is the Treasurer of the bank and General Manager of its affairs.

Massachusetts National Banks.—There are 54 National banks in the city of Boston, with an aggregate capital of \$50,950,000, or an average of nearly \$1,000,000 apiece. They have a surplus of \$11,648,242 and undivided profits of \$3,214,396. The deposits aggregate \$74,087,299 and total liabilities \$192,043,458. The circulation was reduced nearly \$6,000,000 in the year and now stands at \$15,568,700. The loans amount to \$122,567,788. The Massachusetts banks outside of Boston number 196, and they have: capital, \$45,190,500; surplus, \$13,804,009; undivided profits, \$3,648,853; deposits, \$54,429,904; liabilities, \$151,247,462; loans, \$88,478,396. The dividends paid by the Boston banks last year amounted to 5.22 per cent. on the total capital stock and by the banks outside of Boston to 6.79 per cent. Since the origination of the National banking system 265 banks have been organized in the State, of which number 15 have ceased to do business, leaving still in operation 250. The corporate existence of only one Massachusetts institution will expire during the current year. It is the National Security Bank, of Boston, whose present charter ends November 22d next. The corporate existence of 199 Massachusetts National banks, representing a capital of \$85,712,500, has already been extended under the banking laws. The whole number of shares of National bank stock in Massachusetts is 986,480. Of this number 925,381 shares are held by residents of the State and 61,099 are owned by people outside of the State. The number of shares held by natural persons is 704,022; by religious, charitable or educational institutions, 16,225; by savings banks, trust companies and insurance companies, 284,192; by municipal corporations, 535; all other corporations, 1,456. The number of shareholders resident in the State is 47,960; non-residents, 4,491; total, 52,471. The number of shareholders owning specified amounts of stock is as follows: Owning

10 shares and less, 33,377; over 10 and not more than 50, 15,612; over 50 and not more than 300, 3,298; over 300 shares, 184.

Duplicating Lost Bonds.—A request was presented to the Treasury Department by a resident of Chicago for the issue of a duplicate \$1,000 bond. The claimant alleged that, while examining the bond in his room at a late hour one night, he heard a noise which he supposed was made by thieves, and in his fright he chewed the bond into a pulp and swallowed it. It was afterwards discovered that there were no grounds for alarm. First-Comptroller Durham decided that there was no law under which a duplicate bond can be issued in such a case. He says that the law provides for the issue of duplicates only where the original has been lost or destroyed "without bad faith on the part of the owner." This he construes to mean that the bond must have been accidentally defaced or destroyed without any fault or direct agency of the owner. In this case the destruction of the bond was intentional, being designedly chewed up and swallowed through fright. It does not, therefore, he says, come within the law providing for the duplication of bonds lost in good faith. Another claim for the issue of a duplicate bond in place of one destroyed has been submitted to the Comptroller. In this case the claimant represents that, while he was operating with vitriol, some of the acid accidentally fell upon a \$500 bond and practically destroyed it. A duplicate bond will probably be issued for this one.

Savings Bank Trustees.—Questions being raised as to the power of a savings bank to have business relations with deposit banks, insurance companies and title companies, a stockholder in which happens to be a trustee in the savings bank, the New York Bank Superintendent recently requested an opinion from the Attorney-General. The latter has submitted his opinion, as follows:

"Section 255 of the law in reference to savings banks ('Paine's Banking Laws,' page 232) provides as follows: 'No Trustee of any such corporation shall have any interest whatever, direct or indirect, in the gains or profits thereof, nor as such, direct or indirectly, receive any pay or emoluments for his services, except as hereinafter provided; and no Trustee or officer of any such corporation shall directly or indirectly, for himself or as the agent or partner of others, borrow any of its funds or deposits, or in any manner use the same, except to make such current and necessary payments as are authorized by the Board of Trustees; nor shall any Trustee or officer of such corporation hereafter become an indorser or surety, or become in any manner an obligor for moneys loaned by or borrowed of such corporation.'

"It is the duty of the Trustees to satisfy themselves as to the validity of titles to real estate upon which the money of the institution is loaned. The manner in which they shall proceed to ascertain the validity of such titles rests in the discretion of such Trustees; and if in the sound use of such discretion they deem it advisable to have a title investigated and guaranteed by a corporation engaged in such business, I do not think there is anything in section 255 (*supra*) which can be construed into a prohibition from such services being performed by a corporation in which one of the Trustees of the bank owns stock. A Trustee of the savings bank who may be a stockholder in the company in which property is insured upon which the bank has a mortgage receives no benefit, direct or indirect, from the bank. The contract is not with the bank, and is not necessarily made with a corporation designated by the bank.

"A person owning real estate is at liberty to insure it against fire in a fire insurance company irrespective of who or what the Directors in such company are.

"There is a well recognized distinction between a loan or 'borrowing' and a deposit, and the rights and responsibilities of parties under these different species of contract are quite different. I think the word borrowing as used in the section was intended to be employed in its ordinary legal signification, and does not include deposits of money with banks of discount; and that, when a savings bank deposits its funds with said discount bank, the latter cannot be said to be a borrower; and the fact of one of the Directors being a Trustee does not, therefore, bring it within the prohibition of section 255."

Comptroller Trenholm was one of the invited guests on the occasion of the fifth annual dinner of the New York Board of Trade and Transportation, given at the Hotel Brunswick on Washington's Birthday. The New York *Tribune* refers to the Comptroller as "a young-looking man." If the *Tribune* writer had consulted a copy of the *JOURNAL* for January he would have found therein a sketch of the Comptroller, accompanied with a fine portrait, which shows him to be not only "young-looking" but a handsome man as well. The portraits of prominent financiers and representative bankers which are published in the *JOURNAL* from time to time are alone worth more than the subscription price for a year.

Chicago.—At a meeting of shareholders of the Chicago National Bank, Chicago, Ill., held on the 13th of last December, it was voted to increase the capital stock to \$300,000 by the sale of \$200,000 of new stock at 50 per cent. premium, to be paid for as

follows: fifty dollars per share on January 3, 1887, fifty dollars per share on March 2, 1887, and the balance of fifty dollars on May 2, 1887. The last two payments will draw interest from January 1, 1887, at 6 per cent. The present capital of the bank is \$300,000, with a net surplus of \$150,000. Mr. J. R. Walsh is the President, Mr. H. H. Nash, Cashier, and Mr. William Cox, Assistant Cashier.

Kansas.—The Winton & Deming State Bank, Ashland, has called in the balance of its stock remaining unpaid, which is to be paid in by March 5th. This will make their capital \$60,000. This institution, which commenced business October 1, 1886, with a paid in capital of \$30,000, is organized under the State banking law. For its first quarter, ending December 31, 1886, it paid a dividend of 4 per cent., or 16 per cent. per annum.

Kansas Bankers' Association.—About sixty representatives of banking institutions from all sections of the State met at Topeka, Kans., in the Board of Trade rooms, on February 22d, for the purpose of effecting a permanent organization. The meeting was called to order by the Hon. J. R. Mulvane, President of the Bank of Topeka, who was subsequently elected President of the Association for the ensuing year. A committee on Constitution and By-laws was appointed, and their report was a document which is substantially the same as that under which the American Bankers' Association has worked for some years. The report was adopted.

Seven Vice-Presidents—one from each Congressional district—were elected, who, together with the President of the Association, compose the Executive Council.

The following-named gentlemen were chosen to represent the seven districts of the State: District No. 1—H. H. Crosby, Valley Falls; District No. 2—Hon. John W. Sponable, Paola; District No. 3—S. H. Lanyon, Pittsburg; District No. 4—Hon. H. C. Cross, Emporia; District No. 5—S. A. Fulton, Marysville; District No. 6—G. S. Bishop, Mankato; District No. 7—W. J. Bell, McPherson.

Mr. C. N. Beal, President of the Kansas Mortgage Co., of Topeka, was elected Secretary, and D. A. Moulton, Cashier of the First National Bank, of Topeka, Treasurer.

Letters of regret were received from one hundred and thirty-five bankers throughout the State who were unable to be present, but expressed their sympathy with the movement.

The President read quite a lengthy address, stating the objects and benefits to be derived by organization.

Mr. D. A. Moulton also read a paper on "Banks and Taxation," which called forth a general discussion.

The meeting was a very pleasant one throughout, and the bankers of Kansas may congratulate themselves on the success of their first annual convention.

Bank-opening Reception.—The Third National Bank, of Baltimore, Md., removed on February 15th from its temporary quarters on Exchange Place to its new building, No. 33 South street. From 10 A. M. to 4 P. M. a grand opening reception was given, and hundreds of visitors, including bankers, financial men and many ladies, embraced the opportunity to view the fine structure. The visitors were treated to a luncheon, which was highly appreciated.

The building is 25 by 103 feet and the interior 35 feet in height. The banking department is 25 by 60 feet, with tiled flooring outside the counters, which are of colored marble, the framework for the heavy wire screens being made of mahogany. Back of this apartment, overlooking the interior, is the room of the Cashier, which is furnished with a line of electric bells that summon each or all the clerks. The room of the President adjoins the Cashier's. At the rear is the Directors' room, 25 feet square. The massive Miller vault is a feature. It is built free from either walls of the building at the rear of the banking-room, and could not be tampered with except from the inside of the bank. It is furnished with a large Corlies safe and a couple of other heavy safes.

The Third National Bank was organized in the old building on May 23, 1865, and for two years has been working under its second charter. Mr. Wm. H. Crawford is President, Mr. A. M. Carter has been its Cashier from the start, and Mr. N. B. Medairy, Assistant Cashier, was a clerk at the beginning.

St. Paul, Minn.—Necessary steps have been taken for the opening of a new bank at St. Paul, Minnesota, to be styled the Commercial National Bank, with a paid-up capital of \$500,000, and officers as follows: President, Albert Scheffer; Vice-Presidents,

Patrick H. Kelly, Chas. Kittelson; Cashier, Hermann Scheffer. The Messrs. Scheffer are now Cashier and Assistant Cashier respectively of the Bank of Minnesota, from which they withdrew in order to aid in forming the new bank. Hon. Chas. Kittelson, one of the Vice-Presidents, was formerly State Treasurer.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

- The last of the 3 per cent. bonds will probably be retired by July 1st.
- Two new National banks are expected to be shortly started in Chicago.
- The People's National Bank has been organized in New Brunswick, N. J., with a capital of \$100,000.
- The banks in Flint, Mich., have adopted the one session plan, and will be open from 9 A. M. to 3 P. M.
- Out of all the bills presented in Congress to establish a new basis for bank circulation not one passed.
- Judge Van Brunt has decided that Mr. William J. Hutchinson must be reinstated as a member of the New York Stock Exchange.
- The funds of the Indiana State Treasury have become exhausted, and payment of claims against the State has been suspended.
- A savings bank is being organized in Fort Wayne, Ark., by Wm. T. Abbott. There is no other institution of the kind in that city.
- Of the \$10,000,000 in 3 per cent. bonds called for redemption on February 21st, \$5,125,000 were held to secure National bank circulation.
- William E. Gould, the defaulting Cashier of the First National Bank, of Portland, Me., who is now in State Prison, is reported as becoming insane.
- The stock of the Birmingham National Bank, Birmingham, Ala., amounting to \$250,000, has been subscribed for, and the location of the bank secured.
- A 60 per cent. dividend has been paid the depositors of the suspended Germania Savings Bank, of Jersey City, N. J., and it is expected the claims will all be paid in full.
- The Fifth Ward Savings Bank, of Jersey City, N. J., which failed a few years ago, has declared a dividend of 5 per cent. to the creditors, making 70 per cent. in all.
- The Comptroller of the Currency has declared a dividend of 10 per cent. in favor of the creditors of the Pacific National Bank, of Boston, Mass., making 40 per cent. in all.
- At a meeting of the Directors of the St. Nicholas Bank, of New York city, on January 31st, resolutions of respect to the memory of the late President, Thomas C. Pollock, were adopted.
- The Massachusetts Legislature has authorized the incorporation of the Conway Savings Bank, the West Newton Savings Bank, and the B. M. C. Durfee Safe Deposit & Trust Company, of Fall River.
- An attempt to rob the Waverly Bank, at Marshall, Mo., was made early in the morning of February 4th. After drilling holes in the vault and exploding charges of powder the robbers hastily decamped.
- The American National Bank, of Fort Smith, Ark., opened for business on February 17th with a capital of \$100,000. Its officers are B. H. Tabor, President, B. F. Atkinson, Vice-President, and S. N. Dwight, Cashier.
- Secretary Manning, prior to his resignation, in reply to the Senate resolution, stated that there was no information in the Department as to whether any National banks were lending money to be repaid in gold only.
- Mr. Edward T. Goodall, who died suddenly at his residence in Brooklyn on February 21st, was not Cashier of the Fourth National Bank, of New York city, as has been stated. The Cashier of that bank is Mr. H. Buckhout.
- The German Bank, of Memphis, Tenn., has issued \$250,000 of old stock and \$350,000 of new stock (a total of \$600,000) to subscribers at 110. There are 152 stockholders, and the average amount of stock held by each is only \$4,000.
- The First National Bank, of Montgomery, Ala., has ceased to be a Government depository on account of the \$100,000 in 3 per cent. bonds it had on deposit being called

in. It refused to deposit 4 per cent. bonds in their place. The Government deposits will be made with the Assistant United States Treasurer at New Orleans.

— A new bank, to be known as the Banco Commercial Fluminense, is in process of organization at Rio. The capital is to be \$2,000,000.

— Canada's debt is assuming huge proportions. It now amounts to \$234 per family, and the annual interest to \$9.36. The net debt equals \$50 for every man, woman and child.

— The Simla Bank, of Calcutta, has suspended payment. Arrangements for a voluntary liquidation have been made. It is expected that the depositors will be paid in full.

— A petition has been prepared for presentation to the Comptroller of the Currency for a charter for another new bank in Philadelphia, to be called the Metropolitan National Bank, with a capital of \$300,000 and authority to increase it to \$500,000.

— Two new banks have been organized in Chattanooga, Tenn., one the Chattanooga National Bank, with \$500,000 capital, and another the Fourth National Bank, of Chattanooga, with a capital of \$250,000. Cincinnati capitalists are interested in the latter.

— J. Finlay Hoke, the embezzling Book-keeper of the Merchants' National Bank, of Peoria, Ill., has been extradited. Twenty indictments for forgery, containing 80 counts, covering forgeries aggregating from \$10,000 to \$12,000, have been found against him.

— Governor Lounsbury, of Connecticut, has nominated ex-Congressman George M. Landers, of New Britain, for the unexpired term of Bank Commissioner John W. Hyatt, of Norwalk, recently appointed United States Bank Examiner for Connecticut and Rhode Island.

— William Roath, Cashier of the Shetucket National Bank, of Norwich, Conn., was released from prison on February 25th. He was sentenced to four years' imprisonment for swearing to a false bank report, but his sentence was commuted to two years by President Cleveland.

— Mr. Charles A. Hibbard, of Cambridge, Mass., a clerk in the Maverick National Bank, of Boston, was among the injured in the Central Vermont Railroad accident. His chin was badly bruised and some teeth were knocked out, but he fortunately sustained no worse injuries.

— A writ of *habeas corpus* has been granted George M. Bain, the Cashier of the Exchange National Bank, of Norfolk, Va., who was sentenced a short time ago to five years' imprisonment in the Albany Penitentiary. The writ will be argued in Washington on the first Monday in March.

— The Senate Finance Committee reported adversely on Senator Beck's bill to retire legal-tenders and bank notes and replace them with silver certificates. The bill also provided for the issue of certificates of small denominations on all surplus coin and gold bullion in excess of \$100,000,000.

— Mr. Samuel N. Aldrich, President of the Massachusetts Central Railroad, has been appointed Assistant United States Treasurer at Boston in place of Mr. Martin P. Kennard. He was a member of the Massachusetts State Senate in 1879 and 1880, and has occupied a number of important positions.

— The Merchants' National Bank, of Deadwood, Dak., failed to open on February 20th. The branches at Central City and Sturgis, Dak., and Sundance, Wyo., were all closed, but the two latter subsequently reopened. The statement published on December 28th showed that the liabilities exceeded \$425,000.

— Mr. Edson Fessenden, a Director of the Charter Oak National Bank, of Hartford, Conn., for 21 years, resigned his position owing to infirmity of health and old age. The Directors, on January 31st, unanimously adopted resolutions expressing the highest regard for Mr. Fessenden and sincere regret at his retirement.

— The proposed assessment of 50 per cent. on the stock of the Rahway National Bank, Rahway, N. J., is meeting with opposition on the part of some of the stockholders. Directors B. A. Vall and Ira Laforge, who opposed the assessment, resigned, and their places have been filled by a son of the President and Mr. Taylor, of Jersey City. The stockholders claim that the assessment is larger than necessary, and favor the

dissolution of the bank and a reorganization under State laws with the capital reduced to \$50,000.

— It is stated that unless Congress pays back to Ohio the \$1,500,000 expended by that State during the early part of the war the State will be bankrupt by July 1st. It is estimated that the appropriations made by the present Legislature will amount to \$3,000,000, or \$1,000,000 more than the total revenue of the State.

— Treasurer Jordan appeared before a sub-committee of the House Committee on Appropriations, on February 23d, and urged the necessity of a deficiency appropriation of \$50,000 for printing small notes during the remainder of the fiscal year. He also called attention to the need of additional vault room for silver storage in the Treasury.

— The Merchants' Exchange, of St. Louis, Mo., is trying to suppress the "bucket shops." For this purpose it has had a bill prepared, which it will try to have enacted by the Legislature, and which declares the setting up of a bucket shop or conducting a bucket-shop business a misdemeanor, punishable by a fine not less than \$500 nor more than \$1,500.

— A new State bank, called the People's Bank, has been organized in Haverstraw, N. Y., with a capital of \$50,000. Some of the old Directors of the Haverstraw National Bank, who recently resigned, are among the incorporators of the new institution. The officers are: President, U. F. Washburn; Secretary, Charles R. Christie; Cashier, H. C. Vervalen.

— The extradition proceedings against H. T. Blackstone, the defaulting clerk of the Canal National Bank, of Portland, Me., have been dismissed by Chief Justice Wallbridge, and the prisoner discharged. It was attempted to extradite him on the charge of forgery, but the Chief Justice held that, under the English common law, his offense was not forgery.

— The Union National Bank, of Cincinnati, O., whose New York correspondent is the Fourth National Bank, is closing up its affairs, having consolidated with the Ohio Valley National Bank, of Cincinnati, which succeeds Espy, Heidelbach & Co., bankers, and the Union National Bank. The capital of the Ohio Valley National Bank is \$1,000,000, and James Espy is its President.

— John D. Lisle, the Discount Clerk of the First National Bank, of Baltimore, Md., has been discovered to be a defaulter to the amount of about \$100,000. He obtained the money by forged notes and the substitution of bogus paper for notes paid at the bank for which he received the cash. Lisle was in the employ of the bank for twenty-one years, and has been always considered a most exemplary person.

— The last published statement of the First National Bank, of Kalamazoo, Mich., shows that its surplus and profits have been increased to \$142,500. With a capital of \$100,000 paid up, \$50,000 in 4 per cent. bonds, no premium account, no real estate, furniture or fixture account, we think the stockholders of this bank should be a very contented class of individuals. It certainly makes a remarkably clean statement.

— Since the decision of the United States Supreme Court, holding the stockholders of the Pacific National Bank, Boston, Mass., liable for the assessment levied upon them, the stockholders have been settling the cases brought against them as fast as possible. Judgments have been entered in 127 cases, the cost aggregating \$10,000. The amount paid in to Receiver Butler on account of these cases reaches \$500,000.

— The four savings banks of Buffalo, N. Y., report aggregate deposits on January 1, 1887, of \$24,293,558 against \$23,659,481 in 1886. The number of open accounts fell from 65,783 to 65,066. The new accounts opened during the year numbered 13,740. The surplus in the banks increased from \$4,018,236 to \$4,367,536 and the amount of United States bonds held from \$8,250,000 to \$9,931,541. The bonds and mortgages held aggregated \$9,744,563 against \$8,444,676 in 1886.

— The National Bank of the Republic, of New York city, has brought a suit against the city of St. Joseph, Mo., on 150 interest coupons of bonds issued by that city in 1871. The bonds bore 10 per cent. interest, and on July 29, 1886, the city called them in, although not then due. The city claims that, under an old section of its charter, it has a right to call in any of its bonds whether due or not. Nearly all the bondholders surrendered their bonds, but the Bank of the Republic has decided to test the question by a suit to collect the interest falling due on January 4, 1887.

— A bill has been introduced in the New York State Senate by Senator Traphagen, which provides for a graduated income tax as follows: 1 per cent. on incomes from \$2,000 to \$3,000; 3 per cent. on incomes from \$3,000 to \$10,000; 7 per cent. on incomes from \$10,000 to \$50,000; 20 per cent. on incomes from \$50,000 to \$100,000; 50 per cent. on incomes over \$100,000. The bill defines in long detail methods for ascertaining incomes, of what they shall consist, how taxes be collected, etc.

— The indictments against John M. Masterton and Philip Lucas, Jr., who owned the Masterton Bank, of Mount Vernon, N. Y., which failed in November, 1884, have been quashed. The District Attorney of Westchester County stated that the banking laws did not cover the case, as Masterton and Lucas were acting only as individuals. What they did was only a breach of trust, and the remedy is in civil actions. The depositors have received 30 per cent. of their claims, and an additional 20 per cent. has been promised them.

— The Comptroller of the Currency has made the following changes in the National bank reserve agents in New England: Maine—Portland, Casco National Bank; Phoenix Nat'l Bank, New York city, approved as reserve agent. Vermont—North Bennington, First National Bank; Maverick National Bank, Boston, Mass., approved as reserve agent. Approval of National Bank of Redemption, Boston, Mass., as reserve agent is revoked. Massachusetts—Boston, National Bank of the Republic; American Exchange National Bank, New York city, approved as reserve agent.

— Oscar L. Baldwin, who was convicted of misappropriating funds and making false entries while Cashier of the Mechanics' National Bank, of Newark, N. J., having been released from imprisonment by a writ of *habeas corpus* returnable before Judge Bradley, of the United States Supreme Court, has been restored to his rights as a citizen by President Cleveland. The President's indorsement reads: "This I am entirely willing to do, in view of his standing and respectability prior to his conviction, and in the belief that society will not be injured by such restoration."

— The total collections of internal revenue during the first seven months of the fiscal year ending January 30, 1887, were \$66,048,807, being \$837,544 less than the collections during the corresponding period of the last fiscal year. There was a decrease of \$3,377,570 in the collection from spirits, an increase of \$878,590 from tobacco, an increase of \$1,233,502 from fermented liquors, and an increase of \$69,335 from miscellaneous objects. The total receipts from oleomargarine up to February 1st last were \$365,599. The aggregate receipts for January, 1887, were \$216,796 greater than those for January, 1886.

— According to a new law passed by the New Jersey Legislature all notes and bills of exchange or drafts which become due and payable upon legal holidays, which are declared to be January 1st, February 22d, July 4th, Thanksgiving Day, Christmas Day, any day upon which a general election shall be held for members of the Assembly in each year, and also upon any day set apart by proclamation of the Governor of the State for the purpose of public observance, shall be due and payable upon the first legal business day next succeeding said holiday instead of on the preceding day as heretofore.

— There was considerable excitement in Wall street on February 28th caused by the fact that one-dollar silver certificates were being sold by the leading bankers for 45 and 55 cents each. People eagerly took the certificates, and it became known later in the day that the National banks were also disposing of their one-dollar silver certificates at the same rate.—*Evening News*. There was nothing remarkable about this. People who pay 45 and 55 cents each for one-dollar silver certificates pay precisely what they are worth, for 45 and 55 added make precisely 100. Then why all this excitement?—*New York World*.

— A farmer, hearing that money was cheap in the city, came to see about it. He entered a bank, called for the Cashier, and said: "Mr. Cashier, is it true that money is abundant and cheap?" The Cashier answered in the affirmative. "Can I get some?" queried the countryman. "Certainly," replied the moneyed man. "Well, just lend me a hundred dollars for six months." The Cashier said: "Yqu can have the money—we have plenty of it—but it is necessary for us to have collateral." The farmer winced and responded: "Collateral! What the deuce is that?" The matter was explained. Then the planter of the soil, illuminated on the subject of political economy, with a

broad grin, rejoined: "Ah, I see how it is, Mr. Cashier. Money is plentiful and not high, but it is this blanked *collateral* that is scarce and hard to get!"—*Augusta (Ga.) Chronicle*.

— A woman brought to the Gardiner (Maine) Savings Bank recently a basket containing \$220 in silver coins. They were bright, sharp-edged quarters, halves and dollars, which evidently had seen but little use. The Treasurer was surprised on looking at the dates, which the odd appearance of some of the coins prompted him to do. They dated back to 1798, and included samples of almost every coinage from that date up to 1837. The woman said that her grandfather had hoarded the money since the beginning of the century. He never would invest any of his cash, fearing to trust banks or bonds.

— Mr. Albert A. Munger, a rich young man of Chicago, has made one bank clerk wealthy. A short time ago he stopped in at the National Bank of Illinois to see his cousin, Mr. George A. McKay, the Assistant Cashier of that bank, and found the latter looking very ill. Mr. Munger invited him to take a trip to Europe with him, agreeing to pay all the expenses. The bank could not very well spare Mr. McKay and the latter could not afford to throw up his position. Mr. Munger thereupon executed a deed to his cousin of the building known as the Hastings Block in Chicago, worth \$120,000, and told him to resign his position and be ready to sail in a fortnight.

— Three New Orleans banks are seeking for relief from Congress. The Citizens' Bank wants to enforce a claim against the Government for \$143,800 for moneys paid by it to the Government in 1862 and subsequent thereto. The State National Bank (formerly the Louisiana State Bank) has a claim for cotton belonging to the bank taken by the agents of the Treasury Department in Louisiana and Arkansas after June 30-1865. The Union Bank has a claim for \$36,000. During the war General Banks seized moneys, etc., valued at \$28,000 which the Union Bank held for the Planters' Bank, of Nashville. The latter thereupon sued the Union Bank in the United States Supreme Court and recovered the sum of \$28,000 and interest, making a total of \$36,000. The Union Bank now seeks to have this money refunded by the Government.

— The Assignees of the defunct People's Bank, of St. Louis, Mo., have applied to the Court for permission to sell the charter of the bank. This bank failed in April, 1878, with liabilities estimated at \$200,000, and no dividends have been paid the creditors. The People's Bank was organized in 1861, under a special charter, but the act providing for such charters was repealed by the Legislature in 1870, and it was the only bank with such a charter in Belleville, Ill. (a suburb of St. Louis). It is considered to be very valuable, because, under the Act of 1870, banks cannot be organized as corporations, but only as private concerns. The old charters, however, issued previous to 1870, hold good, and a new bank can be incorporated on that of the defunct People's.

— The Director of the Mint has submitted to Congress his report on the production of precious metals in the United States in the calendar year 1886. It shows that the production of gold during 1886 exceeded that of any previous year since 1880, and almost equalled the production of that year. This amounted to \$35,000,000 in 1886 against \$31,800,000 in 1885, an increase of over \$3,000,000. The production of silver, as nearly as can be ascertained, was \$40,895,980. The amount of gold bullion imported into the United States was \$17,947,518 and the exports \$27,862,637. The importations were made almost exclusively since August last. There was also imported gold coin of the value of \$23,361,663, and gold coin was exported to the value of \$13,363,688. The total exports of gold bullion and coin were \$41,221,376, which corresponds almost exactly with the amount imported, so that there was a slight gain by the movement of gold to and from the United States during the calendar year.

R. R. AND INVESTMENT NEWS.

New Issues.

STOCK EXCHANGE LIST.—The following securities have been listed at the New York Stock Exchange:

Oregon Railway & Navigation Company—an additional \$665,000 in consolidated mortgage 5 per cent. bonds.

St. Paul, Minneapolis & Manitoba Railway Company—an additional \$5,346,000 consolidated mortgage bonds, but bearing interest at 4½ per cent. instead of 6 per

per cent., issued upon 356½ miles of additional road. The total issue of consolidated bonds—6 and 4½ per cent.—now is \$18,890,000.

Minnesota & Northwestern Railroad Company—an additional \$5,094,000 of first gold 5 per cent. bonds, due in 1934.

Virginia Midland Railway Company—general mortgage 5 per cent. bonds, due May 1, 1936, amounting to \$432,000.

Equitable Gas Light Company, of New York—capital stock of \$3,000,000 in 30,000 shares of the par value of \$100.

Minneapolis & Pacific Railway Company—first mortgage 5 per cent. bonds, due January 1, 1936, amounting to \$3,035,000.

Chesapeake, Ohio & Southwestern Railroad Company—second mortgage 6 per cent. bonds, due August 1, 1911, amounting to \$2,767,000.

Southern Pacific Railroad Company, of California—an additional \$4,447,000 first mortgage 6 per cent. bonds, making the total amount now listed \$38,440,000.

Gulf, Colorado & Santa Fe Railway—an additional \$600,000 of first mortgage bonds, making the total amount now listed \$10,200,000 on 850 miles of completed road.

Missouri, Kansas & Texas Railway Company—an additional \$1,000,000 general consolidated mortgage bonds, making the total amount now listed \$34,725,000.

Tennessee Coal & Iron Railroad Company—consolidated first mortgage 6 per cent. gold bonds, due 1917, of the Birmingham, Alabama, division, amounting to \$400,000.

Columbus & Hocking Coal & Iron Company—capital stock \$4,318,500 in shares of \$100 each and mortgage 6 per cent. gold bonds due July 1, 1917, amounting to \$700,000.

Philadelphia & Reading Railroad Company—assented stock stamped by Brown Bros. & Co., and also certificates with Philadelphia stamps when indorsed by Brown Bros. & Co.

New York, Chicago & St. Louis Railway Company—Central Trust Company certificates for deposits of first and second mortgage bonds under the new trust for reorganization.

Oregon Railway & Navigation Company—an additional \$500,000 consolidated mortgage bonds, issued to retire a like amount of debenture bonds, making the total amount now listed up to \$4,655,000.

St. Louis & San Francisco Railway Company—first mortgage 6 per cent. bonds, due September 1, 1916, of the St. Louis, Kansas & Southwestern Railroad Company, interest secured by lease to the St. Louis & San Francisco Company, amounting to \$735,000.

New Jersey Junction Railroad Company—first mortgage 4 per cent. bonds, due in 1936, guaranteed principal and interest by the New York Central & Hudson River Railroad Company, amounting to \$2,000,000. The authorized issue is \$4,000,000, \$1,000,000 of which can only be issued with the consent of the New York Central & Hudson River Railroad Company.

Richmond & West Point Terminal Railway & Warehouse Company—an additional \$16,000,000 of common stock on February 21, 1887. The issue is for the purchase of 65,000 shares of East Tennessee, Virginia & Georgia first preferred, 15,000 shares and \$625,000 income bonds of the Washington, Ohio & Western Railroad Company and 25,000 shares of Richmond & Danville Railroad stock, and "5,000 shares sold for the purpose of raising funds for the uses of the company." This will make the total amount of common stock listed \$40,000,000.

SAFETY ELECTRIC LIGHT AND POWER COMPANY.—This company has been incorporated in New York city with a capital stock of \$250,000.

CINCINNATI, HAMILTON & DAYTON.—The stockholders have voted to increase the capital stock \$2,000,000, and issue \$1,000,000 for betterments, etc.

LEHIGH & WILKES-BARRE COAL COMPANY.—The stockholders have authorized the issue of \$2,500,000 of bonds to retire outstanding bonds and mortgages.

MILWAUKEE & NORTHERN.—The Milwaukee & Northern Railroad has filed amended articles of incorporation, increasing the capital stock from \$2,500,000 to \$8,000,000.

CHICAGO & NORTHWESTERN.—This company is reported to have placed \$6,500,000 of extension 4 per cent. bonds with a syndicate headed by the firm of Messrs. Kuhn, Loeb & Co.

NEW YORK, SUSQUEHANNA & WESTERN.—A mortgage for \$1,000,000 covering all the rights and property of this company has been filed to secure an issue of 4½ per cent.

bonds, due February 1, 1937, to retire outstanding debenture bonds and improve the property.

POUGHKEEPSIE BRIDGE COMPANY.—An issue of \$5,000,000 first mortgage 6 per cent. gold bonds of this company, due in 1936, has been offered for subscription in New York.

STATEN ISLAND BONDS.—The Board of Supervisors of Richmond County (Staten Island) have decided to issue \$40,000 of fifteen-year bonds, to be used in retiring those which expire in April next.

MINNEAPOLIS, SAULT STE. MARIE & ATLANTIC.—Projectors of this road are reported to have sold to London bankers \$9,000,000 of 5 per cent. bonds to build and equip a line to the Sault.

PEORIA, DECATUR & EVANSVILLE.—A mortgage for \$2,065,000 has been executed to the Central Trust Company, of New York city, to secure an issue of 5 per cent. bonds payable in New York in 1936.

CHICAGO, MILWAUKEE & ST. PAUL.—An issue of \$2,000,000 in 5 per cent. first mortgage bonds on the Chicago & Missouri division has been offered for subscription at 104½ per cent. and accrued interest.

NEW YORK CITY WATER BONDS.—The Controller of the city of New York has sold \$3,000,000 of 3 per cent. registered water bonds, payable October 1, 1905. The prices ranged from 103 to 103.875 per cent.

BOSTON BOND PURCHASES.—It is stated that about \$28,000,000 of new 4 and 5 per cent. bonds have been issued and taken by Boston bankers within the past two months, and are being absorbed by investors.

CONNECTICUT BONDS.—The State Senate of Connecticut has passed a bill to refund \$1,000,000 of State 5 per cent. bonds with the same number of 3 per cents. They fall due on May 1st. The new issue will be payable May 1, 1917.

ILLINOIS CENTRAL.—This company has filed a mortgage for \$4,000,000 in the various counties in Illinois through which the road runs. The mortgage is to secure an equal amount of bonds payable in London on July 1, 1930.

A MAINE LOAN.—The Maine Legislature has authorized the State Treasurer to receive a loan of \$100,000 from the State College of Agriculture, and issue for the amount an unnegotiable registered interest-bearing bond to run 30 years.

ATCHISON, TOPEKA & SANTA FE.—This company has issued a circular to the stockholders, giving rights to subscribe to \$13,000,000 new stock on extensions in Southern California, Kansas and Colorado. For each \$2,000 the subscriber will get a \$1,000 5 per cent. fifty-year collateral trust gold bond, \$1,000 Chicago, Kansas & Western 5 per cent. bond, the same as issued under circular No. 57, and a \$500 income bond bearing 6 per cent. interest. The \$2,000 blocks are open to subscription to holders of 100 shares and multiples thereof, and are quoted from \$3 to \$3.40 each.

CINCINNATI, INDIANAPOLIS, ST. LOUIS & CHICAGO.—The Directors have adopted a resolution providing for the sale to stockholders of record on March 18th the \$3,000,000 of stock, the issue of which was authorized at the last annual meeting. The stock is to be sold at par, less credits of dividends earned but not declared to the amount of 35 per cent., making the net price to stockholders 65 cents. One million dollars of the proceeds will be used in carrying out the scheme for refunding the present bonded indebtedness of the road in new gold 4 per cents, running 50 years.

NEW YORK, CHICAGO & ST. LOUIS.—The reorganization committee has announced its plan for reorganizing the company. It provides for the issue of \$20,000,000 4 per cent. gold bonds, \$5,000,000 first preferred stock, \$11,000,000 second preferred and \$14,000,000 common stock. The old first mortgage bonds will receive 112 per cent. and the old second mortgage bonds 110½ per cent. in 4 per cent. bonds. The old preferred stock is assessed \$10 per share and will receive new first preferred stock at par for the assessment and 50 per cent. of the stock in new second preferred stock. The old common stock is assessed \$10 per share, and will receive new first preferred stock at par for the assessment and 50 per cent. of the old stock in new common stock.

Railroad Reports.

NEW YORK, NEW HAVEN & HARTFORD.—The annual report for the year ended September 30, 1886, shows earnings and expenses:

	1884-5.	1885-6.
Total gross earnings.....	\$6,895,824	\$7,801,946
Operating expenses.....	4,449,288	4,775,820
Net earnings.....	\$2,446,536	\$2,826,126
Summary of income account:		
Total net income.....	\$2,446,536	\$2,826,126
Total disbursements.....	2,225,608	2,242,876
Balance, surplus.....	\$220,868	\$583,250

Included in the disbursements out of net income is \$1,550,000 dividends in each year.

BUFFALO, NEW YORK & PHILADELPHIA.—The annual report of this company for the year ended September 30, 1886, shows earnings and expenses as follows:

	1884-5.	1885-6.
Total gross earnings.....	\$2,331,514	\$2,568,217
Operating expenses.....	1,880,667	2,195,210
Net earnings.....	\$454,847	\$373,207
Summary of income account:		
Total net income.....	\$512,771	\$428,860
Total disbursements.....	1,756,288	1,616,614
Balance, deficit.....	\$1,243,512	\$1,187,754

Full interest—both paid and unpaid—is included in the disbursements out of net income.

NEW COUNTERFEITS, SPURIOUS COINS, ETC.

A COUNTERFEIT \$5 gold piece, bearing the date 1880, is reported to have been discovered in Indiana. It is said to be light in weight, a little thicker than the genuine, and will not stand the acid test. Its appearance before applying the test is very good, but the ring is poor.

AN EFFORT is being made to secure the pardon of John B. Doyle, the counterfeiter who was implicated in the bond forgeries of William E. Brockway, the noted plate maker. Doyle was sentenced to 16 years' imprisonment and has served 5 years. Brockway's work was so good in this case that he and Doyle attempted the bold defence that the plates were made by the Bureau of Engraving and Printing and stolen by Government employees. In the little museum of the Secret Service Bureau of the Treasury Department, Brockway's bonds and plates are exhibited as the best specimens of counterfeiting ever made. Senator Farwell has known Doyle for a great many years, and thinks that he was used as a tool in this crime. Several unavailing attempts have been made by the Chicago friends of Doyle to secure his pardon.

THE UNITED STATES MINT, at Philadelphia, has secured a counterfeit \$2.50 gold piece of 1852. It was presented to Superintendent Fox by L. H. Taylor & Co., the Philadelphia bankers, who received it in a lot of \$10,000 from the Sub-Treasury. The gold was forwarded to New York, and this one piece was returned as a counterfeit. At the Philadelphia bank it was pronounced genuine, and the acid test at the Sub-Treasury failed to show it anything but good. At the Mint, however, the assayer declared it a counterfeit—one of the most dangerous spurious gold coins ever made. "It contains only twenty-seven cents worth of gold," he said, "yet its weight is that of the real article to a hair. Its size is exactly the same, save that the genuine coin is slightly thinner at the middle than the counterfeit, and it has the true ring of the pure metal. We have been looking for a sample of this counterfeit for ten or fifteen years to place in our cabinet here. I readily recognized it by the head. That style head of Liberty was not printed upon the \$2.50 pieces of 1852."

WITH REFERENCE to the report that counterfeit one dollar United States notes, numbered B18,361,361, were in circulation in Canada, officials at the New York Sub-Treasury express the opinion that the notes are genuine. No counterfeits have come under their supervision, and it is thought that genuine notes which have been hoarded for some time are now being put in circulation in consequence of the issue of silver certificates of small denominations.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

A PLAN FOR ISSUING BOND BILLS.

Editor Rhodes' Journal of Banking:

SIR:—In my communication of December 20, 1886, published in your January issue, I suggested the use of State bonds as security for National bank circulation, since which time I have given considerable thought to the question of National currency. I want to recommend, through the medium of the JOURNAL, the following plan, viz.:

Let Congress, by appropriate legislation, provide that any State, county, municipality or school district may deposit its bonds with the Treasurer of the United States and receive therefor a like amount, or a certain amount, of bond bills, which shall be clothed with all the qualities now pertaining to National bank bills. These bond bills need not be localized, as in the case of National bank bills, but may be all alike in their wording. On the redemption or payment of the bonds for which they are issued a like amount of these bills shall be retired and destroyed. Whether the issuance of such bills shall be absolutely free or partially restricted is a matter for consideration and statutory enactment. I can see no reason why such a currency may not be made as absolutely safe as the combined National Government, State, county, municipality or school district can make it. The bonds so issued should draw a low rate of interest, part of which would, of course, be needed to defray the necessary expenses connected with the business, the balance to be covered into the United States Treasury for such uses as Congress may direct.

I present this thought in the rough, without elaborating upon it, simply to bring it to the notice of the banking fraternity, and would suggest that it should receive careful consideration.

Respectfully,

G. W. THOMPSON, *President.*

CHATTANOOGA, Tenn., February 18, 1887.

CHICAGO AS A RESERVE CITY.

Editor Rhodes' Journal of Banking:

SIR:—The National banks of Chicago have joined in a movement to secure two important changes in the National bank law: (1.) To require the institutions of that city to always keep in their own vaults 25 per cent. of their deposits in cash; and (2), to allow the National banks of other reserve cities to keep half of their reserve either in New York or in Chicago. The occasion for this movement among the Chicagoans is the bill now before Congress making reserve cities of St. Paul, Minneapolis, Indianapolis, Kansas City and Omaha. There is no opposition to this bill in the West. On the contrary, not only the towns directly concerned, but Chicago itself is heartily in favor of it. But it is thought that, unless the measure is modified according to the suggestions of the Chicago bankers, the natural course of business will be hampered, and the greatest evils that come with a panic will be promoted.

The law as it stands now allows the banks of reserve cities to keep half of their reserves with approved agents in New York. The banks of other cities can keep three-fifths of their reserves in any of the reserve cities. It is natural that the banks of the smaller cities of the North-West should keep their reserves in Chicago (and, as a matter of fact, they do keep the bulk of them there). Under the law now pending before Congress nothing that the banks in these cities might deposit in Chicago would count as reserve. The temptation to them, therefore, would be to keep more funds in New York than their current business with that city would require. In order to comply with the law they would deprive the West of a considerable quantity of funds that would remain in that part of the country if there were no legal constraint. Nobody understands better than bankers that it is very unwise to place trammels on the natural course of monetary affairs, and hence the desire to amend the pending bill.

Moving money is much like moving anything else. It is easy to see that St. Paul, for instance, would find it much more convenient to order funds from Chicago than from New York. Suppose currency were needed. Under the most favorable circum-

stances funds can be sent from Chicago a day quicker than from New York. In a time of financial distress a day may make a good deal of difference. And then the expense of transporting currency is an important item. It is not an occasional but a constant expense and counts up in the course of a year. These facts become increasingly important year by year as the relations of the Western towns to Chicago grow more intimate.

The capital of the Western metropolis is carrying immense quantities of the grain stored in Duluth, Milwaukee, St. Paul, Minneapolis and Toledo. New York capital is very little represented in that interest. It would therefore be an anomalous thing for these towns to have half of their reserve in New York and none of it in Chicago. And this is but one feature of the financial relations of these towns to Chicago. In all matters of trade the connection is much more intimate and direct than with New York.

It is time for us to realize, too, that the enormous extent of the country forbids us to take the practice of other countries as a proper precedent. London is the one reserve city of England; but England territorially is very small as compared with the United States.

When there is a sudden demand for current money we appreciate the fact that there is something cumbersome about our system.

New York bankers do not need to have their memory refreshed as to the enormous demands made on them for currency by the Western towns during the panics of 1873 and 1884. They would be relieved of the greater part of the strain of such occasions if the National banks of Chicago were to be required to keep 25 per cent. of their reserves in their own vaults and were also made the custodians of half the reserves of the minor reserve cities of the West.

Bankers generally do not realize the immense quantities of currency the Western banks handle even in quiet times. One bank in the city of Chicago sent to the country towns over \$16,000,000 of currency between August 1, 1886, and January 1, 1887.

The movement is one of National importance and not merely the effort of one section of the country to get ahead. The National banks of Chicago are unanimous in their approval of the scheme, and have written a letter to Senator Allison calling his attention to it. The bankers of the towns that it is proposed to make reserve cities appear to be equally in its favor. Thus far no opposition has developed in any quarter, and it is to be hoped that the measure will become a law.

E. B. CLINTON.

CHICAGO, February 10, 1887.

A SUGGESTION.

Editor Rhodes' Journal of Banking.

SIR:—The excellent portrait of Comptroller Trenholm which embellished the January number of the JOURNAL pleased me so much that I thought it would be a good idea to have it framed, which I did, and find that it attracts considerable attention. As you intend to publish a series of portraits of prominent bankers and leading financiers, I think it would be a good plan for subscribers to have them neatly framed for the benefit of customers and others who do not have a chance to visit the large cities to see the great financiers and yet are glad to form some idea of what manner of men they are.

A SUBSCRIBER.

SCRANTON, Pa., March 1, 1887.

A DEFALCATION—"THE OLD, OLD STORY."

Editor Rhodes' Journal of Banking:

SIR:—On Tuesday morning, February 1st, the Baltimore newspapers announced the defalcation of Mr. J. Lisle, Discount Clerk and Note-Teller of the First National Bank, of Baltimore, Md. Eighty thousand dollars was the amount stated to be stolen at that time, and investigation has not materially changed those figures. The cold facts, so far as the bank is concerned, appear to be the same old story—highly appreciated, thoroughly competent, wholly unsuspected, but the eighty thousand and the Clerk "clean gone"—probably to the land of the Toboggan and the Ice Palace.

The bank is much better off than if Lisle had remained at his post a few months longer, for his work was cleverly concealed. Some months ago Lisle was tendered a more responsible position, but preferred to stay in his old place!

In Lisle's case there seems to have been a break in the usual ante-characteristics of absconders. He did not gamble or speculate, and was particularly temperate. His reputation for anything "fast" was confined to a fair record upon a bicycle. The

circumstances of the case, coupled with the intelligence of the man, all point to a cool, deliberate steal for the preconceived purpose of enriching himself.

"It is an ill wind that blows nobody good:" therefore is not the above occurrence a good text upon which to base a general brushing up by the banks? There are banks that have good methods—some the very best that experience dictates—but many know of better methods than they now employ (if they don't it is no fault of the JOURNAL), yet they hesitate to stir things up. "He who runs may read." The raveled thread should be gathered up and the whole fabric sewed together with a "lock-stitch." It is not assumed for a moment that a revival would develop fraud, but it might prevent dishonesty in the future and correct carelessness born of neglect and over-confidence.

It was a faulty system that allowed Lisle to take thirty-five hundred dollars in cash from his drawer during the last hour he spent in the bank. At that time the money belonged where he could not get it.

Casting out faults and obsolete ideas helps every one in the banking business. The press of this city often takes occasion to felicitate the shareholders of our banks on their escape from loss by defaulters, but retrospect shows that Baltimore "gets there" just the same.

Now, the great majority of bank clerks are honest to the core, and court investigation because it increases the faith and respect of their superiors, which of itself is a great instigation to a correct and faithful performance of duty. "An honest man is the noblest work of God" is significant in this connection. An honest man is born honest, grows up honest, and will die honest. Manufactured honor and politic honor may be good in its way and may take a man through unscathed to the end, but, if possible to avoid it, it should never be exposed to the temptations of a bank!

Very many people wonder how a clerk can get away with any of the funds of a bank when the Cashier is there to watch him. In a bank where it is possible for a clerk by dishonest methods to get a very big slice of the money deposited with it the Cashier is too busy a man without attempting any special detective work.

In proportion to the years of faithful service and great responsibility upon him a bank clerk should pat himself on the back (generally no one else does it) and thank his stars, not that he knows better than to rob any one, but that he don't know any better than to be honest.

Lisle did not leave behind him a broken bank—the amount was large, yet the bank is solid and rich, and will not feel the loss—but he left behind him a wife and five children and an aged mother whose faith in him alone should have been a guide to his footsteps. A broken bond, broken faith and broken friendships!

He has double-discounted all the reputation he ever had; he has overdrawn his account in the Bank of Happiness, and he has gone forth a broken man, only to wish, every day of his future life, that he could once more rest his body and mind with hard work behind the counter of the First National Bank, of Baltimore.

It is not necessary to occupy your valuable space by giving all the details of Lisle's crime. Aside from the \$3,500 cash pocketed by him the night he left, it was his habit to put the funds received (cash) for notes in his pocket and substitute a dummy note in the work. His conscience must have pricked him quite severely when he took counsel of his fears and fled sooner than was necessary, as he had really lulled any suspicion he feared had been aroused.

O'C.

BALTIMORE, February 5, 1887.

The *London Statist* of February 19th reproduces with favorable comments nearly all of the article upon the "Future of the National Banking System," by the Hon. Jno. Jay Knox, first published in the January number of the *North American Review*. In this issue of the JOURNAL appears a valuable article by Mr. Knox on the Reduction of the growing Treasury Surplus.

The Western National Bank.—Some newspapers have published notices in relation to the new bank—the Western National—which will shortly open for business in this city: but they were incorrect in important particulars, notably in giving the names of the Directors, who are Daniel Manning, Conrad N. Jordan, Chas. J. Canda, Ferdinand E. Canda, John A. McCall, Marcellus Hartley, Eduardo Gogorza, F. O. Matthiessen, W. C. Hall, John S. Tilney, Evans R. Dick. The capital has been fixed at \$3,600,000. As stated in the February JOURNAL, Mr. F. Blankenhorn is the Cashier.

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

BANKS WITHOUT CIRCULATION.

[From the *Boston Globe*.]

The question of maintaining the basis of the bank note circulation is being steadily pushed aside by suggestions which favor dispensing with bank note circulation altogether, still continuing, however, the National banking system. The original purpose of compelling the banks to buy bonds and issue circulation was to create a market for United States bonds. No such necessity exists any longer. There is no reason, therefore, why banks cannot become members of the existing National association without their issuing circulation or depositing bonds with the Treasury. The chief business of banks of discount and deposit is fully described in those two terms. The circulation of a bank is the least of its profits under present circumstances, while its loan business constitutes about the whole of it. It is upon this same circulation, too, emitted solely for the public convenience, that the people using it are compelled to pay a tax, when of right the currency furnished by the Government, whether directly or through banks, should be theirs without any charge whatever.

THREATENED WITH ASPHYXIATION.

[From the *New York Commercial Advertiser*.]

So long as one series of bonds was retired and another series substituted for it the banks could manage their securities without much trouble, but now the situation is a serious one for them and the public. There are hardly two opinions as to the excellence of the National bank system and the desirability of its permanent continuance. But so long as the law compels the banks to hold a certain amount of United States bonds as security for their circulation, when at the same time the Government steps in and takes away these bonds without issuing others in their stead, it needs no special ability in finance to enable one to see that the system is doomed. The banks, as issuers of circulating notes, in a word, are threatened with asphyxiation.

ANGER OF OVERDOING IT.

[From the *Baltimore Manufacturers' Record*.]

There is, we fear, danger in the land speculative fever that is developing throughout the South, because the success of the honest, legitimate enterprises in that line may possibly result in the organization of swindling schemes that will not only cause losses to the outsiders who invest, but will also do the whole South harm. The desire to grow rich suddenly through some fortunate speculation, as many have done, is liable to draw into speculative enterprises those who know nothing about what they are doing, except that they are blindly trusting their money to some one else. It behooves the leaders in this progressive movement of the South, as well as the press, to do all in their power to be on the lookout for wildcat land schemes. It would be a serious blow to the South if this rush to form land companies should result in the floating of any extensive swindles, and we trust that this may be guarded against.

THE "LABOR HOLIDAY" HUMBUG.

[From the *New York Commercial Bulletin*.]

The banks, we observe, are taking vigorous action against the demagogic Saturday Half-holiday bill with which Albany statesmen hope to capture the labor vote; and in so doing we do not hesitate to say they are in line with a correct public opinion, not less than in harmony with the more considerate and intelligent of the laboring classes themselves. A similar measure, it will be remembered, was introduced last year, but towards the close of the session it was defeated in the Assembly. Now, however, no

fewer than three such bills have been introduced, one to make the third Monday in September a "Labor Day" holiday, another to make every entire Saturday a legal holiday, and the third to apportion half of Saturday for the purpose indicated. We suppose the banks would care little what disposition is made of these measures providing some guarantee was given that their business should remain undisturbed; but that is not to be expected. A whole day would be far less embarrassing to them than a portion thereof. The "Labor Day" bill has already passed the Senate under the inspiration of the Knights of Labor, adding another legal holiday to the eight we now enjoy. The House may, of course, pass the Saturday Half-holiday bill, but it is difficult to believe that the more conservative branch of the Legislature, which contains a number of bankers and men of business, will thus lend itself to the support of such a measure, even though it has the approval and endorsement of the Governor, whose solicitude of late for the political support of the "walking delegate" would seem to have outrun his discretion.

GROWTH OF THE NATIONAL BANKS.

[From the *Cleveland Leader and Herald*.]

Both in numbers and in capital the showing is better than ever before. Moreover, the growth of the system is now mainly in the smaller cities and towns where it is most needed and most beneficial, and the average capital of the National banks was never so small as now. In some parts of the West and vast districts in the South there is still a wide field for the further growth of the best banking system ever established in any country, and it is evident that only very harsh treatment at the hands of Congress can prevent all this territory from being occupied in the course of time. Five years of such growth as in 1886 would mean the addition of more than 700 banks, or one for every county in a dozen States, and of more than \$100,000,000 in capital, or a sum greater than the assessed valuation of Cleveland.

SILVER MEN FROM INTEREST.

[From the *New York Times*.]

Nothing could be plainer at the present moment than that no class of people in the United States have a direct pecuniary interest in the continued coinage of silver except the mine owners. They are the only ones who can make any money from the operation of the law. It secures to them a market for \$24,000,000 of their product, or something more than half of the average output. Of course, the Government pays only the regular market price, but that price would necessarily be depressed if this demand, which is large and certain and continuous, were withdrawn. Even with this demand the price of silver has fallen more than one-sixth since the passage of the law, and has been considerably lower than it is just now. It is very easy to see why the mine owners should wish to keep the law in force, and, as a matter of fact, they are straining every nerve and spending a good deal of money to do so.

LENDING THE SURPLUS.

[From the *Philadelphia North American*.]

When Congressmen haven't much to do they may be excused sometimes for getting into mischief, but, when they have as much business on hand as the present Congress, they should busy themselves with something serious. The offering of a bill to loan the surplus to trade unions to start co-operative enterprises is the latest bit of nonsense. It is very bad for some boys and men to have a little money in their pockets, and some Congressmen seem bent on proving it true of the nation. The fact that a Congressman would dare to offer a bill to devote public money to private enterprises shows what utterly incompetent men can be elected.

TWO SIDES TO FOREIGN TRADE.

[From the *Boston Globe*.]

It ought to be plain to the average comprehension that the amount of a country's exports forms the measure of its ability to buy from other countries. No exports, no foreign trade. Hence, to obstruct its imports is the surest way to diminish a country's exports. The practical moral ought to be obvious. Yet we have men in and out of

the National Legislature who persistently maintain that our import trade is in effect so much a diminution of domestic industry. It is not possible to see how it should be so, with our export trade thereby increased, and therefore with industry more and more widely employed. The two forms of trade simply complement one another. They obey the plain law of action and reaction. Cut off the one and the other inevitably languishes. It would be as rational to try to get expected service out of one-half a pair of shears as to try to increase our export trade while doing our utmost to diminish our import trade. Or we might as reasonably look for regular tidal movements if the ocean carried away the flood of waters without bringing them back again. Commerce must be two-sided or it ceases to be commerce. And that is the simple truth which many have yet to learn.

THE REISSUE OF LEGAL-TENDER NOTES.

[From the *Philadelphia Record*.]

The report that President Cleveland has energetically intervened in person in favor of the emission of the \$1 and \$10 greenbacks is denied. There is no doubt, however, that Secretary Manning has not strictly enforced the laws in this respect. In fact, he has admitted as much in his response to the inquiries of the House. The law of 1878 authorized the reissue of the \$344,000,000 greenbacks then unredeemed, and it is not easy to see how the Secretary can evade the reissue of the notes of small denominations when paid into the Treasury. As if in anticipation that the Treasury officials might do this, the law of last year expressly forbids the substitution for small greenbacks of notes of larger denomination. The greenback debt ought to be redeemed, and the currency placed wholly on a specie basis. But so long as the issue of greenbacks shall be authorized the law should be strictly observed in letter and spirit.

AN OPINION ON MONEY.

[From the *Louisville Courier-Journal*.]

The shallow Frenchman and his Chicago disciple both commit the error of limiting the function of money to that of a standard measure. Money is a great deal more—it is a measure of value, but it is also a repository of the value it represents. Money is hard money, and paper currency is a representative of money which is good only by promising to pay money on demand. As to hard money, it is the only honest and legitimate conception of this that it comes from a free mint, and that it is a legal-tender—conditions which anywhere in the world would render it impossible that there should be any variation or difference between the metallic value of the coin and the market value of the metal in it. A dollar can measure wheat, corn and cotton only by a physical exchange of one for the other, as of two things between which it is determined that the relation of equality exists.

THE COST OF COINAGE.

[From the *London Bullionist*.]

In this country the cost of coinage is borne by the Government, and in this particular this country differs from any other. In other States a seigniorage is charged to cover the expense entailed in coinage. In France the Mint charge is 6.70 francs, the price being deducted from the gold brought in. The British Mint gains from the coinage of silver and loses from the coinage of gold. The seigniorage from silver has recently been greatly increased, in consequence of the fall in the price of silver. In 1870 the seigniorage was 9 per cent.; in 1881 it was 27½ per cent., but in 1885 it had increased to 36 per cent. The total profit of the silver coinage in 1885 was £124,786. The excess of receipts over expenditure in the cost of manufacture amounted to £37,959.

VIRGINIA'S BAD PREDICAMENT.

[From the *Boston Evening Transcript*.]

The Virginia State Courts and the United States Courts are again at loggerheads over the question as to the value and use of the State's coupons in payment of fees and charges. Nearly two years ago the United States Supreme Court decided that a fee for a trader's license was a tax, and that the State's coupons were therefore tenders for it. To get around this law the Virginia Legislature passed an act providing that

before coupons should be received for license fees they must be verified by a jury. The effect of this was to embarrass business men, and its purpose was to drive them to tender hard cash alone. A case has arisen under this Act on which both the Virginia Court of Appeals and the United States District Court have passed. The Virginia Court affirms that the Act is constitutional; the United States Court takes the opposite view, and holds that it is of no binding force or effect. Meanwhile the value of the coupons is steadily depreciating in the market, and as the State is compelled, even under its own law, to take them at their face, it has to stand the difference between their nominal and their actual worth. Thus does the State's invention return to torment the inventor. The short road for Virginia is the honorable way. She should pay her debts, principal and interest, as with her great present and prospective wealth she is well able to do.

THE SILVER DOLLAR TEXT.

[From the New York *Commercial Advertiser*.]

A counterfeit two-dollar-and-a-half gold piece was discovered yesterday which is worth twenty-seven cents, and has been in circulation for more than thirty years. The advantage that the possessor of this counterfeit holds over the owner of a silver dollar is that the former knows what his coin is worth and that it will always have a recognized value of at least twenty-seven cents, while the proprietor of the silver dollar cannot tell one day what his coin will be worth the next.

[From the Philadelphia *Record*.]

As between a promise to pay a dollar that is backed by eighty cents' worth of silver and a promise to pay a dollar that has no backing except the credit of the promiser, both being a legal-tender, the silver promise is to be preferred. In choosing between the evil of all fiat and one-fifth fiat currency Congress seems disposed to take as little fiat as possible. This is encouraging.

WANTS NO FREE BANKING.

[From the Memphis (Tenn.) *Appeal*.]

The Comptroller of New York advocates a system of free banking upon the bonds of any State which has not repudiated within ten years, the bonds to be guaranteed by the General Government, municipal and county bonds also to be accepted when guaranteed by the States. The National Government guarantees the State, and the State guarantees the municipalities. This is too much like the theory that says the earth is supported on the shoulders of a giant, while the giant stands upon a tortoise. What the tortoise stands upon the theory does not define. The securities for bank circulation must be something that can at once be turned into cash when required. This quality of rapid transformation State, county and municipal bonds do not possess, and no giant guaranteeing, or tortoise guaranteeing, can impart that quality. Besides, nobody who is old enough to remember what curses to the country's commerce State banks were, nor any one informed by them, will consent that the country shall harbor that brood again, whatever shape it may assume.

Bankers as Office-Holders.—A Kansas newspaper says that Mr. C. N. Beal, President of the Kansas Mortgage Company, was asked by a large number of the leading citizens of Topeka to accept the nomination for Mayor of that city at the ensuing charter election. Mr. Beal made a characteristic reply, in which he says: "That if the Republican convention chooses to endorse your sentiments by making me the nominee of the party, I shall cheerfully acquiesce therein, and, when elected, earnestly put forth every effort to prove myself worthy of the confidence reposed in me."

We assume, of course, that the voters of Topeka are not closely bound by party ties in local matters, and that they will vote for the man who in the largest sense will promote the welfare of their live city. Party affiliations are desirable in the main in controlling National affairs, but when it comes to city and local government the *best man* should win. Observation goes to show that a progressive and successful banker (the terms cannot be separated) will almost invariably make a good public servant. His training and association with various classes of men, combined with a comprehensive knowledge of business, eminently fit him for such a position.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National banks organized since our last report:
(Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.)

- 3629—First National Bank, Piedmont, West Virginia. Capital, \$50,000.
3630—Smith County National Bank, Smith Centre, Kansas. Capital, \$50,000.
3631—Merchants' National Bank, Fort Worth, Texas. Capital, \$300,000.
3632—Stroudsburg National Bank, Stroudsburg, Pennsylvania. Capital, \$100,000.
3633—Memphis National Bank, Memphis, Tennessee. Capital, \$500,000.
3634—American National Bank, Fort Smith, Arkansas. Capital, \$100,000.
3635—Keystone National Bank, Manheim, Pennsylvania. Capital, \$80,000.
3636—National Bank of Dakota, Huron, Dakota. Capital, \$50,000.
3637—Union National Bank, Kansas City, Missouri. Capital, \$800,000.
3638—First National Bank, Paris, Texas. Capital, \$50,000.
3639—Atlas National Bank, Cincinnati, Ohio. Capital, \$200,000.
3640—First National Bank, Beardstown, Illinois. Capital, \$50,000.
3641—First National Bank, Kaukauna, Wisconsin. Capital, \$50,000.

ARIZONA.

FLAGSTAFF.—Arizona Central Bank has been recently opened here. Cashier, J. H. Norkens, Jr.

ARKANSAS.

FORT SMITH.—American National Bank has been authorized to commence business. Capital, \$100,000. President, B. H. Tabor; Vice-President, B. F. Atkinson; Cashier, S. N. Dwight; Assistant Cashier, Russell Myrick. — National Bank of Western Arkansas, George T. Sparks, President, in place of Bernard Baer.

CALIFORNIA.

DOWNEY.—Los Nietos Valley Bank; President, C. Maholm; Cashier, H. A. Scott.
LOS ANGELES.—Southern California National Bank; John I. Redick, President, in place of H. H. Boyce.
PASADENA.—First National Bank; J. E. Farnum, Cashier, in place of D. Galbraith.
POMONA.—First National Bank; Thos. Coates, Vice-President, in place of J. E. McComas.
SAN JACINTO.—State Bank of San Jacinto has been recently organized. Capital paid in, \$12,500. President, A. P. Anderson; Cashier, J. A. Green; Assistant Cashier, C. T. Daggett.
SANTA BARBARA.—First National Bank; Jas. W. Calkins, President, in place of W. W. Hollister; Assistant Cashier, H. P. Lincoln.
ST. HELENA.—Bank of St. Helena; H. J. Llewelling, President, in place of Seneca Ewer; Vice-President, G. K. Gluyas.

COLORADO.

AKRON.—H. Chamberlin is reported here. Style, Bank of Akron.
CRESTED BUTTE.—Carlisle, Thompson & Co. (Bank of Crested Butte); succeeded by Metzler Brothers.
DURANGO.—Colorado State Bank is new bank here.
LAMAR.—Bank of Lamar; Joe H. Borders, President, in place of I. R. Holmes; A. V. Scott, Cashier, in place of Chas. M. Morrison. — Lamar State Bank has been recently opened.
TRINIDAD.—First National Bank; Frank G. Bloom, Vice-President, in place of G. R. Swallow; E. P. Jordan, Assistant Cashier, in place of A. M. Hawley.
WRAY.—Newell & Sisson are in business here. Style, Bank of Wray.

CONNECTICUT.

HARTFORD.—First National Bank; C. S. Gillette, President, deceased. — Mercantile National Bank; Cashier, Chas. H. Field.
LITCHFIELD.—First National Bank; Assistant Cashier, Chas. H. Coit.
NORWALK.—National Bank of Norwalk; E. J. Hill, Vice-President, in place of James W. Hyatt.

DAKOTA.

CENTRAL CITY.—Stebbins, Mund & Fox; closed.
COOPERSTOWN.—Clark & Smart are in business here. Style, Griggs County Loan & Trust Company.
DEADWOOD.—Merchants' National Bank; closed.
FLANDREAU.—Farmers & Merchants' Bank is reported here. Proprietor, A. J. Smith; Assistant Cashier, C. H. Wellman.
GRATTON.—First National Bank; Chas. A. Harris, Assistant Cashier, in place of J. W. Whitman.

GRAND FORKS.—Citizens' National Bank; Wm. Budge, President, in place of J. S. Eschelman; Assistant Cashier, W. H. Burr.
 GRAND RAPIDS.—Farmers' Bank is reported here.
 HURON.—Traders' Banking Co.; succeeded by National Bank of Dakota. Capital, \$50,000. President, David L. Stick; Cashier, John A. Kemp.
 JAMESTOWN.—James River National Bank; Vice-President, A. Dickey; Cashier, Geo. L. Webster; A. Parkinson, Assistant Cashier, in place of Geo. L. Webster.
 MONANGO.—Bank of Keystone; title now, Bank of Monango.
 REDFIELD.—First National Bank; Vice-President, Roscoe Stinson.
 YANKTON.—Edmunds, Hudson & Co. (Yankton Bank); succeeded by Edmunds & Sons.

DELAWARE.

SEAFORD.—First National Bank; Vice-President, Phillip L. Cannon; H. W. Baker, Cashier, in place of Mitchell J. Morgan.

DISTRICT OF COLUMBIA.

WASHINGTON.—Columbia National Bank; Vice-President, A. T. Britton; Cashier, E. Southard Parker.

GEORGIA.

AMERICUS.—People's National Bank; John Windsor, President, in place of Samuel H. Hawkins; Cashier, J. B. Felder. — Bank of Americus; S. H. Hawkins, President, in place of M. Speer.
 AUGUSTA.—Augusta Savings Bank; Wm. B. Young, Cashier, instead of Cashier *pro tem*.
 FORSYTH.—W. T. Maynard & Co. are reported here. President, W. T. Maynard; Cashier, P. B. Maynard.
 ROME.—Printup Bros. & Co.; D. S. Printup, President, deceased.
 SAVANNAH.—Oglethorpe Savings & Trust Co. has been recently organized. Capital, \$37,500. President, J. J. Dale; Cashier, John M. Bryan.

IDAHO.

BOISE CITY.—Boise City National Bank; Assistant Cashier, Jos. Perrault.

ILLINOIS.

BEARDSTOWN.—People's Bank; succeeded by First National Bank. Capital, \$50,000. President, John H. Harris, Cashier, Thomas K. Condit.
 CAMP POINT.—Richard A. Wallace; succeeded by Richard A. Wallace & Bro.
 CANTHAGE.—Hancock County National Bank; Assistant Cashier, J. C. Ferris.
 CHICAGO.—Continental National Bank; Vice-President, John C. Black; Douglass Hoyt, Cashier, in place of John C. Black; Ira P. Brown, Assistant Cashier, in place of Douglass Hoyt. — Union National Bank; no 2d Assistant Cashier in place of J. M. Thirde.
 FARMER CITY.—First National Bank; R. V. Crawford, President, in place of J. B. Lewis; T. H. Slick, Vice-President, in place of A. M. Cumming; James H. Harrison, Cashier, in place of Frank J. Miller; Assistant Cashier, Isaac T. Houseman.
 HOPEDALE.—Hopedale Bank (Hobart & Orendorf); sold to W. H. Schultze.
 MATTOON.—Mattoon National Bank; no Vice-President in place of Mark Kohn.
 PEKIN.—Farmers' National Bank; F. E. Rupert, President, in place of Jonathan Merriam; Vice-President, F. Shurtleff; A. H. Purdie, Cashier, resigns; Assistant Cashier, C. H. Turner.
 PEORIA.—Dime Savings Bank is new bank here. President, Elliot Callender; Treasurer, Henry P. Ayres.
 SYCAMORE.—Sycamore National Bank; no Vice-President in place of J. N. Perry.
 WARSAW.—Hill, Dodge & Co. have recently commenced business here. Capital, \$50,000. President, Wm. Hill; Cashier, J. B. Dodge.
 WAUKEGAN.—First National Bank; Vice-President, Nelson A. Steele.
 WYOMING.—Scott & Wrigley; Assistant Cashier, G. S. Rakestraw.

INDIANA.

CONNERSVILLE.—First National Bank; Assistant Cashier, J. C. Mount.
 CRAWFORDSVILLE.—First National Bank; Samuel W. Austin, Cashier, in place of C. H. Davidge.
 FORT WAYNE.—First National Bank; John H. Bass, President, in place of Oscar A. Simons, deceased; W. Fleming, Vice-President, in place of John H. Bass.
 GREENCASTLE.—Central National Bank; Alfred Hirt, President, in place of R. L. O'Hair; M. L. McHaffie, Vice-President, in place of Alfred Hirt; R. L. O'Hair, Cashier, in place of Daniel W. Lovett.
 GREENSBURG.—Third National Bank; Walter W. Bonner, Cashier, in place of Cortez Ewing; Putnam Ewing, Assistant Cashier, in place of W. W. Bonner.
 INDIANAPOLIS.—Merchants' National Bank; no Vice-President in place of H. C. G. Bals.
 KOKOMO.—Howard National Bank; John A. Jay, Cashier, in place of Wm. P. Valle.
 LA PORTE.—First National Bank; Wm. Niles, President, in place of S. S. Sabin, deceased; Vice-President, H. D. Morrison.
 LEBANON.—First National Bank; G. W. Baird, President, in place of W. J. Devol; Levi Lane, Vice-President, in place of G. W. Baird.
 MARTINSVILLE.—First National Bank; C. A. McCracken, Cashier, in place of A. E. Graham; no Assistant Cashier in place of C. A. McCracken.
 MUNCIE.—Citizens' National Bank; W. M. Marsh, Cashier, in place of John Marsh, deceased; no Assistant Cashier in place of W. M. Marsh.
 PIERCETOWN.—Froehly Brothers are reported here.

SEYMOUR.—First National Bank; J. H. Andrews, Vice-President, in place of James H. Blah.

SHELBYVILLE.—First National Bank; John Messick, President, in place of John Elliott.

IOWA.

CRESTON.—Creston National Bank; Assistant Cashier, W. J. Donlin.

DES MOINES.—Des Moines Savings Bank; Geo. B. Hippee, Cashier, in place of J. W. Geneser; Assistant Cashier, J. W. Geneser.

FORT DODGE.—First National Bank; R. P. Furlong, Vice-President, in place of H. Norton. — Merchants' National Bank; Webb Vincent, President, in place of A. McBane; J. M. Mulroney, Vice-President, in place of Webb Vincent.

GRINNELL.—First National Bank; Chas. F. Craver, President, in place of J. P. Lyman; H. K. Edson, Vice-President, in place of Chas. F. Craver.

HAMBURG.—First National Bank; succeeded by Bank of Hamburg. Same officers. Capital, \$100,000.

INDEPENDENCE.—People's National Bank; Thomas Edwards, Vice-President, in place of A. H. Trask.

LEWIS.—Bank of Lewis; being wound up on account of decease of L. O. Reinig, proprietor.

LITTLE SIOUX.—B. F. Freeman is in business here. Style, Little Sioux Bank.

MONTEZUMA.—First National Bank; C. A. C. Harris, Vice-President, in place of Thomas Harris.

MT. PLEASANT.—National State Bank; J. H. Whiting, President, in place of Timothy Whiting; Geo. H. Spahr, Vice-President, in place of J. H. Whiting.

ORANGE CITY.—Bank of Northwestern Iowa; Assistant Cashier, W. S. Short.

SIOUX CITY.—Commercial State Bank; Louis H. Brown, Cashier, in place of Charles F. Luce. — Iowa Savings Bank and Sioux City Savings Bank; by a transposition these banks are wrongly reported in the "Bankers' Directory." The capital and surplus of the former are \$100,000 and \$10,000 respectively. Of the latter, \$50,000 and \$5,000. Since January, the surplus of former has been increased to \$12,000.

SUTHERLAND.—First National Bank; Vice-President, James Porter.

WATERLOO.—First National Bank; Vice-President, Allen T. Lane.

WHAT CHEE.—First National Bank; John G. Schott, Vice-President, in place of J. A. Vincent.

KANSAS.

ADMIRE.—Farmers' Bank; President, W. Wayman; Cashier, Fremont Miller.

ANTHONY.—Anthony National Bank; H. M. Denlinger, Vice-President, in place of D. M. Kirkbride; F. D. Denlinger, Cashier, in place of H. M. Denlinger; no Assistant Cashier in place of F. D. Denlinger.

ATCHISON.—United States National Bank; Assistant Cashier, L. A. Wheeler. — German Savings Bank; merged in United States National Bank.

COFFEYVILLE.—H. H. Isham; discontinued.

COLBY.—Farmers & Merchants' Bank is new bank here. President, Chas. Buschow; Vice-President, A. Lauterbach; Cashier, David Zerwekh.

ELLSWORTH.—First National Bank; A. N. McLennan, President, in place of I. W. Phelps; J. H. Clark, Vice-President, in place of A. N. McLennan; Assistant Cashier, T. W. Hall.

FORT SCOTT.—Citizens' National Bank; C. W. Goodlander, Vice-President, in place of James H. Brown; Assistant Cashier, G. W. Katzung.

GOVE.—Gove County Bank is new bank here. Capital, \$12,000. Proprietors, Dudley, Lloyd & Heath; Cashier, Boyd Dudley; Assistant Cashier, W. J. Lloyd.

HARPER.—Harper National Bank; H. C. Munger, President, in place of Joseph Munger; N. H. Grove, Vice-President, in place of Geo. Yoakman.

HOLLYROOD.—Bank of Hollyrood is reported here. President, M. P. Westfall; Cashier, A. W. Baker.

HUTCHINSON.—W. H. Bohart (Bank of Hutchinson); succeeded by W. F. & J. M. Mulkey. **JOHNSON CITY (P.O.).**—Stanton County Bank has been recently opened. Capital, \$50,000. President, I. W. Pack.

KINGMAN.—Kingman National Bank; Vice-President, H. W. Lewis; Assistant Cashier, J. H. White.

KINSLEY.—Edwards County Bank; A. Hobbs, President, deceased.

LATHAM.—Citizens' Bank; sold to Bank of Latham.

LONG ISLAND.—Duquesne State Bank is reported here. Capital, \$50,000. President, A. C. Hays; Vice-President, M. D. Hays; Cashier, Jas. S. Bartholomew.

NORTONVILLE.—Nortonville Savings Bank is new bank here. Proprietors, A. J. Perry & Co.

OVERLIN.—First National Bank; Assistant Cashier, C. M. Francoe.

SMITH CENTER.—Smith County Bank; succeeded by Smith County National Bank. Capital, \$50,000. President, Orson W. Sheldon; Vice-President, John Hall; Cashier, Albert W. Sheldon; Assistant Cashier, E. E. Brown.

STERLING.—First National Bank; Assistant Cashier, C. Hawkins.

WICHITA.—Savings Bank of Wichita has recently commenced business.

WINFIELD.—Winfield National Bank; Vice-President, Wm. S. Kenny.

KENTUCKY.

CAMPBELLVILLE.—Bank of Campbellville has been recently opened for business. Capital, \$50,000. President, John H. Chandler; Cashier, John N. Turner.

CYNTHIANA.—Farmers' National Bank; Paul King, Cashier, deceased.

DANVILLE.—Citizens' National Bank; John J. Craig, President, in place of M. J. Farris; J. L. Bruce, Vice-President, in place of J. J. Craig.

LOUISVILLE.—Third National Bank; C. H. Wulkop, Cashier, in place of E. C. Bohné; no Assistant Cashier in place of C. H. Wulkop. — Western Bank; Cashier, E. F. Freese.
 SOMERSET.—National Bank of Somerset; J. M. Richardson, President, in place of A. Gibson; no Vice-President in place of J. M. Richardson.
 WINCHESTER.—Clark County National Bank; James Hodgkin, Vice-President, in place of R. H. Prewitt.

MAINE.

AUGUSTA.—First National Bank; W. B. Nickels, Cashier, in place of John W. Logler.
 BANGOR.—Kenduskeag National Bank; J. S. Wheelwright, President, in place of W. B. Hayford, deceased.
 LEWISTON.—Manufacturers' National Bank; C. S. Barker, Vice-President, in place of James Dempsey.
 OAKLAND.—Mescalonsakee National Bank; L. D. Emerson, Vice-President, in place of S. Blaisdell.
 PORTLAND.—Cumberland National Bank; Vice-President, Wm. H. Moulton.

MARYLAND.

BALTIMORE.—Second National Bank; Vice-President, Chas. C. Horner. — College Dime Savings Bank; closed.

MASSACHUSETTS.

BOSTON.—Central National Bank; Vice-President, Samuel Carr, Jr. — Franklin Savings Bank; Nathaniel J. Bradlee, President, in place of Osmyn Brewster; Vice-Presidents, Osmyn Brewster and Frederic W. Lincoln; Ebenezer Alexander, Treasurer, in place of Henry Whittemore; Clerk, Geo. A. Fisher.
 CAMBRIDGEPORT.—National City Bank of Cambridge; E. Dresser, President, in place of George T. Gale.
 GEORGETOWN.—Georgetown National Bank; George H. Carleton, President, in place of Henry P. Chaplin; Lewis H. Giles, Cashier, in place of George H. Carleton.
 GREENFIELD.—Franklin County National Bank; J. H. Sanderson, President, in place of John Sanderson.
 HAVERHILL.—Merrimack National Bank; John B. Nichols, Vice-President, in place of M. Nichols.
 LOWELL.—Wamesit National Bank; H. C. Howe, President, in place of Chas. Whitney.
 NEWBURYPORT.—Ocean National Bank; Moses H. Fowler, President, in place of Charles Lunt.
 SPRINGFIELD.—Second National Bank; Albert T. Folsom, President, in place of Alfred Rowe, resigned.
 WESTMINSTER.—Westminster National Bank; Charles Nichols, Vice-President, in place of W. C. Cheney.
 WORCESTER.—State Safe Deposit Co. has been incorporated. Capital, \$30,000. President & Treasurer, A. S. Bullard.
 WRENTHAM.—National Bank of Wrentham; Samuel Warner, President, in place of Otis Cary.

MICHIGAN.

GRAYLING.—Grayling Exchange Bank has been recently opened. Cashier, J. Staley, Jr.
 LESLIE.—First National Bank; succeeded by People's Bank. Capital, \$50,000. Same officers.
 LOWELL.—Lowell National Bank; Martin N. Hine, President, in place of C. J. Stone; no Assistant Cashier in place of M. N. Hine.
 MARLETTE.—Winterstein & Co. are in business here. Style, City Bank.
 NORTH ADAMS.—North Adams Bank; President, Henry C. Langdon.
 PONTIAC.—First National Bank; Jno. D. Norton, President, in place of Charles Dawson; B. S. Tregent, Cashier, in place of John D. Norton; no Assistant Cashier in place of B. S. Tregent.
 RANSOM.—Sheldon & Meacham are in business here.

MINNESOTA.

BUFFALO.—C. E. Oakley & Co. are reported here.
 CROOKSTON.—First National Bank; Wm. Anglin, Vice-President, in place of H. D. Chase. — Merchants' National Bank; A. P. Hanson, Cashier, in place of W. M. Ross; Assistant Cashier, W. C. Kelso.
 DULUTH.—Paine & Lardner are in business here.
 EXCELSIOR.—Bank of Excelsior has been recently opened. President, M. Ball; Cashier, H. Myanderse.
 GRAND MEADOW.—Exchange Bank (C. F. Greening); Assistant Cashier, Edgar F. Greening.
 MANKATO.—First National Bank; Assistant Cashier, L. A. Linder.
 ROCHESTER.—Rochester National Bank; Assistant Cashier, F. S. Haines.
 ST. PAUL.—Graves & Vinton are in business here.
 TOWER.—C. H. & E. D. Graff are in business here. Style, Bank of Tower. Capital, \$10,000. Cashier, John Rice.
 WABASHA.—People's Bank; Vice-President, Lawrence Guithner; Cashier, Julius R. Peetz.

MISSISSIPPI.

WEST POINT.—First National Bank; no Assistant Cashier in place of J. J. Stockard.

MISSOURI.

ARCHIE.—Bank of Archie; C. P. Shaver is sole proprietor, W. W. Ritchey having retired.
 CHILLICOTHE.—First National Bank has been organized; Cashier, A. Johnson.

KANSAS CITY.—Union National Bank has been authorized to commence business. Capital, \$300,000. President, David T. Beals; Cashier, Charles H. V. Lewis.
LEBANON.—Bank of Lebanon has been opened for business. Capital, \$35,000. President, W. H. Owen; Cashier, D. B. Dieffenderfer; Assistant Cashier, C. C. Draper.
MACON.—First National Bank; S. G. Wilson, President, in place of John H. Babcock; no Vice-President in place of S. G. Wilson.
SEDALIA.—First National Bank; Phil. E. Chappell, Vice-President, in place of A. D. Jaynes. Bank of Sedalia; merged into First National Bank.
SPRINGFIELD.—Greene County National Bank; E. T. Robberson, President, in place of C. E. Harwood.
STURGEON.—Sturgeon Bank; in liquidation. — Sturgeon Exchange Bank has been opened for business. President, J. M. Seymour; Cashier, W. H. Winscott.
TROY.—Farmers & Mechanics' Savings Bank; Wm. Cobert, President, in place of Walton Perkins; Vice-President, Chas. W. Martin; Assistant Cashier, Wm. T. Baker.
WESTBORO.—T. J. Wright; sold out to North Atchison Bank. Capital, \$15,000. President, Jno. C. Carson; Cashier, J. W. Peck.

MONTANA.

BILLINGS.—First National Bank; Alfred Myers, Vice-President, in place of P. W. McAdou.
BUTTE CITY.—Clark & Larable; no Cashier in place of J. R. Clark.
LIVINGSTON.—National Park Bank; Vice-President, Wm. M. Wright; Assistant Cashier, H. L. Burton.

NEBRASKA.

BROKEN BOW.—First National Bank; H. G. Rogers, Vice-President, in place of B. Lombard, Jr.
CAMBRIDGE.—Bank of Cambridge; now State Bank of Cambridge. Authorized capital, \$50,000. President, E. E. Brown; Vice-President, K. K. Hayden; Cashier, C. M. Brown.
CORTLAND.—Exchange Bank is reported here. Capital, \$20,000. President, J. Chapman; Vice-President, J. E. Chapman; Cashier, J. R. Chapman.
FAIRBURY.—First National Bank; Assistant Cashier, E. E. McDowell.
LAWRENCE (P. O.: Blue Hill).—Bank of Lawrence (incorporated) is reported here. Authorized capital, \$50,000; paid capital, \$25,000. President, C. W. Mosher; Vice-President, J. F. Schell; Cashier, B. L. Olds; Assistant Cashier, K. Hammond.
LINCOLN.—State National Bank; Vice-President, J. J. Imhoff.
NORFOLK.—Norfolk Bank (C. B. Burrows); succeeded by Norfolk State Bank. Capital, \$25,000. President, C. B. Burrows; Vice-President, H. Gerecke; Cashier, William Gerecke.
NORTH PLATTE.—First National Bank; T. J. Foley, President, in place of Joseph McConnell.
OMAHA.—State National Bank; Vice-President, J. T. Robinson; A. A. McFaddon, Cashier, in place of Wm. M. Carson. — Bank of Omaha; H. P. Jessen, Cashier, in place of Thos. H. McCague.
O'NEILL.—McClure, Hagerty & Gardiner are reported here. Style, Elkhorn Valley Bank.
PONCA.—First National Bank; Vice-President, Fay Mattison.
SOUTH AUBURN.—Carson National Bank; Assistant Cashier, E. M. Boyd.
SOUTH OMAHA.—South Omaha National Bank; Vice-President, N. W. Wells; Cashier, H. C. Bostwick.
SUTTON.—Sutton Exchange Bank has recently commenced business; President, J. C. Merrill; Vice-President, F. J. Hoerger; Cashier, E. W. Woodruff.
TUCUMSEH.—First National Bank; C. Woodley, President, in place of James M. Irwin; A. M. Applegate, Vice-President, in place of J. E. Lamaster.
UTICA.—Utica Bank; officers now are: President, F. Beckford; Vice-President, J. E. Hibbard; Cashier, T. J. Brant; Assistant Cashier, M. B. T. Allen.
WAHOO.—Saunders County National Bank; Frank Koudele, Vice-President, in place of Charles Perky.
WEEPING WATER.—First National Bank; Vice-President, B. A. Gibson.
YORK.—First National Bank; no Vice-President in place of D. E. Sayre.

NEW HAMPSHIRE.

CLAREMONT.—Claremont National Bank; George N. Farwell, President, deceased.
EXETER.—National Granite State Bank; Vice-President, W. F. Putnam; C. E. Byington, Cashier, in place of Warren F. Putnam.
LEBANON.—National Bank of Lebanon; C. M. Hildreth; Vice-President, in place of L. C. Pattee; Assistant Cashier, F. C. Hatch.
TILTON.—Citizens' National Bank; Silas W. Davis, President, in place of Austin F. Pike; Vice-President, Enoch G. Philbrick.

NEW JERSEY.

ATLANTIC CITY.—Second National Bank; Vice-President, Benj. H. Brown.
CAMDEN.—New Jersey Trust & Safe Deposit Co.; President, Alexander G. Cattell; Treasurer, Edward S. Hall.
HAMMONTON.—People's Bank has commenced business. President, M. L. Jackson; Treasurer, J. C. Anderson.
NEWARK.—National Newark Banking Co.; Chas. G. Rockwood, President, in place of James B. Pinneo, deceased; Philip W. Crater, Cashier, in place of Chas. G. Rockwood.

NEW MEXICO.

SANTA FE.—Second National Bank; Geo. Cuyler Preston, Vice-President, in place of Wm. Breeden.

NEW YORK.

ALBANY.—Merchants' National Bank; Vice-President, John G. Myers.
CANANDAIGUA.—First National Bank; M. K. Carson, Vice-President, in place of Henry S. Pierce.
CANAJOHARIE.—Canajoharie National Bank; Assistant Cashier, N. S. Brumley.
FRANKLIN.—First National Bank; Assistant Cashier, Edson C. Stewart.
HUDSON.—First National Bank; Lucius Moore, President, in place of Robert B. Shepard; Isaac M. Collins, Vice-President, in place of M. Martin.
KINDERHOOK.—National Union Bank; G. S. Collier, Vice-President, in place of B. Van Alstyne.
KINGSTON.—State of New York National Bank; C. P. Ridenous, Vice-President, in place of A. Near.
LITTLE FALLS.—National Herkimer County Bank; Z. C. Priest, President, in place of Albert G. Story; D. H. Burrell, Vice-President, in place of Z. C. Priest.
NEW YORK CITY.—East River National Bank; Vice-President, Raymond Jenkins.
 —Fulton National Bank; Vice-President, W. Irving Clark. —Hanover National Bank; Vice-President, Mitchell B. Packard. —Merchants' Exchange National Bank; Wm. H. Thomson, Vice-President, in place of J. G. Davis. —National Shoe & Leather Bank; George L. Pease, Vice-President, in place of Charles Swar. —Assistant Cashier, William D. Van Vleck. —Western National Bank has been organized. Capital, \$3,500,000. President, Daniel Manning; Vice-President, Conrad N. Jordan; Cashier, F. Blankenhorn. —Clark, Dodge & Co.; Louis C. Clark admitted to Stock Exchange. —De Neufville & Co.; August de Neufville purchases a Stock Exchange seat. —Hewson & White; J. H. Hewson sells a Stock Exchange seat. —H. J. Hoffmann; sells a Stock Exchange seat to E. N. Nichols. —H. L. Louchbeim, of Philadelphia, Pa.; admitted to Stock Exchange. —J. H. Miller; sells a Stock Exchange seat to Arthur White. —Waters & Lawrence; dissolved. Each partner continues on his own account. —Hoyt & Gilbert; succeeded by Robt. T. Hoyt.
POUGHKEEPSIE.—City National Bank; H. A. Nelson, Vice-President, in place of Ezra White; H. L. Taylor, Cashier, instead of Acting Cashier.
RICHBURG.—First National Bank; Hiram Dimick, President, in place of John S. Rowley; Wm. J. Richardson, Vice-President, in place of Hiram Dimick; J. S. Rowley, Cashier, in place of Wm. J. Richardson.
ROME.—First National Bank; F. H. Thomas, President, in place of G. N. Bissell; N. F. Thomas, Cashier, in place of F. H. Thomas; no Assistant Cashier in place of N. F. Thomas. —Fort Stanwix National Bank; H. D. Spencer, Vice-President, in place of J. S. Whaley.
SCHENECTADY.—Chester's Banking & Exchange Office has been recently opened. Cashier, H. Chester.
TROY.—National State Bank; W. Gay, President, in place of Charles Warner, deceased; J. S. Hawley, Cashier, in place of Willard Gay. —Union National Bank; Louis E. Gurley, President, in place of Wm. Gurley.
UNION SPRINGS.—First National Bank; A. M. Clark, Cashier, in place of M. F. Backus; George B. Backus, Assistant Cashier, in place of A. M. Clark.

NORTH CAROLINA.

HIGHLANDS.—T. D. Walden is in business here. Style, Highlands Bank.
STATENVILLE.—Cooper & Brown; succeeded by First National Bank. Capital, \$50,000. President, Geo. F. Shepherd; Cashier, Geo. H. Brown.

OHIO.

ARCANUM.—Farmers' & Merchants' Bank; capital, \$24,000. President, John Smith; Cashier, Edwin M. Tausey.
CANAL WINCHESTER.—Canal Winchester Bank is reported here. President, G. Shaeffer; Cashier, S. Needels.
CINCINNATI.—Atlas National Bank has been authorized to commence business. Capital, \$200,000. President, Wm. Stichtenoth, Jr.; Cashier, Edward Albert. —Merchants' National Bank; Assistant Cashier, Chas. A. Stevens. —Ohio Valley National Bank; H. W. Hughes, Vice-President, in place of B. Bettman; O. H. Tudor, Cashier, in place of Theodore Baur. —Third National Bank; Chas. H. Kellogg, Jr., Vice-President, in place of J. D. Parker.
DELAWARE.—Delaware Co. National Bank; no Asst. Cashier in place of F. H. Avery.
DELPHOS.—Delphos National Bank; Assistant Cashier, Edward L. Stallkamp.
GALLON.—First National Bank; A. W. Monroe, Cashier, in place of Otho L. Hays; no Assistant Cashier in place of A. W. Monroe.
MILFORD.—Milford National Bank; S. J. Rybolt, Vice-Pres., in place of Samuel Bass.
MONROVILLI, E.—First National Bank; Assistant Cashier, B. W. Salisbury.
NORWALK.—First National Bank; Assistant Cashier, Chas. H. Glaser.
SABINA.—Dun Banking Co. (Dun & Co.); J. F. Ruion, Cashier, in place of John C. Ball.
ST. CLAIRSVILLE.—First National Bank; George Brown, President, in place of David Brown.
STREUBENVILLE.—National Exchange Bank; no Vice-President in place of D. Spaulding.
ST. MARY'S.—A. Althausen (Bank of St. Mary's); succeeded by Piper & Dieker. President, E. M. Piper; Cashier, Fred Dieker; Assistant Cashier, O. E. Dunnan.
TOLEDO.—Merchants' National Bank; M. I. Wilcox, Vice-President, in place of J. B. Baldy.
UPPER SANDUSKY.—First National Bank; J. G. Roberts, President, in place of Sylvester Watson; J. A. Maxwell, Cashier, in place of James G. Roberts.
WPAKONETA.—People's National Bank; J. A. Fritsch, Vice-President, in place of T. W. Brotherton.

WARREN.—First National Bank; Wm. R. Stiles, Cashier, in place of John H. McCombs; no Vice-President in place of Wm. H. Stiles.
WOOSTER.—Wayne County National Bank; C. S. Frost, Cashier, in place of A. G. Coover.
XENIA.—Second National Bank; Eli Millen, President, in place of T. P. Townsley.
ZANESVILLE.—Union Bank; Vice-President, A. W. Train.

OREGON.

ALBANY.—First National Bank; L. Flinn, President, in place of John Conner; Geo. E. Chamberlain, Cashier, in place of Henry F. Merrill. — H. F. Merrill has recently commenced business here.
PORTLAND.—Merchants' National Bank; J. Loewenberg, Vice-President, in place of W. C. Johnson.

PENNSYLVANIA.

ALLEGHENY.—Second National Bank; A. Alston, Vice-President, in place of James Graham.
BEAVER FALLS.—First National Bank; J. T. Reeves, Cashier, in place of Patrick Robertson.
ERIE.—Second National Bank; no Vice-President in place of Wm. W. Reed.
GLENN ROCK.—First National Bank; Vice-President, E. R. Miller; Assistant Cashier, W. C. Wambaugh.
INDIANA.—First National Bank; A. W. Kimmell, President, in place of Thos. Sutton.
LANCASTER.—First National Bank; N. Milton Woods, President, in place of Clement B. Grubb; no Vice-President in place of N. M. Woods.
LEWISBURG.—Lewisburg National Bank; Eli Slifer, President, in place of F. C. Harrison; Vice-President, D. Bright Miller.
MANHEIM.—Manheim National Bank; Vice-President, Henry Arndt. — F. G. Brosey & Co.; succeeded by Keystone National Bank. Capital, \$60,000. President, Willoughby Lilsenberger; Cashier, Frederick G. Brosey.
MINERSVILLE.—First National Bank; Vice-President, Jacob Wirst.
PHILADELPHIA.—Columbian Bank; S. J. Bedford, 2d Assistant Cashier. — G. M. Hickling & Co.; George M. Hickling, deceased. — John C. Harris (stock broker); deceased. — The Investment Company of Philadelphia; the capital of the Company, fully paid up, is \$2,000,000 instead of \$200,000, as reported erroneously in our recent "Bankers' Directory and Collection Guide."
PITTSBURGH.—Tradesmen's Nat'l Bank; no Asst. Cashier in place of A. J. Lawrence.
PUNXSUTAWNEY.—First National Bank; John R. Pantall, Vice-President, in place of T. Pantall; no Assistant Cashier in place of W. W. Winslow.
READING.—Farmers' National Bank; no Vice-President in place of H. H. Muhlenberg.
STRASBURG.—First National Bank; Wm. Spencer, President, in place of Joseph McClure.
STROUDSBURG.—Stroudsburg Bank; succeeded by Stroudsburg National Bank. Capital, \$100,000. President, Peter M. Eilenberger; Cashier, John S. Fisher.
TITUSVILLE.—Second National Bank; Louis K. Hyde, Vice-President, in place of W. C. Hyde; 2d Vice-President, W. C. Hyde.

RHODE ISLAND.

PROVIDENCE.—Fourth National Bank; Vice-President, Christopher T. Keith.

TENNESSEE.

CLARKSVILLE.—Farmers' & Merchants' National Bank; Jas. H. Smith, President, in place of J. J. Crisman; E. Y. Johnson, Vice-President, in place of Jas. H. Smith.
COLUMBIA.—Second National Bank; A. D. Frierson, Vice-President, in place of H. M. McKay.
MEMPHIS.—Memphis National Bank has been authorized to commence business. Capital, \$500,000; President, David T. Porter; Vice-President, H. M. Neely; Cashier, James H. Smith. — Security Bank. Capital, \$25,000. President, Robt. D. Frayser; Cashier, Robt. J. Black.
SPRINGFIELD.—People's Bank is new bank here. Capital, \$50,000. President, W. R. Hutchison; Vice-President, G. C. Draughn; Cashier, M. D. Woodard.
UNION CITY.—Bank of Union City; Cashier, H. L. Elder.

TEXAS.

CALVERT.—Adoue & Mistrot; succeeded by J. Adoue.
COLORADO.—Colorado National Bank; A. Fruit, Cashier, in place of E. F. Swinney; no Assistant Cashier in place of A. Fruit.
FARMERSVILLE.—First National Bank; Vice-President, Francis Emerson.
FORT WORTH.—State National Bank; J. C. Harrison, Cashier, in place of A. B. Smith; no Assistant Cashier in place of J. C. Harrison.
GAINESVILLE.—Red River National Bank; L. B. Edwards, Cashier, in place of C. R. Smith.
LAMPASAS.—First National Bank; F. R. Malone, President, in place of A. H. Barnes; E. M. Longcope, Cashier, in place of F. R. Malone; Selden Duncan, Assistant Cashier, in place of E. M. Longcope.
MONTAGUE.—First National Bank; Assistant Cashier, Wm. C. Turner.
PARIS.—First National Bank has been authorized to commence business. Capital, \$50,000. President, George F. Hicks; Cashier, W. J. McDonald.
SAN ANGELO.—Concho National Bank; R. B. Talbert, Cashier, in place of Geo. E. Webb; no Assistant Cashier in place of R. B. Talbert. — San Angelo National Bank; M. B. Pulliam, President, in place of R. B. Sanderson; Jos. C. Ross, Vice-President, in place of Clayton Hale; no Asst. Cashier in place of Norman C. Lull.
SAN MARCOS.—First National Bank; Assistant Cashier, Jas. G. Burleson.

WAXAHACHIE.—Citizens' National Bank; J. W. Ferris, President, in place of W. H. Getzendaner.

WEATHERFORD.—Citizens' National Bank; R. W. Kindel, Vice-President, in place of Charles Barthold.

VERMONT.

BRATTLEBORO.—Vermont National Bank; Assistant Cashier, Lealie Scott.

DANVILLE.—Caledonia National Bank; John A. Farrington, President, in place of J. W. Simpson; George B. Davis, Vice-President, in place of J. A. Farrington.

NORTHFIELD.—Northfield National Bank; no Assistant Cashier in place of H. P. Brown.

WELLS RIVER.—National Bank of Newbury; Vice-President, F. Deming.

VIRGINIA.

LYNCHBURG.—Lynchburg National Bank; James Clark, President, in place of J. W. Carroll; Clinton De Witt, Vice-President, in place of M. Morse. — People's National Bank; G. T. Lavinder, Assistant Cashier, in place of J. O. Williams.

WASHINGTON TERRITORY.

FARMINGTON.—First National Bank reported here by error.

OLYMPIA.—First National Bank; Assistant Cashier, Frank I. Blodgett.

WEST VIRGINIA.

PIEDMONT.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Jacob S. Jameson; Cashier, John Dally.

WISCONSIN.

DARLINGTON.—Bank of Darlington; discontinued.

JANESVILLE.—Rock County National Bank; C. S. Jackman, President, in place of B. B. Eldredge; B. B. Eldredge, Vice-President, in place of C. S. Jackman.

KAUKAUNA.—First National Bank has been authorized to commence business. Capital, \$50,000. President, H. A. Frambach; Cashier, J. Stilwell Vilas.

KENOSHA.—First National Bank; L. G. Merrill, Vice-President, in place of U. Newman; G. M. Simmons, Cashier, in place of L. G. Merrill; Asst. Cashier, W. P. Robinson.

MINERAL POINT.—First National Bank; J. H. Vivian, President, in place of Alex. Wilson; Vice-President, W. A. Jones; P. Allen, Jr., Cashier, in place of W. A. Jones.

REEDSBURG.—Citizens' Bank has recently commenced business. Capital \$50,000. President, Chas. Keith; Vice-President, Geo. T. Morse; Cashier, W. F. Winchester.

—Reedsburg Bank; W. B. Smith, Cashier, in place of George T. Morse; no Assistant Cashier in place of W. F. Winchester.

WYOMING.

LARAMIE CITY.—Albany County National Bank; Vice-President, J. J. Strode.

ONTARIO.

HAMILTON.—Merchants' Bank of Canada; J. S. Meredith, Manager, transferred to Montreal.

QUEBEC.

MONTREAL.—Merchants' Bank of Canada; J. S. Meredith appointed Local Manager.

MANITOBA.

WINNIPEG.—Bank of British North America have opened a branch here; Manager, H. M. Breedon.

Extracts from Recent Letters.—The following communications, in connection with those appearing on pages 835 and 836, are fair samples of very many letters received at this office. As may be seen, they are all of recent date. There are one or two so-called Bankers' publications in this city that print very stale commendations of their mis-named sheets—without date or place—and very often bearing on their face the evidence of made-to-order puffs. The few printed in this issue are given simply to show the drift of the tide—a flood tide that has no indications of ebbing:

Editor Rhodes' Journal of Banking:
BANK OF GOLDEN,
 GOLDEN, Colo., March 1, 1887.
 SIR:—Your new *Bankers' Directory* at hand. It is in good shape, correct, handy, and your firm, which publishes the best Bankers' JOURNAL in America, deserves great credit for the excellence of everything it undertakes. A. M. HAWLEY, Cashier.

Editor Rhodes' Journal of Banking:
DIAMOND NATIONAL BANK,
 PITTSBURGH, Pa., March 1, 1887.
 SIR:—We have received a copy of your *Bankers' Directory & Collection Guide*. Like your monthly JOURNAL OF BANKING, it is a part of the necessary equipment of a well-regulated bank. Yours truly, JOHN A. SCULLY, Cashier.

Editor Rhodes' Journal of Banking:
THE NATIONAL BANK & LOAN COMPANY,
 WATERTOWN, N. Y., March 4, 1887.
 SIR:—Your *Bankers' Directory* is the most correct, neatest, and handiest volume I have ever seen. Respectfully yours, C. L. PARMELEE, Cashier.

Editor Rhodes' Journal of Banking:
DREXEL & CO.,
 PHILADELPHIA, March 4, 1887.
 SIR:—We acknowledge with thanks the receipt of your *Bankers' Directory & Collection Guide*. It is a convenient and useful book. DREXEL & Co.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, March 2, 1887.

THE FEATURES of general trade are considerably improved, chiefly on account of the ending of the labor strikes. The iron and steel trades remain comparatively quiet. Stocks on hand are small and prices firm. A fact which prevents an advance in price is the knowledge that it would only increase imports from abroad. There is said to be less disposition than formerly to carry out railway extensions since the passage of the Inter-State Commerce bill. However this may be, news of such projects comes from all quarters. The cotton trade is active, but the woolen trade is not so brisk.

The Inter-State Commerce law was for some weeks a prominent factor in financial affairs, the railroad men generally and the investing public fearing that it might have a ruinous effect upon the transportation interests of the country. The more the Act is examined, however,—and it has been criticized and scanned pretty thoroughly—the more it appears that the railroads will be far better off under it than before. It is certain that the companies are everywhere preparing to act in concert by accepting its provisions in good faith, and not try to evade them, as they doubtless would were the law to be as disastrous as at first predicted. A summary of the different sections of the bill appears in this number of the JOURNAL on page 268.

Since nothing of utility to the business of the country was to be expected from the expiring Congress, its adjournment has been received with a sigh of relief. Bills were enacted by it that should not have passed, and many measures of practical benefit to the country failed to receive its support. In the latter category may be classed the failure to stop the further coinage of silver dollars and remove a source of anxiety to every prudent business man in the country, or to reduce the present excessive taxation and prevent the accumulation of a surplus which is a source of corruption, embarrassment and danger to the money market.

The repeated rumors of the probability of a great war in Europe have for some time had an unfavorable effect upon the market for securities here as well as abroad. Should a war break out it would cause an increased demand for American stocks and bonds because they would offer a more stable investment to foreigners than many European issues. It is feared, however, that the immediate effect of war would be a call for gold from this country, inducing a restricted money market. The serious break in the stock-market last December was caused by tight money, and people are afraid of a repetition of that experience. The bank loans in this city have lately been expanded to the largest amount ever before known, although this is by no means the usual time of the year for loans to be very large. At the same time there have been some exports of gold, but not important in the aggregate. Considerable money has been going into the Treasury on balance, so that the reserve of the New York banks has been largely reduced; but, notwithstanding these facts, there has been no pressure for money. The Treasury payments this month will be large, and tend to ease matters. Among the rest the trade dollars which many people have been holding for years will be offered promptly and redeemed, bringing their amount into use in other money. The bank clearings, as compiled from week to week, generally indicate an increase of genuine business throughout the country. The record of business failures is encouraging. "Bradstreet's" reckons the total number in the United States since January 1st at 2,141 against 2,301 in 1886, 2,851 in 1885, and 2,841 in 1884.

FOREIGN EXCHANGE.—The rates a week or two ago were up to the gold exportation point, but are now considerably lower. Following are the posted

and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.85½@4.86; sight, nominal, \$4.88½@4.89; 60 days, actual, \$4.84½@4.85; sight, actual, \$4.87½@4.87¾; Cable transfers, \$4.87¾@4.88¾; Prime commercial sterling, long, \$4.83½@4.83¾; Documentary sterling, 60 days, \$4.83@4.83¼; Paris, bankers', 60 days, 5.22½@5.21½; sight, 5.20½@5.20; Paris, commercial, 60 days, 5.25@5.24½; sight, 5.22½@5.20½; Antwerp, commercial, 60 days, 5.25½@5.25; Swiss, bankers', 60 days, 5.22½@5.21½; sight, 5.20½@5.20; Reichsmarks (4), bankers', 60 days, 95½@95¼; sight, 95½@95¼; Reichsmarks (4), commercial, 60 days, 94¾@94½; sight, 95½@95¼; Guilders, bankers', 60 days, 40 1-16@40½; sight, 40¼@40 5-16; Guilders, commercial, 60 days, 39 13-16@39½; sight, 40@40 1-16; Copenhagen, Stockholm and Christiania, krona, 60 days, 26½; sight, 26½; Paris dispatches quote exchange on London 25f. 88½c.

The following shows the posted rates for prime bankers' sterling bills on London at 60 days, and sight, cable transfers and prime commercial sterling, together with exchange on Paris on February 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of January and February:

Jan.	BANKERS—		Cable	Commercial.	PARIS	
	60 days.	Sight.	Transfers.		60 days.	Sight.
Highest...	4.85½	4.89	4.88¾	4.84	5.26	5.23½
Lowest...	4.81	4.85	4.85	4.79½	5.22½	5.19½
Feb. 1.....	4.85½	4.89	4.88¾	4.84	5.21½	5.19½
" 2.....	4.85½	4.89	4.88½	4.84	5.21½	5.19½
" 3.....	4.85½	4.89	4.88½	4.84	5.21½	5.19½
" 4.....	4.85½	4.89	4.88½	4.84½	5.21½	5.19½
" 7.....	4.85½	4.89	4.88½	4.84½	5.21½	5.19½
" 8.....	4.85½	4.89	4.88½	4.84½	5.21½	5.19½
" 11.....	4.85½	4.89	4.88½	4.84½	5.21½	5.19½
" 14.....	4.86	4.89	4.89	4.84½	5.21½	5.19½
" 15.....	4.86	4.89	4.89½	4.84½	5.21½	5.19½
" 21.....	4.86½	4.89½	4.88½	4.84½	5.21½	5.19½
" 23.....	4.86½	4.89½	4.88½	4.84½	5.21½	5.19½
" 24.....	4.86	4.89	4.88½	4.84½	5.21½	5.19½
" 25.....	4.86	4.89	4.88½	4.84	5.22½	5.19½
" 28.....	4.85½	4.88½	4.88½	4.83½	5.22½	5.19½
Highest....	4.86½	4.89½	4.89½	4.84½	5.22½	5.19½
Lowest.....	4.85½	4.89	4.88½	4.84	5.21½	5.19½

COINS AND BULLION.—Bar silver is quoted in London at 46½d. per ounce. At this quotation for silver the bullion value of the standard dollar is 78.63 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars.....\$	@	\$	Victoria sovereigns.....	\$4 84 @	\$4 83
New (412½ grains) dollars	99¾ @	1 00	Twenty francs.....	3 85 @	3 90
American silver ½s & ¼s.	99¾ @	1 00	Twenty marks.....	4 74 @	4 60
American dimes.....	99¾ @	1 00	Spanish doubloons.....	15 60 @	15 70
Mutilated U.S. silver coin.			Mexican doubloons.....	15 55 @	15 65
per oz.....	@	.	Mexican 20-pesos.....	19 50 @	19 60
Mexican dollars.....	79 @	..	Ten guilders.....	3 96 @	4 00
Peru soles & Chilean pesos	78 @	..	Fine silver bars, per oz....	1 01¼ @	1 02¼
English silver.....	4 75 @	4 80	Fine gold bars par @ ¼ % premium on the		
Five francs.....	92 @	95	Mint value.		

MONEY AND DOMESTIC EXCHANGE.—The supply of ready money has been lessened of late, but there is no stringency. Loans on collateral have ranged from 2 to 5 per cent., 3 to 4 per cent. being most common. Prime commercial paper is quoted at 4½ to 5 per cent., other grades ranging up to 6½ per cent. Following are the rates of domestic exchange on New York: Savannah, ½ discount; selling 1-16 premium. Charleston, buying par 1-16; selling ¼@¼ premium. New Orleans commercial, 50c. per \$1,000 discount;

bank, \$1 per \$1,000 premium. St. Louis, 75c. per \$1,000 discount. Chicago, 75c. per \$1,000 discount.

THE TREASURY.—The following table will show the condition of the Treasury, as regards the amount of gold and silver held, on the 1st of March, 1887, and, for comparison, on the 1st of February and January, 1887, with the amounts of certificates outstanding and the balances of coin owned by the Treasury :

	Mar. 1, 1887.	Feb. 1, 1887.	Jan. 1, 1887.
Gold coin and bullion.....	\$275,068,626	\$274,140,469	\$268,128,018
Gold certificates outstanding.....	99,958,365	105,665,107	97,215,605
Gold owned by Treasury.....	\$175,130,261	\$168,475,362	\$170,912,413
Silver dollars and bullion.....	\$202,812,943	\$198,840,822	\$198,245,614
Silver certificates outstanding.....	121,130,755	118,315,714	117,246,670
Silver owned by Treasury.....	\$81,682,188	\$80,525,108	\$75,998,944

The gold balance is larger than for some time past, but a bond call is just due, and there are other payments to be made soon. The amount of silver in the Treasury is nearly \$14,000,000 larger than it was on December 1st last. This difference is more than balanced, however, by the increase in certificates outstanding.

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of February and the highest and lowest during the month. Actual sales marked * :

Ex. Int.	4½%, '91, coup.	4s, 1907, coup.	3 per cents.	C'y 6s, 1895.	C'y 6s, 1899.	Ex. Int.	4½%, '91, coup.	4s, 1907, coup.	3 per cents.	C'y 6s, 1895.	C'y 6s, 1899.
1	110¼	* 128¼	100	126	136¾	17	110	128½	100	126½	137¼
2	110¼	128¼	100	126	136¾	18	110	128¼	100	126¾	* 137¼
3	* 110¼	* 128¾	100	126	136¾	19	* 110	128¾	100	126¾	137¼
4	110¼	* 128¾	100	126	136¾	21	110½	128¾	100½	126¾	137¼
5	110¼	* 128¼	100	126	136¾	23	110½	128¾	100½	126¾	137¼
7	110¼	* 128¾	100	126¼	137½	24	110¼	* 128¼	100½	126¾	137¼
8	110¼	128¼	100	126¼	137½	25	110½	* 128¾	100½	127	137½
9	110¼	128¾	100	126¼	137½	26	110¼	* 128¾	100½	126¾	137½
10	110½	* 128¾	100	126¾	137¼	28	110¼	* 128¾	100	126¾	137½
11	110½	* 128¾	100	126¾	137¼						
12	110¼	128¾	100	126¾	137¼						
13	110¼	* 128¼	100	126¾	137¼						
14	110¼	* 128¼	100	126¾	137¼						
15	110	* 128¾	100	126¾	137¼	High	110½	* 128¾	100½	127	137½
16	* 110	128¼	100½	126¼	137¼	Low	110	128¾	100	126	136¾

+ Ex-interest.

The Treasury Department recently issued the 147th call, being for \$10,000,000 in 3 per cent. bonds. The call will mature April 1st. The following is a description of the bonds: Three per cent. bonds issued under the Act of Congress approved July 12, 1882, and numbered as follows: \$50, original No. 24 to 25, both inclusive. \$200, original No. 352 to 374, both inclusive. \$500, original No. 149 to 162, both inclusive, and original No. 4,235 to 4,236, both inclusive. \$1,000, original No. 1,222 to 1,320, both inclusive. \$10,000, original No. 2,886 to 3,958, both inclusive. Total, \$10,007,730. Parties holding bonds called can obtain immediate payment, with interest to date of presentation, by requesting the same in the letter forwarding the bonds for redemption.

THE NATIONAL BANK CIRCULATION was decreased \$4,024,770 during the past month, leaving the total now outstanding \$288,768,682. The decrease since February 1, 1886, is \$28,977,689. The amount of legal-tender money on

deposit with the Treasurer to redeem National bank notes is now \$97,763,956, an increase of \$5,238,850 during the last month and of \$46,065,073 during the past twelve months.

The following will show the amount of each description of bonds held by the Treasurer to secure National bank circulation on or about the dates indicated:

	Mar. 1, 1887.	Feb. 1, 1887.	Jan. 1, 1887.	Dec. 1, 1886.
Currency 6 per cents.....	\$3,241,000	\$3,201,000	\$3,680,000	\$3,645,000
4½ per cents.....	60,468,400	60,064,400	59,636,200	59,019,050
4 per cents.....	112,755,450	113,300,000	113,903,200	115,252,700
3 per cents.....	39,299,300	48,483,100	52,218,950	58,994,450
Total.....	\$215,764,150	\$225,038,500	\$229,438,350	\$236,911,200

ASSOCIATED BANKS OF NEW YORK.—There has been a remarkable expansion of loans for this season of the year, the amount being larger than ever before. The money reserve is drawn down to moderate proportions, and there has been some calling in of loans on securities, but not to any great extent.

The following shows the condition of the New York Clearing-House banks for a number of weeks past as well as about this time in 1886 and 1885:

1886.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
Feb. 26....	\$368,413,500	\$87,068,800	\$21,189,900	\$887,462,800	\$7,606,700	\$11,393,000
Feb. 19....	367,350,000	91,647,200	21,776,700	891,778,800	7,646,600	15,479,200
Feb. 12....	365,586,700	93,581,800	23,270,600	892,771,200	7,657,300	18,609,600
Feb. 5....	359,185,000	93,420,400	24,210,000	888,684,600	7,720,100	20,471,750
Jan. 29....	353,051,000	92,851,600	25,187,300	882,961,800	7,825,000	22,298,450
Jan. 22....	351,448,200	89,798,500	24,013,100	880,080,900	7,865,400	18,796,375
Jan. 15....	348,067,700	88,088,000	24,070,700	874,187,600	7,872,200	18,611,800
Jan. 8....	348,479,300	85,509,200	21,812,200	870,138,900	7,896,800	14,786,675
Dec. 31....	343,687,500	82,718,100	19,370,400	859,268,800	7,911,500	12,271,250
Dec. 24....	343,484,100	77,303,000	17,847,300	851,672,400	7,908,000	7,232,200
Dec. 18....	343,693,700	74,386,000	18,062,600	853,761,600	7,914,100	4,008,200
Dec. 11....	352,413,500	76,032,800	18,091,200	860,174,000	7,931,000	4,080,500
Dec. 4....	350,847,000	77,823,200	18,563,100	860,961,400	7,972,400	6,165,950
1886.						
Feb. 27....	349,677,000	92,343,600	31,157,200	890,252,100	8,666,100	25,637,775
1885.						
Feb. 28....	298,590,600	101,664,400	35,123,200	350,687,800	10,907,900	42,120,650

RAILROAD AND MISCELLANEOUS STOCKS.—The market for the more stable securities has been a waiting one, with small fluctuations. The tendency is upward, however, as the rumors of war in Europe grow less frequent. The most remarkable dealings have been in Cotton Oil Trust certificates and Richmond Terminal, Reading and Union Pacific stocks, which have moved according to causes peculiar to each. The railroad earnings generally compare favorably with those of last year, and the present prices of stocks are moderate compared with the highest of last autumn.

While a very considerable increase has been noticed in railroad bond transactions during the past month, the general investment market still remains dull and comparatively quiet, the inquiry being for limited amounts and for the very choicest securities only. An impression has gained considerable currency in the "Street" that more than one of the recent high-sounding syndicate transactions in low-rate bond issues was not as successful as the public have been led to believe. It is openly alleged that the syndicates are still the happy owners of the greater portion of their original holdings, the "dear public" not having been induced to invest very liberally.

There are the usual conflicting rumors regarding Jersey Central's future. An announcement is made one day that a plan of reorganization has been perfected and all the details ready to be made public, only to be upset the next by a contrary statement. All that can be positively stated is, that there must be a settlement with Reading first, after which a financial statement will be prepared, and the Committee on Reorganization will then have a definite basis on which to proceed to reorganize.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of February, the highest and lowest since January 1, 1887, and also during the year 1886:

	FEBRUARY, 1887.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Atlantic & Pac.	12½	10½	11½	12½-Jan. 3	10½-Feb. 1	..	..
Canadian Pacific. ...	68¾	58¾	61¾	68¾-Jan. 13	58¾-Feb. 4	73	61
Canada Southern....	60¾	53¾	59	63¾-Jan. 3	52¾-Feb. 1	71¾	54¾
Central of N. J.	71¾	63¾	68¾	71¾-Feb. 16	55¾-Jan. 3	64	42¾
Central Pacific.	38¾	33	36¾	43¾-Jan. 3	33-Feb. 3	51	38
Chic., Burl. & Quincy	140¾	137½	138¾	140¾-Feb. 16	136¾-Jan. 13	141	128¾
Chic., Mil. & St. Paul.	92½	85¾	91¾	92½-Feb. 10	85¾-Feb. 1	99	82¾
do preferred..	121½	117½	....	121½-Feb. 10	117½-Jan. 3	125¾	116
Chic. & Northwest'n.	116½	110	114¾	116½-Feb. 24	110-Feb. 1	120¾	104¾
do preferred..	142	139¾	....	142-Feb. 24	139-Jan. 12	144	135
Chic., Rock I. & Pac.	128¾	123¾	128¾	128¾-Feb. 6	125-Jan. 24	131	120½
Chic., St. P., M. & O.	50	45¾	48¾	51¾-Jan. 7	45¾-Feb. 1	55	35¾
do preferred..	109¾	106	108¾	109¾-Jan. 3	106-Feb. 1	116¾	97
Clev., Col., Cin. & Ind	65	59	64	65¾-Jan. 3	59-Feb. 1	75¾	43¾
Col. H. Val. & Tol.	37¾	34	35¾	39¾-Jan. 11	34-Jan. 22	..	..
Del., Lack. & West'n	137½	131¾	135½	138-Jan. 3	131¾-Feb. 1	144	115
Denn. & R. Grande a p	26	21¾	25¾	28¾-Jan. 3	21¾-Feb. 3	35¾	21¾
E. Tenn., Va. & Ga.	14½	12¾	13¾	17-Jan. 3	12¾-Feb. 1	6¼	5½
do 1st preferred	77½	71¾	76¾	82¾-Jan. 13	71¾-Feb. 1	11¼	2½
Illinois Central.....	133¾	128¾	....	135-Jan. 23	128¾-Feb. 24	143¾	131
Ind., Bloom. & W'n.	18½	17¼	18¼	18½-Feb. 5	17¼-Feb. 4	23½	12
Lake Shore.....	96¼	90	94¾	96¾-Jan. 14	90-Feb. 1	100¾	76¾
Long Island.....	98	94¾	97¼	98-Feb. 8	98-Jan. 15	100	80
Louisville & Nashv'e	62¾	57	61¾	67¼-Jan. 3	57-Feb. 3	69	35¾
Manhattan consol...	157½	155¾	157¼	158¼-Jan. 3	154-Jan. 5	175	120
Michigan Central.....	91	86	89¾	93¼-Jan. 3	86-Jan. 27	98¾	61¾
Minneapolis & St. Louis	19¾	17¾	....	19¾-Jan. 13	17¾-Feb. 1	23¾	16¼
do preferred..	44¼	40¼	43¼	45¾-Jan. 13	40¼-Feb. 1	52¾	40¼
Mo., Kan. & Texas...	32¾	26¼	31¾	33¾-Jan. 3	26¼-Feb. 1	38¼	21
Missouri Pacific.....	110¼	104½	108¾	110½-Feb. 25	104½-Feb. 1	119	100¾
Nash., Chat. & St. L.	86¼	79¾	83¾	88¾-Jan. 3	79¾-Feb. 1	106¼	48¼
N. Y. Cent. & H. R.	114½	110	112¾	114¼-Jan. 17	110-Feb. 1	117¾	98¾
N. Y., Chic. & St. Louis	11¾	9¾	7½	15-Jan. 15	9¾-Feb. 23	17¾	4½
do preferred..	23	18¾	19¾	23-Jan. 13	18¾-Feb. 21	31	11
N. Y., Lake E. & West'n	34¾	29½	33¾	34¾-Feb. 25	29½-Feb. 1	38¾	22½
do preferred..	74½	65¾	72¾	74½-Feb. 25	65¾-Jan. 20	81¼	50½
N. Y. & New Eng....	62¾	55¼	61¼	62¾-Feb. 25	51-Jan. 12	68¾	30½
N. Y., Ont. & West'n.	18½	15¾	17¾	20¾-Jan. 3	15¾-Feb. 4	22¾	15
N. Y., Susq. & West'n	14	11	12¾	14-Feb. 14	11-Feb. 1	12¼	6
do preferred..	38¾	31	36	38¼-Feb. 14	31-Feb. 1	38¼	17½
Norfolk & Western..	22	17¼	21¾	23¾-Jan. 3	17¼-Feb. 3	27¾	8½
do preferred..	49¾	43¾	47¾	54-Jan. 13	43¾-Feb. 3	50¾	25
Northern Pacific....	28¼	26¼	28	28¼-Feb. 25	26¼-Feb. 1	31¾	23
do preferred..	60¾	56½	59¾	61¾-Jan. 3	56½-Feb. 1	66¼	53½
Ohio & Mississippi...	28¾	25¾	27¼	29¾-Jan. 3	25¾-Feb. 1	35¾	19¾
Oregon & Transc....	38	32¾	35¾	34¾-Jan. 3	29¾-Jan. 24	38	25
Peoria, Dec. & Evansv.	36¾	32¼	35¼	36¾-Feb. 10	30¼-Jan. 3	34¾	16
Phila. & Reading....	39¼	34	37	42¾-Jan. 20	34-Feb. 1	53¾	18¼
Richm'd & W. Point.	47¾	41¼	42¾	53-Jan. 17	40-Jan. 12	77¼	27¼
St. L. & San F. pref.	65¾	61¼	65	67¾-Jan. 15	61¼-Feb. 2	72¾	37¾
do 1st pref....	113¾	112¼	113	117¾-Jan. 3	112-Jan. 23	118¾	97¾
St. Paul & Duluth...	63¾	57¾	61¾	63¾-Feb. 25	55¼-Jan. 7	..	..
do Minn. & Man	119¼	113	116¼	119¼-Feb. 19	113-Feb. 1	124½	106¾
Texas & Pacific.....	29¼	23¾	28¾	29¼-Feb. 25	23¾-Feb. 17	25	7¼
Union Pacific.....	59¾	53¾	57¾	62-Jan. 3	53¾-Feb. 4	68¼	44¼
Wabash, St. L. & Pac.	19	13¾	18¾	19-Jan. 3	13¾-Feb. 1	12¾	6
do preferred..	31¾	23¾	30¾	35-Jan. 3	23¾-Feb. 1	22¾	14
Col. Coal & Iron Co.	39¼	35¼	38¾	40¾-Jan. 3	35¼-Feb. 1	..	..
Del. & Hudson Canal	103¾	100¾	101¾	104¾-Jan. 15	96¼-Feb. 1	108¼	88¼
Oregon R. & Nav. Co	102¼	96¼	102	104¼-Jan. 3	97¼-Jan. 22	109¾	93
Pacific Mail.....	57¼	49¾	55¾	57¼-Feb. 10	48¼-Jan. 8	67	45¾
Western Union Tel...	76	70¾	74¾	76-Jan. 3	70¾-Feb. 1	80¼	60¾

* 1st assessm't paid.

+ 2d assessm't paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange. The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAF.	1,1887.
				High.	Low.	Bid	Asked
Alabama Class A 3 to 5.....	1906	6,728,800	J & J	108	97	108½	100
do do Small.....				105	97	107	.....
do Class B 5's.....	1906	539,000	J & J	110	105	113	115
do Class C 4's.....	1906	959,000	J & J	103½	95	104½	.....
do 6's, 10-20.....	1900	960,000	J & J	107½	104	105	.....
Arkansas 6's, funded.....	1899, 1900	3,000,000	J & J	111½	5		14
do 7's, Little Rock & Fort Smith..		1,000,000	A & O	28	12	22	.....
do 7's, Memphis & Little Rock....		1,200,000	A & O	27	13	21	.....
do 7's, L. R., Pine Bluff & N. O....		1,200,000	A & O	27½	12½	22	26
do 7's, Miss., Ouachita & Red River		600,000	A & O	20½	12	20	28
do 7's, Arkansas Central R. R.....		1,350,000	A & O	8	5	7½	12
Georgia 7's, gold bonds.....	1890	2,000,000	Q J	114	108½	108½	110
Louisiana 7's, consolidated.....	1914		J & J	94	84	97	.....
do 7's, do stamped 4's.....		12,039,000		82½	67	83½	84½
do 7's, do small bonds.....				78	67	82	84
Michigan 7's.....	1890	357,000	M & N	112	108	108	.....
Missouri 6's.....	1887	3,242,000	J & J	104½	102	101½	.....
do 6's.....	1888	3,251,000	J & J	106½	103½	101½	.....
do 6's.....	1889 or 1890	1,105,000	J & J	110	107	107½	.....
do Asylum or University.....	1892	401,000	J & J	113	110	112	.....
do Funding bonds.....	1894, 1895	1,000,000	J & J	119	115	115	.....
do Hannibal & St. Joseph.....	1887	1,000,000	J & J	104	101	101	.....
New York 6's, gold, registered.....	1887	942,000	J & J	104	102	101	.....
do 6's, coupon.....	1887	643,200	J & J	104	102	101	.....
do 6's, loan.....	1891	4,302,600	J & J	115	110	112	.....
do 6's, loan.....	1892	2,000,000	A & O	120	112	115	.....
do 6's, loan.....	1893	473,000	A & O	122	115	118	.....
North Carolina 6's, old.....	1886-98	4,738,800	J & J	36½	30	35	.....
do do April & October.....		3,639,400		36½	30	35	.....
do to N. C. R. R.....	1883-4-5		J & J	175	165	170	.....
do do 7's, coupon off.....		3,000,000		175	165	140	.....
do do April & October.....			J & J	145	135	170	.....
do do 7's, coupon off.....				145	135	140	.....
do Funding Act.....	1866-1900	2,417,000	J & J	13½	10	12	.....
do do.....	1868-1898	1,721,400	A & O	13½	10	12	.....
do new bonds, J. & J.....	1892-1898	2,383,000	J & J	23	20	22	.....
do do A. & O.....		495,000		23	20	22	.....
do Chatham Railroad.....		1,200,000	A & O	13	5	10	.....
do special tax, Class 1.....			A & O	14½	8	12	13
do do Class 2.....			A & O	10½	10	*14½	14½
do do to W'n N. C. R.....			A & O				.....
do do to West'n R. R.....			A & O				.....
do do to W'il., C. & R'n R. R.....			A & O				.....
do do to W'n & Tar R. R.....			A & O				.....
do consolidated 4's.....	1910	3,620,311	J & J	100½	88½		101
do do small.....			J & J	98	87	97	.....
do do 6's.....	1919	2,553,000	A & O	129	115	125½	126½
Rhode Island 6's, coupon.....	1893-4	1,372,000	J & J	124	118	116	.....
South Carolina 6's, Act March 23, 1869..		5,965,000		7½	5	6	6½
do non-fundable, 1888.....							.....
do Brown consolidation 6's.....	1893	4,352,000	J & J	110½	104	109½	.....
Tennessee 6's, old.....	1890-2-8			65½	53	65	66
do 6's, new bonds.....	1892-8-1900	4,397,000		65½	53	65	66
do 6's, new series.....	1914			65½	53	65	66
do compromise 3-4-5-6's.....	1912	2,014,500	J & J	75½	62	78½	77
do new settlement 6's.....	1913	683,000	J & J	109	103	106	.....
do do small bonds.....		48,200	J & J			103	.....
do do 5's.....	1913	347,000	J & J	102	100	102	.....
do do small bonds.....		10,100	J & J				.....
do do 3's.....	1913	10,327,000	J & J	80	71½	78½	78½
do do small bonds.....		320,700	J & J			*76

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAR. 1, 1887.	
				High.	Low.	Bid.	Ask d
Virginia 6's, old.....	1866	9,427,000	.....	47	42	48	.....
do 6's, new bonds.....	1866	700,000	.....	47	42	48	.....
do 6's, do.....	1867	486,000	.....	49	42	48	.....
do 6's, consolidated bonds.....	.....	20,239,000	.....	100	80	90	.....
do 6's, ex-matured coupons.....	.....	.....	.....	60	50	.....	54
do 6's, consolidated, 2d series.....	.....	2,442,784	.....	69	60	65	.....
do 6's, deferred bonds.....	.....	12,691,531	.....	13½	9	11½	.....
do Trust receipts.....	.....	.....	.....	13½	9	12½	13
District of Columbia 3-65's.....	1894	.....	F&A	120	116	120	.....
do small bonds.....	.....	12,743,250	F&A	.....	.....	.....	.....
do registered.....	.....	.....	F&A	.....	.....	.....	.....
do funding 5's.....	1899	.....	J & J	112½	110	107	.....
do do small.....	.....	1,022,300	J & J	.....	.....	.....	.....
do do regist'd.....	.....	.....	J & J	.....	.....	.....	.....
FOR. GOV. SECURITIES.—Quebec 5's.....	1908	3,000,000	M & N	.....	.....	109	112

CITY AND COUNTY.

Brooklyn 6's.....	.....	.....	J & J	.....	.....	120	.....
do 6's, Water Loan.....	.....	9,706,000	J & J	.....	.....	120	.....
do 6's, Improvement Stock.....	.....	780,000	J & J	.....	.....	120	.....
do 7's, do.....	.....	6,084,000	J & J	.....	.....	140	.....
do 6's, Public Park Loan.....	.....	1,217,000	J & J	.....	.....	125	.....
do 7's, do.....	.....	8,016,000	J & J	.....	.....	140	.....
Jersey City 6's, Water Loan.....	.....	1,168,000	J & J	.....	.....	108	.....
do 7's, do.....	.....	3,102,800	J & J	.....	.....	115	.....
do 7's, improvement.....	.....	3,686,000	J & J	.....	.....	110	.....
Kings County 6's.....	.....	.....	.....	.....	.....	.....	.....
New York City 6's, 20, 50.....	1877	.....	.....	.....	.....	120	.....
do 6's.....	1878	.....	.....	.....	.....	122	.....
do 6's.....	1897	3,086,000	F.M.A.N	.....	.....	*103	.....
do gold 6's, consolidated.....	1896	.....	M & N	.....	.....	125	.....
do do 6's.....	1902	14,702,000	J & J	.....	.....	123½	.....
do do 6's, Dock bonds.....	.....	3,976,000	.....	.....	.....	120	.....
do do 6's, County bonds.....	.....	.....	.....	.....	.....	120	.....
do do 6's, C's, Park.....	1894-6	10,343,000	J & D	.....	.....	115	.....
do 6's.....	1896	.....	.....	.....	.....	123	.....
do 5's.....	1898	674,000	Q J	.....	.....	119	.....

MISCELLANEOUS.

	PAY.						
Bankers & Merchants' Telegraph.....	100	3,000,000	.....	8½	2½	*2½	3
Boston Land Co.....	10	800,000	.....	.....	.....	.....	.....
Canton Co., Baltimore.....	100	4,500,000	.....	65	53	.....	.....
Cent. New Jersey Land Improvement.....	100	2,420,300	.....	.....	.....	*24	23
Consolidated Gas Co.....	100	85,430,000	.....	111	74½	83½	84½
Delaware & Hudson Canal.....	100	23,500,000	Q M	108½	87½	101½	102½
Equitable Gas Light Co.....	100	3,000,000	.....	.....	.....	117	.....
Iron Steamboat Company.....	100	2,000,000	.....	.....	.....	.....	.....
Philadelphia Company.....	50	6,500,000	Mthy	.....	.....	107	107½
Pullman's Palace Car Co.....	100	15,927,200	Q F	147½	128	146	147
Southern & Atlantic Telegraph.....	25	948,875	A & O	.....	.....	*142	.....
Sutro Tunnel Co.....	10	20,000,000	.....	.....	.....	.....	.....
Western Union Telegraph.....	100	80,000,000	Q J	80½	60½	74½	74½
North-Western Telegraph.....	50	2,500,000	.....	.....	.....	.....	.....
Central & So. American Telegraph.....	100	4,008,600	Q J	.....	.....	.....	.....
Commercial Telegram Co.....	100	1,800,000	.....	.....	.....	*35	40
do do preferred.....	100	200,000	.....	105	108½	*102	103
Mexican Telegraph Co.....	100	1,500,000	Q J	122½	110	125	.....
Joliet Steel Co.....	100	2,666,000	.....	131	105	185	145

GOVERNMENT SECURITIES.

United States 4½ registered.....	1891	.....	M.J.S&D	.....	.....	108½	109½
do 4½ coupons.....	1891	250,000,000	M.J.S&D	114	108½	110½	110½
do 4's registered.....	1907	.....	J.A.J&O	.....	.....	128½	128½
do 4's coupons.....	1907	736,789,000	J.A.J&O	129½	123	128½	128½
do 8's reg'd option U. S.....	.....	68,623,000	F.M.A.N	102½	100	100	.....
do 6's, currency.....	1896	8,002,000	J & J	.....	.....	128½	.....
do 6's, do.....	1896	8,000,000	J & J	.....	.....	129½	.....
do 6's, do.....	1897	9,712,000	J & J	132
do 6's, do.....	1898	29,904,962	J & J	136½	139	144½
do 6's, do.....	1899	14,004,560	J & J	137½

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RAILROAD STOCKS.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAR. 1, 1887.	
				High.	Low.	Bid.	Askd.
Albany & Susquehanna.....	100	3,500,000	J & J	148	138	*140	180
Atchison, Topeka & Santa Fe.....	100	68,000,000	Q F	99½	84½	97	97½
Atlantic & Pacific.....	100	25,000,000	.....	109½	7	113½	12
Burlington, Cedar Rapids & Northern.....	100	5,500,000	.....	75	45	*60	42
Buffalo, Rochester & Pittsburgh.....	100	4,900,000	.....	36½	22½	40	42
Canada Southern.....	100	15,000,000	F & A	71½	84½	56½	50
Canadian Pacific.....	100	68,000,000	F & A	73	61	62½	69½
Central of New Jersey.....	100	18,563,200	Q	64	42½	69	69½
Central Iowa.....	100	9,100,000	.....	22½	12	8	12
do 1st preferred.....	100	907,000	.....	.....	.....	*17	.....
do 2d preferred.....	100	1,167,800	.....	.....	.....	*10	11½
Central Pacific.....	100	62,608,800	.....	51	38	38	37
Charlotte, Columbia & Augusta.....	100	2,573,400	.....	50	30	.....	.....
Chesapeake & Ohio.....	100	15,908,188	.....	13½	7	8	9
do 1st preferred.....	100	10,986,740	.....	21½	13	15	16½
do 2d preferred.....	100	10,379,350	.....	15½	8½	9½	11
Chicago & Alton.....	100	14,256,000	Q M	146	138	*143	144
do preferred.....	100	3,479,500	Q M	162	150	*155	160
Chicago & Northwestern.....	100	41,257,700	J & D	120½	104½	114½	114½
do preferred.....	100	22,208,300	Q M	144	135	141	142
Chic., St. Paul, Minneapolis & Omaha.....	100	22,087,700	.....	55	35½	48½	48½
do preferred.....	100	13,283,500	J & J	116½	97	108	108½
Chicago, Rock Island & Pacific.....	100	150,000,000	Q F	181	130½	128	127
Chicago, Burlington & Quincy.....	100	76,540,500	Q M	141	128½	137½	139
Chicago, Milwaukee & St. Paul.....	100	30,904,261	A & O	99	82½	91½	91½
do preferred.....	100	21,558,900	A & O	125½	116	120	121
Chicago & Eastern Illinois.....	100	3,000,000	.....	.....	.....	.....	.....
Chicago, St. Louis & Pittsburgh.....	100	10,000,000	.....	19½	9½	17	18
do preferred.....	100	20,000,000	.....	43½	26½	35½	40
Cin., New Orleans & Texas Pacific.....	100	3,000,000	.....	.....	.....	.....	.....
Cleveland & Pittsburgh guaranteed.....	50	11,248,738	Q M	153	146½	*56	58½
Cleve., Columbus, Cin. & Indianapolis.....	100	14,991,800	F & A	75½	43½	64	64½
Columbia & Greenville.....	100	1,000,000	.....	.....	.....	.....	.....
do preferred.....	100	1,000,000	.....	60	43	.....	.....
Columbus, Hooking Valley & Toledo.....	100	11,700,000	.....	45½	26½	34½	35½
Delaware, Lackawanna & Western.....	50	26,200,000	.....	144	115	135½	135½
do Morris & Essex.....	50	15,000,000	J & J	144	132½	140	141½
do N.Y., Lackawanna & Western.....	100	10,000,000	.....	109	100½	105	107
Dubuque & Sioux City.....	100	5,000,000	.....	101	60½	*68	73
Denver & Rio Grande R. R.....	100	38,000,000	A & O	85½	21½	25½	25½
do preferred.....	100	23,650,000	.....	63½	53½	59½	60½
Denver & Rio Grande Western.....	100	7,500,000	.....	.....	.....	20	20½
Denver, South Park & Pacific.....	100	3,500,000	.....	.....	.....	.....	.....
Detroit, Mackinac & Marquette.....	100	6,250,000	.....	.....	.....	.....	.....
East Tennessee, Virginia & Georgia.....	100	27,500,000	.....	18½	11	13½	14
do 1st preferred.....	100	11,000,000	.....	83½	67	76½	77½
do 2d preferred.....	100	18,500,000	.....	35½	24	25	26
Elizabethht'n, Lexington & Big Sandy.....	100	5,000,000	.....	23	15	15½	.....
Evansville & Terre Haute.....	50	3,000,000	.....	91½	67½	86½	87
Flint & Pere Marquette preferred.....	100	6,500,000	.....	.....	.....	*14	.....
Green Bay, Winona & St. Paul.....	100	8,000,000	.....	14½	8	12½	12½
do preferred.....	100	2,000,000	.....	.....	.....	.....	.....
Harlem.....	50	8,518,100	J & J	240	213½	220	225
do preferred.....	50	1,481,900	J & J	.....	.....	.....	.....
Houston & Texas Central.....	100	10,000,000	.....	44½	35	37	42
Illinois Central.....	100	80,000,000	M & S	143½	180	128	130
do leased line 4 per cent. stock.....	100	10,000,000	J & J	100½	93	*15½	17
Indiana, Bloomington & Western.....	100	10,000,000	.....	28½	12	.....	.....
do assessed, first instalment paid.....	100	10,000,000	.....	.....	.....	18	20
do full assessment paid.....	100	10,000,000	.....	.....	.....	18	19
Joliet & Chicago.....	100	1,500,000	Q J	150½	150	.....	.....
Kentucky Central.....	100	5,500,000	.....	.....	.....	.....	.....
Lake Shore & Michigan Southern.....	100	49,486,500	.....	100½	76½	94½	95½
Long Island.....	50	10,000,000	Q F	100	80	96	97½
Louisville & Nashville.....	100	30,000,000	.....	69	39½	61½	61½
Louisville, New Albany & Chicago.....	100	5,000,000	.....	71	32	61	62
Mexican Central (limited).....	100	33,170,000	.....	.....	.....	18½	14
Milwaukee, Lake Shore & Western.....	100	2,000,000	.....	71½	22	74½	76
do preferred.....	100	5,000,000	.....	108	50½	103	103½
Milwaukee & Northern.....	100	2,155,000	.....	42½	40	*35	40
Manhattan Beach Company.....	100	5,000,000	21½	13½	*14	16
Michigan Central.....	100	18,738,204	96½	61½	89½	90

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886		MAR. 1, 1887.	
				High.	Low.	Bid.	Askd.
Missouri Pacific.....	100	40,000,000	Q J	119	100¾	108¾	109½
Missouri, Kansas & Texas.....	100	46,405,000		38¼	21	31¾	32
Mobile & Ohio assessed.....	100	5,320,600		21¾	11	16	17½
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100					
Minneapolis & St. Louis.....	100	6,000,000		23¾	16¼	13	19
do do preferred.....	100	4,000,000		52¾	40	42	43¾
Manhattan consolidated.....	100	23,895,630	Q	175	120	156	156¾
New York Central & Hudson River.....	100	99,428,300	Q J	117¾	98¾	113	113¾
New York, New Haven & Hartford.....	100	15,500,000	J & J	223	204¼	*210	
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000		102	98	101	102
New York, Lake Erie & Western.....	100	78,000,000		38¾	22¼	33¾	33¾
do do preferred.....	100	8,536,900	Q	81¼	50¾	72	73
New York, Ontario & Western.....	100	58,113,982		22¾	15	17½	18¾
New York & New England.....	100	20,000,000		65¾	30½	60¾	61
New York, Chicago & St. Louis.....	100	28,000,000		17¾	4¾		
do do do assessed.....	100	22,000,000		31	11	18¾	
do do do preferred.....	100						
do do do assessed.....	100						
New York, Susquehanna & Western.....	100	12,000,000		12¼	6	12¼	13
do do preferred.....	100	8,000,000		33¾	17½	35¾	36¼
Northern Pacific.....	100	49,000,000		31¾	22	28	28¾
do do preferred.....	100	38,392,783		66¼	53½	59¾	59¾
Nashville, Chattanooga & St. Louis.....	25	6,668,375		105¼	43¾	83	85
Norfolk & Western.....	100	7,000,000		27¾	8	20	22
do do preferred.....	100	18,000,000		59¾	25	47¾	48
Norfolk Southern.....	100	1,000,000					
Ohio & Mississippi.....	100	20,000,000		35¾	19¾	27¼	27¼
do do preferred.....	100	4,030,000		91	79	*90¼	92¼
Ohio Southern.....	100	3,840,000		22¼	13½	*20¾	21
Oregon & California.....	100	7,000,000					
do do preferred.....	100	12,000,000		38	25	32¼	32¼
Oregon & Trans-Continental.....	100	40,000,000		38	19¾		20
Oregon Short Line.....	100	15,265,000		51	16	47	
Oregon Improvement Co.....	100	7,000,000					
Oregon Railway & Navigation Co.....	100	24,000,000	Q J	109¾	93	*100	
Philadelphia & Reading.....	50	34,702,000		53¾	18¾	37	37¾
do do do assessed.....	100	1,286,800					
do do do preferred.....	100						
do do do assessed.....	100						
Pittsburgh, Ft. Wayne & Chic. guar'd.....	100	19,714,285	Q J	150	141	*148	150
do do special.....	100	10,776,600		140	132¾		
Pitts., McK'sport & Youghiogheny con.....	100	3,000,000				*34¼	34¾
Peoria, Decatur & Evansville.....	100	8,400,000		34¾	16	35¾	35¾
Rochester & Pittsburgh.....	100	1,682,500		7¼	3¾	*34	
Richmond & Allegheny reorganiz'n cert.....	100	4,428,800		15¼	2	*14	14¾
Richmond & Danville.....	100	5,000,000	Q F	200	75	*150	
Richmond & West Point R. & W. Co.....	100	40,000,000		77¼	27¼	42¾	42¾
do do do preferred.....	100	5,000,000	J & J	96	25	78	80
Rome, Watertown & Ogdensburg.....	100	5,293,900					
Utica & Black River guaranteed.....	100	2,223,000	M & S	125	117¼	120	
South Carolina.....	100	4,204,160		24	10¼	*16	
Southern Pacific.....	100	88,076,200		41¾	30¾		*37
St. Louis, Alton & Terre Haute.....	100	2,300,000		46	27	31	33
do do do preferred.....	100	2,468,400	July	95	80		80
Bellefonte & Southern Illinois pref'd.....	100	1,275,000	M & N				
St. Louis & San Francisco.....	100	11,954,300		36¾	17	31¼	32¼
do do do preferred.....	100	10,000,000		72¾	37¾	64¾	65
do do do 1st preferred.....	100	4,500,000	F & A	181¾	97	111¾	113
St. Louis, Arkansas & Texas.....	100	9,555,000					
St. Paul & Duluth.....	100	4,055,400		67	37	61	63
do do preferred.....	100	5,377,003	J & J	114	99¾	109	109¾
St. Joseph & Grand Island.....	100	4,600,000		37	25		*34
St. Paul, Minneapolis & Manitoba.....	100	20,000,000	Q F	124¼	108¾	117¼	118¼
Texas & Pacific.....	100			25	7¼	*197½	201½
do do Trust Co. certificates.....	100			28¾	17¼	*22	22½
do do 1st Assn't paid.....	100	32,188,700				21	
do do 2d do.....	100					27¾	27¾
Toledo & Ohio Central.....	100	1,592,000		38¼	26	32	34
do do do preferred.....	100	3,108,000		38¼	48¾	56	58
United New Jersey R. & Canal Co.'s.....	100	21,240,400	Q J				
Union Pacific.....	100	61,000,000		68¼	44¼	56¾	57
Utah Central.....	100	4,250,000		18	11		

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NOTE.—The bonds enclosed in a brace are leased to Company first named.

RAILROAD BONDS.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAY- BLE.	YEAR 1886.		MAR. 1, 1887.	
				High.	Low.	Bid.	Ask d
Virginia Midland.....	100	6,000,000		51½	15	*40	42
Wabash, St. Louis & Pacific.....	100	28,419,500	Q	13	6	*6½	7
do do full-paid p. c. cert.	100			24½	12	17	18
do do preferred.....	100			27	14		*17
do do full-paid p. c. cert.	100	24,223,300		41½	23½	30½	30½
Wheeling & Lake Erie Railway.....	100	3,600,000					
Atchison, Topeka & Santa Fe 4½'s.....	1920	5,150,000	A & O				
do do sinking fund 6's. 1911	12,348,000		J & D				
Atlantic & Pacific guar'd 1st gold 4's. 1937	17,610,000		J & J				
Balt. & Ohio 1st 6's (Parkersb'g br'ch). 1919	3,000,000		A & O	123½	120	126	*115½
do do 5's, gold..... 1885-1925	10,000,000		F & A	114	108½	110½	87½
do do registered.....			F & A	113½	109½		110½
Boston, Hoosac Tunnel & W'n deb. 5's. 1912	2,000,000		M & S	93½	92½	96½	
Bur., Cedar Rapids & Northern 1st 5's. 1908	6,500,000		J & D	111	106		109
do do con. 1st & col. tr. 5's. 1934	5,000,000		A & O	110	98		101½
do do do registered.....			A & O				*103½
Minneapolis & St. L. 1st 7's, gold..... 1927	150,000		J & D	136	128	135	
Iowa City & Western 1st 7's..... 1909	456,000		M & S	114½	109½	*109	
Cedar Rapids, Iowa Falls & N. 1st 6's. 1920	825,000		A & O	111	110½		110
do do do 1st 5's. 1921	1,905,000		A & O	106½	100	100	
Buffalo, N. Y. & Phila. con. 1st 6's..... 1921	11,000,000		J & J	51	37		*57½
do do do trust certificates.....						42	45
do do general 6's..... 1924	3,700,000		M & S				*45
do do do trust certificates.....							50
Canada Southern 1st int. gold 6's..... 1908	14,000,000		J & J	108½	105	105½	105½
do do 2d mortgage 5's..... 1913			M & S	96	84	94½	96
do do do registered.....	6,000,000		M & S			93½	94½
Central Iowa 1st mortgage 7's..... 1899	3,700,000		J & J 15	111	84	90	*112
do do do coupons off.....							
do (Eastern division) 1st 6's. 1912	1,515,000		A & O	75	66		75
do (Illinois division) 1st 6's. 1912	1,520,000		A & O	70	66		75
Chesapeake & Ohio pur. money fund. 1898	2,300,000		J & J	117	111½	111	
do do 6's, gold, Series A..... 1908	2,000,000		A & O	114	108½	107½	109
do do 6's, gold, Series B..... 1908			M & N			*68½	
do do do coupons off.....	15,000,000		M & N	84	60	78	78½
do do small bonds..... 1908			M & N			77	
do do do coupons off.....			M & N			72½	75
do do extension coupon 4's. 1906							
do do do reg'd 4's..... 1906							
do do 6's, currency..... 1918	10,122,500		J & J	41½	25	27½	28
do do small bonds..... 1918			J & J			26½	
do do mortgage 6's..... 1911	2,000,000		A & O	103	94½		100
Ches., Ohio & S.-W. mortgage 6's..... 1911	6,676,000		F & A	104	86½	103	
do do do 2d mortgage 6's..... 1911	2,787,000		F & A			62	
Chicago & Alton 1st mortgage 7's..... 1893	2,383,000		J & J	121½	117	116	
do do sinking fund 6's..... 1908	2,655,000		M & N	125	121	114½	
Louisiana & Missouri River 1st 7's..... 1900	1,785,000		F & A	124	120	121½	
do do do 2d 7's..... 1900	300,000		M & N	116½	116	120½	122½
St. Louis, Jacksonville & Chic. 1st 7's. 1894	2,365,000		A & O	122	116½	118	120
do do 1st guarantee (564) 7's. 1894	564,000		A & O			118	
do do 2d mortgage (380) 7's. 1896	61,000		J & J			116	
do do 2d guarantee (188) 7's. 1896	188,000		J & J			115	
Mississippi River Bridge 1st 6's. 1912	684,000		A & O	107	105	109	
Chicago, Burling'n & Quincy cons. 7's. 1913	30,000,000		J & J	138	132½	130½	131
do do 5's, sinking fund..... 1901	2,500,000		A & O			*114	
do do 5's, debentures..... 1918	9,000,000		M & N	110½	105	107½	
do do (Iowa div.) sinking f'd 5's. 1919	3,000,000		A & O	112½	112½	114	
do do do 4's. 1919	10,591,000		A & O	103	99½	99	
do do Denver division 4's..... 1922	7,968,000		F & A	101½	97½	98	
do do do 4's..... 1921	4,800,000		M & S	101½	92½	*97	
Chic. Burlington & Northern 1st 5's. 1926	9,000,000		A & O	104½	102½	105	
do do debentures 6's. 1896	2,250,000		J & D				
Chic., Rock Island & Pacific 6's, coup. 1917	+12,500,000		J & J	140	128½	131½	133½
do do 6's, registered..... 1917			J & J	140	130	130½	133
do do extension & col. 5's..... 1934	4,860,000		J & J	113	109	106½	110
do do do registered.....			J & J				110
Keokuk & Des Moines 1st mort. 5's..... 1923	2,750,000		A & O	113	108	107	
do do small bonds. 1923			A & O			105	
Central Railroad of N. J. 1st 7's..... 1890	5,000,000		F & A	114½	107	105½	106½
do do 1st consolidated 7's..... 1899	325,000,000		Q J			108	
do do assented.....				118	106	110½	112

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAR. 1, 1887.	
				High.	Low.	Bid.	Askd
do convertible 7's.....1902		5,000,000	M & N			109	
do assented.....				120	106	110½	112½
do adjustment 7's.....1903		5,550,000	M & N	112	108½	108½	
do convertible deb. 6's. 1908		5,000,000	M & N	92½	63	87½	89
Lehigh & Wilkes-Barre con. gold.... 1900		11,500,000	Q M				
do do assented				114½	103	114½	115½
\$5,116,000 held by Central R. R. of N. J. unassented: \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's...1921		5,000,000	J & J	103	89		102½
Mil. & St. Paul 1st. m. 8's Pra. du Chn. 1898		3,674,000	F & A	138½	122	131½	
do do 2d 7-10 Pra. du Chn. 1898		1,241,000	F & A	129	125	121	
do 1st 7's ½ gold, Riv. division. 1902		3,804,500	J & J	134½	130	130½	131
do 1st 7's ½ do do.....1902			J & J				*126
do 1st m. La Crosse div. 7's.....1893		5,284,000	J & J	125	120		119
do 1st m. Iowa & Minn. 7's.....1897		3,198,000	J & J	127½	124½	121½	
do 1st m. Iowa & Dakota 7's.....1899		541,000	J & J	132	124	124½	
do 1st m. Chicago & Milw. 7's. 1903		2,393,000	J & J	134	130	129	131
do consolidated 7's.....1905		235,000,000	J & J	136	128½	129	130
do 1st 7's Iowa & Dak. exten. 1908		3,505,000	J & J	134½	125½	129½	
do 1st 6's Southwest n div'n. 1909		4,000,000	J & J	121	115½	117	
do 1st 5's La Crosse & Dav. 1919		3,000,000	J & J	109½	105	106	
do 1st So. Minnesota div. 6's. 1910		7,432,000	J & J	121	114½	117½	117½
do 1st Hastings & Dak. div. 7's. 1910		5,680,000	J & J	131	124	125½	126
do do do 5's. 1910		585,000	J & J				
do Chic. & Pacific div. 6's.....1910		2,500,000	J & J	124½	119	118½	
do 1st Chicago & Pac. W. 5's.....1921		21,100,000	J & J	111	103	107	107½
do Chic. & Mo. R. div. 6's.....1923		2,049,000	J & J				
do Mineral Point div. 6's.....1910		2,840,000	J & J	108½	102		108
do Chic. & L. Sup'r div. 6's.....1921		1,880,000	J & J	109½	102	105	107½
do Wis. & Minn. div. 5's.....1921		4,755,000	J & J	108½	102	103	106½
do terminal 6's.....1914		4,303,800	J & J	108½	101½	103½	104½
do Far. & So. 6's assu. ....1924		1,250,000	J & J	119	114½	114	
Dakota & Gt. Southern 5's.....1916		1,000,000	J & J				101
Chic. & Northw'n congl. bonds, 7's. 1915		212,900,000	Q F	143½	138½	140	141
do coupon gold 7's.....1902			J & D	140	130	130½	131
do registered gold 7's.....1902		248,000,000	J & D	137	130½	130½	131
do sink'g fund 6's.....1879-1929		6,305,000	A & O	121	115	119	
do do registered.....			A & O	120	118		120½
do do 5's.....1879-1929		8,155,000	A & O	112	108	109	109½
do do registered.....			A & O	111½	107		*108
do debenture 5's.....1903		10,000,000	M & N	110½	105		110
do do registered.....			M & N	110½	105	100	
do 25 year debenture 5's.....1909		4,000,000	M & N	109	104½	107½	107½
do do registered.....			M & N				107½
do extension.....1886-1926		4,385,000	F & A 15	101½	101½	95	95½
Esanaba & Lake Superior 1st 6's.....1901		720,000	J & J	115½	115	115	
Des Moines & Minneapolis 1st 7's.....1907		600,000	F & A				*131
Iowa Midland 1st mortgage 6's.....1900		1,350,000	A & O	137	134	133	
Peninsula 1st convertible 7's.....1898		152,000	M & S			125	
Chicago & Milwaukee 1st mortg. 7's. 1898		1,700,000	J & J	133	124	121½	
Winona & St. Peters 2d 7's.....1907		1,582,000	M & N			130	
Milwaukee & Madison 1st 6's.....1905		1,600,000	M & S	117½	116½	115	
Ottumwa, C. F. & St. P. 1st 5's.....1909		1,600,000	M & S	111	106	110	
Northern Illinois 1st 5's.....1910		1,500,000	M & S	110½	106	109	
Cin., Ind., St. L. & Chic. 1st guar. 4's. 1936		1,255,000	J Q F				99
do do registered.....			Q F				
C., C. & Ind'polis 1st 7's sink. fund. 1899		3,000,000	M & N	123	123	122	124
do do consolidated mtge 7's. 1914		27,500,000	J & D	134	123½		129
do do sinking fund 7's.....1914			J & D	123	124	123	
do do gen'l consol. 6's.....1934		3,500,000	J & J	110½	100		107½
do do registered.....			J & J			*110½	
Chic., St. P., Min's & Omaha con. 6's...1930		22,839,000	J & D	126½	118½		120½
do Chicago, St. Paul & Min. 1st 6's.....1918		3,000,000	M & N	130	125	126	128
do North Wisconsin 1st mortgage 6's. 1930		800,000	J & J				126
do St. Paul & Sioux City 1st 6's.....1919		7,000,000	A & O	130	125		127
Chic. & Eastern Ill. 1st sink'g f'd o'y. 1907		3,000,000	J & D	122	115	116	
do do small bonds.....			J & D			*118	119
do do 1st c. 6's gold.....1894		2,500,000	A & O	119	110		116½
Chic., St. Louis & Pittab. 1st con. 5's. 1932		22,000,000	A & O	100	92		100½
do do do registered.....			A & O				

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Chic. & West'n Ind. 1st sinking f'd 6's. 1919		2,500,000	M & N	116	112½	117
do general mortgage 6's. 1882		23,896,666	Q M	113	109	113
Chicago & St. Louis 1st 6's. 1915		1,500,000	M & S	108	101	.....	120
Chicago & Indiana Coal 1st 5's. 1936		2,808,000	J & J	100½	92	100½	101
Columbia & Greenville 1st 6's. 1916		2,900,000	J & J	.....	.....	105	.....
do do 2d 6's. 1926		1,000,000	A & O	.....	.....	.....	92
Col., Hocking Valley & Toledo 1st 5's. 1931		14,500,000	M & S	94	81	85	86½
do general mortgage gold 6's. 1904		2,000,000	J & D	97½	88½	.....	82
Delaware, Lackaw'a & W. conv. 7's. 1892		600,000	J & D	116½	114	.....	115
do do mtge 7's. 1907		210,000,000	M & S	140	136½	140	.....
Syracuse, Binghamton & N. Y. 1st 7's. 1906		1,750,000	A & O	137½	131½	131½	131½
Morris & Essex 1st mortgage 7's. 1914		5,000,000	M & N	146	140½	142½	143
do 2d 7's. 1891		3,000,000	F & A	117	112½	110½	.....
do bonds 7's. 1900		281,000	J & J	.....	.....	.....	*119
do 7's of 1871 1901		4,991,000	A & O	133	125	127½	128
do 1st cons. gua'd 7's. 1915		25,000,000	J & D	138	130	136	.....
N. Y., Lackawanna & W'n 1st 6's. 1921		12,000,000	J & J	133	125	126½	126½
do construction 5's. 1923		5,000,000	F & A	113	106½	107	.....
Delaware & Hud. Canal 1st reg. 7's. 1891		4,988,000	J & J	115½	110	109½	110½
do 1st extension 7's. 1891		549,000	M & N	115½	112½	*113	.....
do coupon 7's. 1894		4,829,000	A & O	121	115½	117½	.....
do registered 7's. 1894		A & O	120½	118	116½	.....
do 1st Penna. Div. coupon 7's. 1917		10,000,000	M & S	144½	136	142	143
do do registered 1917		M & S	141	140½	138	.....
Albany & Susquehanna 1st 7's. 1888		1,000,000	J & J	109	106½	104½	104½
do 1st cons. gua'd 7's. 1906		3,000,000	A & O	135	128½	123	135
do do registered 1906		A & O	118	128	136	.....
do do 6's. 1904		5,117,000	A & O	124	117½	123	.....
do do registered 1904		A & O	119½	118	121	.....
Rensselaer & Saratoga 1st coup. 7's. 1921		2,000,000	M & N	144	141½	143	.....
do do 1st reg. 7's. 1921		143	.....
Denver & Rio Grande 1st consol. 4's. 1936		22,575,000	J & J	81½	75½	77½	78½
do do 1st mtge 7's. 1900		6,382,500	M & N	124	114½	119½	120
Denver, South Park & Pac. 1st 7's. 1906		1,800,000	M & N	89	72	75	80
Denver & Rio Grande West'n 1st 6's. 1911		5,857,000	M & S	85½	72½	80	81
do do assented. 1911		83½	72	77	79½
Detroit, Mack. & Marquette 1st 6's. 1921		2,280,000	A & O	100	55	*90	.....
do Land Grant 3½ S. A. 1911		4,580,000	.....	56	20	54	54
Detroit, Bay City & Alp'a 1st 6's. 1913		1,800,000	J & J	109½	105	.....	106½
East Tenn., Virginia & Georgia 1st 7's. 1900		3,500,000	J & J	126	118½	121	.....
do do divisional 5's. 1830		3,108,000	J & J	108	105	107½	108
do do con. 1st gtd 5's. 1856		12,770,000	M & N	99½	94½	99	99½
Elizabeth City & Norfolk S.F. deb. cert. 6's. 1920		250,000	A & O	.....	.....	107	107½
do do 1st mtge 6's. 1920		900,000	M & S	.....	.....	*52½	.....
Elizabeth'n, Lex & Big Sandy 6's. 1902		3,500,000	M & S	110	99	107½	.....
Erie 1st mortgage extended 7's. 1897		2,482,000	M & N	127½	121	122½	.....
do 2d extended 5's. 1919		2,149,000	M & S	117½	113	115	117
do 3d extended 4½'s. 1923		4,618,000	M & S	112½	108	108½	.....
do 4th extended 5's. 1920		2,937,000	A & O	119	112½	112½	115
do 5th extended 7's. 1888		709,500	J & D	109	103	.....	106½
do 1st consolidated gold 7's. 1920		230,000,000	M & S	135½	129	135	136½
do 1st cons. f'd coup. 7's. 1920		3,705,997	M & S	133	120½	130	132½
do reorganization 1st lien 6's. 1908		2,500,000	M & N	112	108½	.....	112½
Long Dock Bonds, 7's. 1883		3,000,000	J & D	120	112½	.....	115½
do do cons. 6's. 1935		4,500,000	A & O	124	114½	118	.....
Buffalo, N. Y. & Erie 1st 7's. 1916		2,380,000	J & D	140	133½	137	138
N. Y., L. Erie & W. new 2d con. 6's. 1969		83,597,400	J & D	116½	89	95	.....
do collateral trust 6's. 1922		5,000,000	M & N	108	102	.....	108½
do fund coupon 5s. 1885-1969		4,032,000	J & D	96½	77½	70	.....
Buffalo & Southw'n mortgage 6's. 1906		1,500,000	J & J	.....	.....	90	.....
do do small 1906		J & J	.....	.....	.....	.....
Evansville & Terre Haute 1st con. 6's. 1921		3,000,000	J & J	120½	111½	117	.....
do Mt. Vernon 1st 6's. 1923		875,000	A & O	112½	108	110	.....
do Indianapolis 1st con. 6's. 1926		1,001,000	J & J	113	109	.....	108
Flint & Pere Marquette mtge 6's. 1920		5,000,000	A & O	122½	116	122	.....
Fort Worth & Denver City 1st 6's. 1921		3,920,000	J & D	95½	81	82½	90
Gal., Harrisburg & San Antonio 1st 6's. 1910		4,800,000	F & A	116	106½	.....	107½
do 2d mortgage 7's. 1906		1,000,000	J & D	119½	108	.....	110½
do Western Div. 1st 5's. 1931		13,500,000	M & N	108	82	97½
do do do 2d 6's. 1931		6,750,000	J & J	94	80	91½

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Grand Rapids & Indiana general 5's...1924		3,233,000	M & S			90½	92½
do do registered.....			M & S				
Green Bay, Winona & St. Paul 1st 6's...1911		1,600,000	F & A	107½	80	97½	99½
Gulf, Col. & Santa Fe 1st 7's.....1909		10,200,000	J & J	128½	116½	121	121½
do do gold 6's.....1923		5,000,000	A & O	106¼	86¼	103½	
Hannibal & St. Joseph consol'd 6's...1911		26,000,000	M & S	125	119½	121¾	
Henderson Bridge Co. 1st 6's.....1931		2,000,000	M & S	112	108¾	109¾	
Houston & Texas Cent. 1st Main L. 7's...1891		6,896,000	J & J	114½	102	114	*113
do do coupon off.....							114½
do do 1st West. Div. 7's...1891		2,375,000	J & J	109	97	108¾	110½
do do coupon off.....							
do do 1st Waco & N. W. 7's...1903		1,140,000	J & J	105	100	113	117
do do coupon off.....							
do do 2d c. main line 8's...1912		4,118,000	A & O	95½	76	99½	100
do do gen'l mort. 6's...1921		4,300,000	A & O	73½	50		70
Houston, E. & W. Texas 1st 7's.....1898		1,344,000	M & N	89½	65	71	
Illinois Central 1st gold 4's.....1951		1,500,000	J & J	110	106½		107½
do do registered.....							108
do do gold 3½'s.....1951		2,500,000	J & J	102¾	99¾	96	98½
do do registered.....							98½
Springfield Division coupon 6's...1898		1,600,000	J & J	121	117½	116¾	117¾
Middle Division registered 5's...1921		600,000	F & A	109½	109½	*112½	
Chicago, St. L. & N. O. Tenn. lien 7's...1897		541,000	M & N			118	
do 1st consol. 7's...1897		859,000	M & N	122	122½	121	
do 2d mortgage 6's...1907		80,000	J & D			118	
do gold 5's.....1951		18,000,000	J & D 15	120½	112	115½	116½
do gold 5's, registered			J & D 15			118	
Dubuque & Sioux City 2d Div. 7's...1894		586,000	J & J	119	118½		
Cedar Falls & Minn. 1st 7's.....1907		1,334,000	J & J	120	106		109¾
Ind., Bloomington & W'n 1st pref'd 7's...1900		1,000,000	J & J	120½	116		126
do 1st 5's, 6's.....1909		3,500,000	A & O	104½	89½	95	
do Trust Co. receipts.....			A & O			96½	97
do 2d 5's.....1909		1,500,000	A & O	90	66½	81	
do Trust Co. receipts.....			A & O			83½	84
do Eastern Division 6's...1921		3,000,000	J & D	105½	89	94	
do Trust Co. receipts.....			J & D			95½	95¾
Ind., Decatur & S. 1st 7's, ex. fund coup...1906		1,613,000	A & O	108	98½	106	106¾
Internat'l & G. Northern 1st 6's, gold...1919		7,954,000	M & N	119	114	119	
do do coupon 6's.....1909		7,054,000	M & S	96	84	97½	98
Kentucky Central mortgage 6's...1911		780,000	J & J				
do stamped 4 per cent...1911		5,600,000	J & J	71	59½	71	72
Knoxville & Ohio 1st 6's gold...1925		2,000,000	J & J	105½	86½	96	98½
Lake Shore & Michigan Southern.							
Cleve., Painesville & Ashtabula 7's...1892		920,000	A & O	119	114	114½	
Buffalo & Erie new bonds 7's...1898		2,784,000	A & O	129	121½	123½	
Kal' zoo & White Pigeon 1st 7's...1890		400,000	J & J	108	108	105	
Detroit, Monroe & Toledo 1st 7's...1906		924,000	F & A			126½	
Lake Shore Div. bonds 7's...1899		1,356,000	A & O	126	121½	124½	124¾
do consol. coupon 1st 7's...1900			J & J	134½	127	125	128
do consol. registered 1st...1900		225,000,000	Q J	132½	127	125	127
do consol. coupon 2d 7's...1903			J & D	127	119¾	122¾	123½
do consol. registered 2d...1903		225,000,000	J & D	125	119½	122¾	123
Mahoning Coal R. 1st 5's...1934		1,500,000	J & J	105	103	104	105
Long Island R. 1st mortgage 7's...1898		1,500,000	M & N	130	119	121½	
do 1st consolidated 5's...1931		25,000,000	Q J	115½	108	110	
N. Y. & Manhattan Beach R. 1st 7's...1897		500,000	J & J				*110
N. Y., B'klyn & M'n B. 1st c. g. 5's...1935		783,000	A & O				
Louisville & Nashville consol'd 7's...1898		7,070,000	A & O	125	117	120	122
do Cecilian Branch 7's...1907		1,000,000	M & S	113	107½	112	
do N. O. & Mobile 1st 6's...1930		5,000,000	J & J	107¾	99	105½	106
do do 2d 6's...1930		1,000,000	J & J	97	86	90	
do Evans, Hend. & N. 1st 6's...1919		2,400,000	J & D	116½	112	114½	
do general mortgage 6's...1930		20,000,000	J & D	109½	100½	108	108½
do Pensacola Division 6's...1920		600,000	M & S	102	97½	100	103½
do St. Louis Division 1st 6's...1921		3,500,000	M & S	113	108	114	
do do 2d 3's...1981		3,000,000	M & S	57	51	57	
do Nash. & Decatur 1st 7's...1900		1,900,000	J & J	126	121	119	
do So. & N. Ala. Sink'g F'd 6s...1910		2,000,000	A & O	105	102		108
do Louisville, Cin. & Lex. 6's...1931		27,000,000	M & N				
do Trust bonds, 6's...1922		10,000,000	Q M	107	98	107¾	108
do 10-40 6's...1924		5,000,000	M & N	100	84½	97½	98
do Penn. & At. 1st 6's, gold gtd...1921		3,000,000	F & A	96	82½		100½

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				High.	Low.	Bi	Ask d
Lou., New Albany & Chicago 1st 6's... 1910		3,000,000	J & J	120	100½	109 6	110
do do consol'd gold 6's... 1916		2,500,000	A & O	100	94½	92½	95½
Louisville, N. O & Texas 1st 5's... 1934		13,641,000	M & S	92¾	90¾	92	94½
Manhattan Beach Imp't Co., lim'd, 7's. 1909		1,000,000	M & S	90	80	101 6	104
Memphis & Charleston 6's, gold... 1924		1,000,000	J & J	106½	102	118 6	119½
Metropolitan Elevated 1st 6's... 1908		11,000,000	J & J	123	115	110 6	111½
do do 2d 6's... 1899		4,000,000	M & N	113¾	108¾	110 6	111½
Mexican Central 1st mortgage 7's... 1911		39,375,000	J & J	60	39	41	42
do ex. coupon 6-7-8... 1911			J & J	60	39	60	
do new assented 4's... 1911			J & J	57	34	55 6	
do income bonds... 1911		8,128,000					
Michigan Central 1st consol. 7's... 1902		8,000,000	M & N	133	128½	130	
do do 1st consol. 5's... 1902		2,000,000	M & N	111¾	107	110 6	
do do 6's... 1909		1,500,000	M & S				123½
do do coupon 5's... 1931		4,000,000	M & S	110	107½	110	
do do registered 5's... 1931			Q M	110	107		110
do Jackson, Lansing & Sag'w 6's... 1891		1,100,000	M & S			106	
Milwaukee & Nor. 1st main line 6's... 1910		2,155,000	J & D	108½	102	103½	110
do do 1st extension 6's... 1913		1,598,000	J & D	104	100	105	105½
Milwaukee, L. Shore & West'n 1st 6's... 1921		4,350,000	M & N	121½	112½	118½	119½
do do Mich. div. 1st 6's... 1924		1,281,000	J & J	120½	106¾	115½	116½
do do Ashland div. 1st 6's... 1925		1,000,000	M & S	117	112½		116
Minneapolis & St. Louis 1st 7's... 1927		950,000	J & D	136	128	132	
do do Iowa exten. 1st 7's... 1909		1,100,000	J & D	125	119		119
do do 2d mortgage 7's... 1891		500,000	J & J	102	101	100	
do do Southw'm ext. 1st 7's... 1910		636,000	J & D			110	
do do Pacific ext. 1st 6's... 1921		1,382,000	A & O	110	108	110	
do do imp't and equip. 6's... 1922		2,000,000	J & J	100	90		89½
Minnesota & Pacific, 1st mortgage 5's... 1936		3,035,000	J & J				
Minnesota & N. West 1st 5's, gold... 1934		7,682,000	J & J	106	99¾		103½
Mo., Kansas & Texas gen'l cons. 6's... 1920		34,725,000	J & D	105½	87½		99½
do do do 5's... 1920		7,801,000	J & D	83½	72¾	87	87¾
do do cons. 7's... 1904, 5-6		14,811,000	F & A	118	108	106¾	
do do 2d mort. income... 1911		759,000	A & O	90	78	87½	100
Hannibal & Cent. Missouri 1st 7's... 1890		729,000	M & N	115	110		110½
Mobile & Ohio new mortgage 6's... 1927		7,000,000	J & D	116	109½	109	110½
do collateral trust 6's... 1892		306,000	J & J				*109½
do 1st extension 6's... 1927		1,000,000	Q J	106	101	105	
St. Louis & Cairo 4's, gtd... 1931		4,000,000	J & J	76½	72½	73	75
Morgan's Louisiana & Texas 1st 6's... 1920		1,494,000	J & J	116	104½		110
do do 1st 7's... 1918		5,000,000	A & O	127	118		123
Nashville, Chattanooga & St. L. 1st 7's... 1913		6,800,000	J & J	131	123	128	
do do 2d 6's... 1901		1,000,000	J & J	111½	110	109½	109¾
N. Y. Central 6's... 1887		2,391,000	J & D	106	101	101½	102
do debenture cert. ext. 5's... 1893		6,450,000	M & N	108¾	104	105½	106½
do & Hudson 1st coup. 7's... 1903			J & J	140½	134	133	134½
do do 1st registered... 1903		30,000,000	J & J	137½	133½		134
do do deb. 5's... 1904			M & S	112½	107¾		110
do do do registered... 1904		7,850,000	M & S	110¾	107½		106
Harlem 1st mortgage 7's, coupon... 1900		12,000,000	M & N	139	131	132½	133
do do 7's, registered... 1900			M & N	139	131½		133
N. J. Junction guaranteed 1st 4's... 1986		2,000,000	F & A			103½	104½
do registered certificates... 1986							
N. Y. Elevated 1st mortgage 7's... 1906		8,500,000	J & J	130	123		123¾
N. Y., Penn. & Ohio prior lien 6's... 1895		8,000,000	M & S				
N. Y. City & Northern gen'l mtge 6's... 1910		4,000,000	M & N	73½	55		71½
do Trust Co. receipts... 1910			J & J	73½	54	70	71½
N. Y. & New England 1st 7's... 1905		6,000,000	J & J	130	125	127½	
do do 1st 6's... 1905		4,000,000	J & J	117½	117½	116	
N. Y., Chicago & St. Louis 1st 6's... 1921			J & D	99	85½	97	97½
do do Trust Co. receipts... 1921		15,000,000	J & D	100½	84	97½	97½
do do assented... 1921			J & D			97½	97½
do do 2d 6's... 1923		10,000,000	M & S	77	66		96½
N. Y., Ontario & W. 1st gold 6's... 1914		3,000,000	M & S	109	103		110½
N. Y., Susquehanna & W'n 1st 6's... 1911		2,500,000	J & J				94
do do coupons off... 1911			J & J	94	76½	90	
do do deb. 6's... 1897		600,000	F & A				*63
do do coupons off... 1897			F & A	71½	52	70	74
Midland R. of New Jersey 1st 6's... 1910		3,500,000	A & O	110	100	112	113½
N. Y., N. Haven & H. 1st reg. 4's... 1903		2,000,000	J & D	112½	112		113

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886		MAR. 1, 1887.	
				High.	Low.	Bid.	Ask d
N. Pac. gen. land grant 1st coup. 6's. 1821		51,500,000	J & J	120	111½	116	116½
do do registered 6's. 1821			J & J	117½	111½		117
do gen. 2d m. railroad & l. g. coup 1833		20,000,000	A & O	104	91½	106½	106½
do do registered. 1833			A & O			106	
James River Valley 1st 6's gold. 1836		938,000	J & J	109	105½	108	108½
Spokane & Pal. 1st skg fund gold 6's. 1836		688,000	M & N				108½
St. Paul & North'n Pacific gen'l 6's. 1825		6,000,000	F & A			114	119
do registered certificates			Q F				
No. Pacific Terminal Co. 1st gold 6's. 1833		3,000,000	J & J	109½	102½	106	
New Orleans Pacific 1st 6's. gold. 1820			J & J			63	62½
do do coupons off. 1820		6,720,000	J & J	85½	51	73	
do do Trust Co. receipts. 1820			J & J	85½	73½	84½	84½
N. O. & N. East'n prior lien gold 6's. 1915		1,050,000	A & O				110
Norfolk & Western gen'l mtrge 6's. 1831		6,902,000	M & N	115½	104	112	
do New River 1st 6's. 1832		2,000,000	A & O	113	99½		115
do improvement & ext. 6's. 1834		3,300,000	F & A	102	87½	97	100
do adjustment mortg. 7's. 1924		1,500,000	Q M	107	82½	100	105
Ordensburg & Lake Champl. 1st con. 6's. 1920		3,500,000	A & O	104½	96	100	
Ohio & Miss. consol. Sinking F'd 7's. 1898		3,593,000	J & J	125	118½	118½	
do consolidated 7's. 1898		3,087,000	J & J	125	118		
do 2d consolidated 7's. 1911		3,808,000	A & O	120	113½	115	
do 1st Springfield division 7's. 1905		3,000,000	M & N	110½	91	109½	111½
do 1st general 5's. 1832		3,216,000	J & D	94½	87½		91
Ohio Central 1st terminal trust 6's. 1820		600,000	J & J				
do 1st Mineral division 6's. 1821		300,000	J & J				
Ohio Southern 1st mortgage 6's. 1821		2,100,000	J & D	108	97½	104	105
Oregon & California 1st 6's. 1821		9,000,000	J & J				
Oregon & Transcontinental 6's. 1882-1822		10,063,000	M & N	104½	92½	100½	101
Oregon Improvement Co. 1st 6's. 1910		5,000,000	J & D	99	84	92	92½
Oregon Railroad & Navigat'n 1st 6's. 1909		6,000,000	J & J	114½	110	109½	
do do Debenture 7's. 1887		5,000,000	A & O	108½	108½		
do do Consol. m. 5's. 1925		5,320,000	J & D	108½	102		105
Panama Sinking Fund subsidy 6's. 1910		2,747,000	M & N			94	
Peoria, Decatur & Evansville 1st 6's. 1820		1,287,000	J & J	119	103	110	111½
do Evansville Division 1st 6's. 1820		1,470,000	M & S	111½	108	110	
Peoria & Pekin Union 1st 6's. 1821		1,500,000	Q F	112	108		112½
do do 2d mortgage 4½'s. 1821		1,499,000	M & N				75
Central Pacific gold bonds 6's. 1895-8		25,883,000	J & J	118½	112½	114½	115
do San Joaquin branch 6's. 1900		6,080,000	A & O	112	107½	112	
do California & Oregon 1st 6's. 1888		6,000,000	J & J	106	100	100	
do do Series B 6's. 1892		1,600,000	J & J			103	
do Land Grant 6's. 1890		9,436,000	A & O	107½	102½	103½	
Western Pacific bonds 6's. 1899		2,735,000	J & J	116	109		115
Nor. Ry. (Cal.) 1st 6's. guaranteed. 1907		3,964,000	J & J	123	116½	120	121
South'n Pac. of California 1st 6's. 1906-12		38,447,000	A & O	114	105½	112½	
South'n Pac. of Arizona 1st 6's. 1909-1910		10,000,000	J & J	112	100½	110½	111
South'n Pacific of N. Mexico c. 1st 6's. 1911		5,000,000	J & J	109½	100	105½	
Union Pacific 1st 6's. 1896-9		27,229,000	J & J	119½	114	115	116
do Land Grant 7's. 1887-9		2,545,000	A & O	108½	101½	103	
do Sinking Fund 6's. 1893		14,438,000	M & S	123½	116	119	120
do registered 6's. 1893			M & S	121	117	119½	
do collateral trust 6's. 1908		5,583,000	J & J	108½	104	106	
do do 5's. 1907		4,567,000	J & D			100	
Kansas Pacific 1st 6's. 1895		2,240,000	F & A	114½	110½		111½
do 1st 6's. 1896		4,063,000	J & D	116	110	111	
do Denver Division 6's. ass'd. 1899		6,254,000	M & N	118	113	114½	
do 1st consol. 6's. 1919		14,896,000	M & N	109½	99½		106½
Central Br'ch U.P. Fund coup. 7's. 1895		630,000	M & N			105	
Atchison, Colorado & Pac. 1st 6's. 1905		3,672,000	Q F	107	101½	105½	106
Atchison, Jewell Co. & West. 1st 6's. 1905		542,000	Q F	105	100	105	
Oregon Short Line 1st 6's. 1922		15,265,000	F & A	109	97½	101½	
Utah South'n general mortgage 7's. 1909		1,950,000	J & J	90½	85		98½
do extension 1st 7's. 1909		1,950,000	J & J	88	72½	85½	91
Missouri Pacific 1st consol. 6's. 1920		20,184,000	M & N	117	108	114½	115½
do 3d mortgage 7's. 1906		3,828,000	M & N	127½	116½	123½	
Pacific R. of Mo. 1st mortgage 6's. 1888		7,000,000	F & A	107	103½	102½	102½
do 2d mortgage 7's. 1891		2,573,000	J & J	113	109	109½	110
St. L. & S. Francisco 2d 6's. class A. 1906		500,000	M & N	118	108	115	
do 6's. class C. 1906		2,400,000	M & N	117	106½		116½
do 6's. class B. 1906		2,766,500	M & N	117	105½	115	
do 1st 6's. Pierce C. & O. b		1,100,000	F & A	117	111½	105	

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				High.	Low.	Bid.	Askd
do equipment 7's.....	1895	781,000	J & D	108½
do general mrg. 6's.....	1831	7,739,000	J & J	114	99½	108	110
South Pacific R. (Mo.) 1st 6's.....	1888	7,144,500	J & J	108	108	101½	102½
Kansas City & Sw'n 1st 6's, gold.....	1916	744,000	J & J	107½	105	.....	108
Fort Smith & Van B. Bdg. 1st 6's.....	1910	475,000	A & O	.....	.....	.....	110
St. L., Kansas & Southwest'n 1st 6's.....	1916	735,000	M & S	.....	.....	101	.....
Texas & Pacific Railway 1st 6's.....	1905	3,784,000	M & S	105½	105½	112½	.....
do do ex coupon.....	.....	.....	M & S	.....	.....	108	.....
do consol. 6's.....	1905	.....	J & D	103½	90	99	.....
do do coupons off.....	.....	49,816,000	J & D	100½	70	99	100½
do do Trust Co. receipts.....	.....	.....	J & D	104	99	102	.....
do Income & I'd gr't reg. 7's.....	1915	7,922,000	July	61½	34	60½	.....
do do Trust Co. receipts.....	.....	.....	July	63½	53½	.....	64
do Rio Grande 6's, Aug. '84 c.....	1930	.....	F & A	75	72½	*74	75
do do coupons off.....	.....	13,028,000	F & A	75½	45½	*75	.....
do do Trust Co. receipts.....	.....	.....	F & A	78	66	74	74½
do do Gen. M. & Ter. 6's.....	1905	42,859,000	A & O	82	34½	*67	70
do do Trust Co. receipts.....	.....	.....	A & O	71	49	68½	68
Pennsylvania Railroad Company.	.....	.....	.....	.....	.....	.....	.....
Penna. Co.'s guar'd 4½'s, 1st coup.....	1821	15,000,000	J & J	108½	102½	105½	106
do do do registered.....	1821	.....	J & J	108½	101½	104½	105½
Pitt., C. & St. Louis 1st coupon 7's.....	1900	2,708,000	F & A	121	120½	119	.....
do do 1st registered 7's.....	1900	4,157,000	F & A	.....	.....	.....	*119
do do 2d 7's.....	1913	2,500,000	A & O	.....	.....	.....	*124
Pitts., Ft. Wayne & Chicago 1st 7's.....	1912	5,250,000	J & J	145	141	140½	142
do do 2d 7's.....	1912	5,180,000	J & J	142½	138	140	.....
do do 3d 7's.....	1912	2,000,000	A & O	138	133½	138½	139½
Clev. & Pitts. con. Sink'g Fund 7's.....	1900	2,292,000	M & N	131	126	128½	130
do do 4th do 6's.....	1892	1,105,000	J & J	111	109	107	.....
St. L., Van. & Terre H. 1st guar. 7's.....	1897	1,899,000	J & J	122	120	118	.....
do do 2d 7's.....	1898	1,000,000	M & N	.....	.....	105	108
do do 2d guar. 7's.....	1898	1,600,000	M & N	.....	.....	108	.....
Pine Creek Railway 6's of.....	1932	3,500,000	J & D	.....	.....	.....	.....
Pittsburgh Cleve. & Tol. 1st 6's.....	1922	2,400,000	A & O	110½	108½	115½	119
Pittsburgh Junction 1st 6's.....	1922	1,440,000	J & J	.....	.....	122	.....
Pittsburgh, McKeesport & Y. 1st 6's.....	1932	2,250,000	J & J	.....	.....	.....	.....
Rome, Watertown & Ogd. 1st 7's.....	1891	1,021,500	J & D	117	108½	110	112
do do consol. 1st ex. 5's.....	1922	6,337,000	A & O	103	87½	102½	103
Rochester & Pittsburgh 1st 6's.....	1921	1,300,000	F & A	117	113½	116	.....
do do consolidated 1st 6's.....	1922	3,920,000	J & D	112	105½	110	.....
Richmond & Alleghany 1st 7's.....	1920	5,000,000	J & J	.....	.....	71½	.....
do do Trust Co.'s receipts.....	.....	.....	J & J	80	65	70	72
Richmond & Danville consol. gold 6's.....	1915	6,000,000	J & J	119½	111½	112	113
do do Debenture 6's.....	1927	4,000,000	A & O	114	86	108½	.....
do do do assented.....	.....	.....	A & O	113½	106½	108½	107½
Atlanta & Charlotte 1st Pref'd 7's.....	1897	500,000	A & O	.....	.....	110	.....
Atlanta & Charlotte Income.....	1900	750,000	A & O	.....	.....	100	.....
Scioto Valley 1st consolidated 7's.....	1910	603,000	J & J	72	47	*65	.....
do do do coupons off.....	.....	.....	J & J	.....	.....	60	70
St. Jos. & Grand Island 1st 6's.....	1925	7,000,000	M & N	110½	104	107	107½
St. Louis & Iron Mountain 1st 7's.....	1892	4,000,000	F & A	118	110	111	.....
do do 2d 7's.....	1897	6,060,000	M & N	119	111	112	.....
do do Arkansas Branch 1st 7's.....	1895	2,500,000	J & D	116½	112½	112	.....
do do Cairo & Fulton 1st 7's.....	1891	7,565,000	J & J	113	108½	108½	.....
do do Cairo, Ark. & Texas 1st 7's.....	1897	1,450,000	J & D	116½	109½	111	113
do do Gen'l con. r'y & I'd g't 5's.....	1831	436,347,000	A & O	100	90	98	99
St. L., Alton & Terre Haute 1st 7's.....	1894	2,300,000	J & J	119½	115	114	.....
do do 2d mortgage preferred 7's.....	1894	2,800,000	F & A	114	110½	110	111½
do do 2d mortgage income 7's.....	1894	1,700,000	M & N	108	103½	107½	.....
Belleville & Carondelet 1st 6's.....	1896	1,041,000	A & O	117½	114½	117	.....
Belleville & Carondelet 1st 6's.....	1923	485,000	J & D	110½	110½	110	112½
St. Louis, Ark. & Tex. 1st Ctr's. 6's.....	1936	9,529,000	M & N	.....	.....	100½	100½
do do 2d Ctr's. 6's.....	1936	9,529,000	F & A	.....	.....	62½	53½
St. Paul, Minn. & Manitoba 1st 7's.....	1909	5,350,000	J & J	116	112	113	.....
do do do small.....	.....	.....	J & J	.....	.....	.....	.....
do do 2d 6's.....	1909	8,000,000	A & O	122½	116½	119	120
do do Dakota extension 6's.....	1910	5,676,000	M & N	122	116½	119½	.....
do do 1st consolidated 6's.....	1933	.....	.....	125	115	.....	120
do do do registered.....	18,690,000	J & J	119	114½	*119½
do do do reduced to 4½'s.....	J & J	99	99½

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				High.	Low.	Bid.	Ask d
{ Minneapolis Union 1st 6's	1922	2,150,000	J & J	112	..
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	110½	..
South Carolina Railway 1st 6's	1920	5,000,000	A & O	113	102	..	107½
do do 2d 6's	1931	1,500,000	J & J	90	81	..	73
Shenandoah Valley 1st 7's	1909	2,270,000	J & J	100	70	96	97½
do do gen'l mtge 6's	1921	\$8,212,000	A & O	49½	29	..	39
Sodus Bay & Southern 1st 5's, gold	1924	500,000	J & J	105	101	..	*105
Texas Central 1st sinking fund 7's	1909	2,145,000	M & N	80	68	80	81
do 1st mortgage 7's	1911	1,254,000	M & N	..	..	80	..
Toledo & Ohio Cent. 1st gold 5's	1935	3,000,000	J & J	102½	92½	97½	..
Toledo, Peoria & W'n 1st 7's	1917	4,500,000	Q J	..	..	108	..
do do Trust Co. receipts .....	..	..	..	106	91	108½	109½
Toledo, Ann Arbor & No. Mich. 1st 6's	1924	2,120,000	M & N	95	90	89½	90
Toledo, Ann Arbor & G.T. 1st 6's, gold	1921	1,280,000	J & J	107	101	100	104½
Texas & New Orleans 1st 7's	1906	1,620,000	F & A	..	..	115	..
do do Sabine Div. 1st 6's	1912	2,075,000	M & S	107½	100½	..	104
Virginia Midland mortgage Inc. 6's	1927	4,000,000	J & J	100	53½	..	97
do gen'l mortgage 5's	1936	432,000	M & N	..	..	..	92
Wabash, St. L. & Pac. gen. mtge 6's	1920	16,000,000	J & D	62	45	..	60
do Trust Co. Receipts .....	..	..	J & D	67	44	51	54
do Chicago Division 5's	1910	4,500,000	J & J	97	85	94½	95
do Havana Division 6's	1910	1,600,000	J & D	88	88	..	*80
do Indianapolis Division 6's	1921	2,275,000	J & D	..	..	..	..
do Detroit Division 6's	1921	2,052,000	J & J	92	78	86	..
do Cairo Division 5's	1931	3,857,000	J & J	55	55	*65	..
Wabash Railway mtge 7's	1879-1909	2,000,000	A & O	91	70	..	88
{ Tol. & Wabash 1st extended 7's	1890	3,400,000	F & A	115½	110	113½	114
do 1st St. Louis Division 7's	1889	2,700,000	F & A	111	100	111	..
do 2d mtge extended 7's	1903	2,500,000	M & N	105½	97	100½	103½
do equipment bonds 7's	1883	600,000	M & N	6	4	..	*4
do consol. convertible 7's	1907	2,600,000	Q F	100	84	85	90
G't Western 1st mortgage 7's	1888	2,500,000	F & A	114	109½	113	113½
do 2d mortgage 7's	1893	2,500,000	M & N	108	96	101½	101½
Quincy & Toledo 1st mortgage 7's	1890	500,000	M & N	97	94	86	..
Hannibal & Naples 1st 7's	1909	500,000	J & D	..	..	*85	..
Illinois & So. Iowa 1st exten. 6's	1912	800,000	F & A	..	..	90	100
St. L., Kan. C. & N. R'l E'e & R'y 7's	1895	3,000,000	M & S	116	108½	113½	..
do Omaha Division 1st 7's	1919	2,350,000	A & O	105	92	101	..
do Trust Co. receipts .....	..	..	A & O	103	97	108	..
do do Clarinda Br. 6's	1919	284,000	F & A	78½	65	..	71½
do St. Charles Bridge 1st 6's	1908	1,000,000	A & O	103½	94	..	110
North Missouri 1st mortgage 7's	1895	6,000,000	J & J	120	112½	116	..
Wabash, St. L. & P., Iowa div. 6's	1921	2,269,000	M & S	..	..	50	..
do Trust Co. receipts .....	..	..	J & J	108	100½	102½	102½
West Shore 1st guaranteed 4's .....	..	50,000,000	J & J	105½	101½	102½	103
do do registered .....	..	..	M & N	123	116	118½	..
Western Union coupon 7's	1900	3,920,000	M & N	125	117	119	..
do registered	1900	..	J & J	..	..	102	..
North Western Telegraph 7's	1904	1,250,000	J & J	..	..	..	..
Wheeling & Lake Erie 1st 5's	1926	3,000,000	A & O	..	..	..	..
Mutual Union Tel. sk'g f 6's	1911	5,000,000	M & N	90½	75	85	..
Colorado Coal & Iron 1st 6's	1900	3,500,000	F & A	101½	90	99	99½
Tenn. Coal, Iron & R. consol. 6's	1902	620,000	M & N	100	97	106	..
do South Pittsburgh 1st 6's	1902	700,000	F & A	98	96	106	..
do Bir. div. 1st consolidated 6's	1917	4,000,000	J & J	..	..	89½	..
Col. & Hocking Coal & Iron gen'l 6's	1917	700,000	J & J	..	..	88	91

INCOME BONDS. Interest payable if earned, and not to be accumulative.

Atlantic & Pacific West'n Div. Income	1910	10,500,000	A & O	81½	20½	27½	..
do do do small .....	..	..	A & O	..	..	..	23
do do Cent'l Div. Income	1922	2,100,000	J & D	..	..	*20	..
Central Iowa Coupon Debt Certificates .....	..	629,000	A & O	..	..	*100	..
Chicago & Eastern Illinois Income	1907	1,000,000	D	..	..	..	60
Des Moines & Fort Dodge 1st Inc. 6's	1905	1,200,000	J & J	..	..	..	..
Detroit, Mack. & Marquette Income	1921	1,500,000	..	43½	12	*40	..
Elizabeth City & Norfolk 2d Income	1970	1,000,000	..	..	..	..	..
Green Bay, Winona & St. Paul 2d Inc. 1911	..	3,781,000	..	42½	24½	..	40½
Indiana, B'n & W'n consol. Inc. 6's	1921	4,680,000	J & J	41½	21½	32	32½
do Trust Co. receipts .....	..	..	J & J	..	..	32	..
Indp's, Decatur & Springfield 2d Inc. 1906	..	2,850,000	J & J	39	22	..	*38
do Trust Co. Receipts	J & J	41	20	..	41

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				High.	Low.	Bid.	Ask d
Lehigh & Wilkesbarre Coal Co.....	1888	{ 1,119,200 }	M & N	100	90	98	100
do small bonds.....	1888		M & N			*100	
Lake Erie & Western Inc. 7's.....	1889	1,485,000	Aug	40	20	3	
do Sandusky Div. Inc. 1920		580,000	Aug	29½	27	5	
Lafayette, Bloom'ton & Mun. Inc. 7's.....	1889	1,000,000	May	70	31	9	
Milw., L. Shore & Western Income.....		500,000	M & N	107	88	102½	108
Mobile & O. 1st preferred debentures.....		5,300,000		74½	53	65½	66
do 2d do do		1,850,000		44½	32		39
do 3d do do		600,000		35	30	28	33
do 4th do do		900,000		31	25	22	28
N. Y., Lake E. & Western Inc. 6's.....	1877	508,000		76	56	70	
N. Y., Penn. & O. 1st inc. acc. 7's.....	1905	35,000,000	J & J			*48½	
Ohio Central, Min'l division, Inc. 7's.....	1921	300,000				*39½	40
Ohio Southern 2d income 6's.....	1921	2,100,000	J & D	49½	34	41	43
Ogdensburg & L. Champlain Income.....	1920	800,000	Oct				*24
do do small		200,000	Oct			84	85
Peoria, Decatur & Evansville Inc.....	1920	558,000	July	82½	43	82½	
do Evansville Div. Income.....	1920	1,230,000	Sept	82½	44	82½	
Rochester & Pittsburg Income.....	1921	1,870,000				50	70
South Carolina Railway Inc. 6's.....	1931	3,000,000	Feb	33	22½	22	27
St. Louis, I. M. & S. 1st 7's pref. int. acc's.....		48,000	Mch				
Sterling Iron & Rail'y, series B, Inc.....	1884	418,000	April				
do Plain Income 6's.....	1884	491,000				*5	
Sterling Mountain Railway Income.....	1885	76,000					
St. Louis, Alton & Terre H. Div. bds.....	1884	1,357,000	June	50	33	35	
St. Joseph & Grand Island 2d Income.....	1925	1,680,000	J & J	77	55½	71	71½
Shenandoah Valley Income 6's.....	1923	2,500,000	Feb				
Texas & St. Louis in Mo. & Ark 2d.....	1911	4,740,000					
Tex. & St. L. in Texas land grant Inc.....	1920	2,128,000					
do Gen'l land grant and Inc.....	1931	3,945,000					

COAL AND MINING.

American Coal Co.....	25	1,500,000					
Consolidated Coal Co. of Maryland.....	100	10,250,000				20	22
Cumberland Coal and Iron Co.....	100	500,000					
Colorado Coal and Iron Co.....	100	10,000,000				38	38½
Cameron Iron and Coal Co.....	100	2,720,000				45	46
Columbus & Hocking Coal & Iron Co.....	100	4,813,000				37½	38
Maryland Coal Co.....	100	4,400,000				14	16
Montauk Gas Coal Co.....	100	2,500,000					
N. Y. & Perry Coal and Iron Co.....	100	1,500,000				71	72
New Central Coal Co.....	100	5,000,000				16½	17½
Pennsylvania Coal Co.....	50	5,000,000	Q F				
Quicksilver Mining Co.....	100	5,708,700				6½	7½
do do preferred.....	100	4,281,300				30	31
Tenn. Coal, Iron & R. R. Co.....	100	10,000,000				45	47

EXPRESS.

Adams Express.....	Par 100	12,000,000	Q M	150	138½	142½	144
American Express.....	" 100	18,000,000	J & J	111	101½	109	111
United States Express.....	" 100	7,000,000	Q F	66	51	62½	64
Wells Fargo Express.....	" 100	6,250,000	J & J	130	119	128	131
Pacific Mail Steamship Co.....	" 100	20,000,000		67	45½	54½	55

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph.....	100	3,000,000		45	30		
Albany City 6's.....		500,000					
Albany & Chesapeake 1st 7's.....	1909	500,000	J & J				*115
Alabama Central Railroad 1st 6's.....	1918	1,000,000	J & J				
Allegheny Central 1st mortgage 6's.....	1922	800,000	J & J				
Atlantic & Pacific W'n div. 1st m. 6's.....	1910		J & J				
Boston, H. & Erie 1st mtge 7's.....	1900						
do do guaranteed.....		848,000	J & J				
Boston & New York Air Line.....	100	1,000,000					
Brad'd. Bordell & Kinzua.....	100	500,000					
do do 1st 6's.....	1932	500,000	J & D			*50	65

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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NOTE.—The bonds enclosed in a brace are leased to Company first named.

FREE LIST—Continued.

NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAR. 1, 1887.	
			Hgh.	Low.	Bid.	Askd
Bradford, Eldred & Cuba. 100	500,000					
do do 1st 6's. 1882	500,000	J & J			*37	42
Brooklyn City R. R. 10	2,000,000	Q F				
Brooklyn Gas Company. 25	2,000,000					
Brooklyn, Bath & C. I. 1st 6's. 1912	200,000	F & A				
Buffalo & Northwestern. 100	471,900					
do do preferred. 100	471,900					
Carolina Central 1st mortgage 6's. 1920	2,000,000	J & J				*109
Cedar Falls & Minnesota Railroad. 100	1,587,000		19½	11	15	17½
Cincinnati, Sandusky & Cleveland. 50	4,500,000		51	32		
do do preferred. 100	429,000					
do do 1st 7's. 1890	1,072,200	J & D				
Cincinnati, Lafayette & Chic. 1st 7's. 1901	900,000	M & S				*118
Cin. & Sp. 1st Mort. C. C. & I. 7's. 1901	1,000,000	A & O	119	114		*115
do. 1st m. g'd L. S. & M. S. 7's. 1901	1,000,000	A & O	121	117½		118
Cincinnati, Hamilton & Dayton. 100	3,500,000		149	105½		*170
do consol Sinking Fund 7's. 1905	1,000,000	A & O	120	120		*105½
Cincinnati, Ind., St. Louis & Chicago. 100	7,000,000		101	70	*92	95
do do consol. 6's. 1920	1,000,000	M & N				
Cin. W. & Baltimore prior lien 4½'s. 1893	500,000	A & O				
do 1st 6's. 1931	1,250,000	M & N				*108
do 1st 4½'s guaranteed. 1931	5,922,000	M & N	106½	103½	104½	106
do 2d 5's. 1931	3,040,000	J & J				
do 3d ¾'s. 1931	2,270,000	F & A				
do 1st income mortgage 1931	3,040,000	F & A				
do 2d income mortgage 1931	4,000,000					
do preferred stock. 100	12,993,200		12	5	9	9½
do common stock. 100	5,886,100		6½	2½	5½	6
Citizens' Gas Company. 20	1,200,000					
Columbus, Springfield & Cin. 1st 7's. 1901	1,000,000	M & S				
Consolidation Coal, convertible 6's. 1897	1,250,000	J & J				
Cumberland & Penn. 1st 6's. 1891	903,500	M & S			108	
do do 2d 6's. 1888	430,000	M & N			102	
Cumberland & Elk Lick Coal. 100	1,000,000					
Chicago City 7's. 1890	220,000	J & J				
Charlotte, Col. & Augusta 1st 7's. 1886	2,000,000	J & J				
Chicago & Atlantic 1st 6's. 1920	6,500,000	M & N				*104½
do do 2d 6's. 1922	2,500,000	F & A				
Des Moines & Ft. Dodge 1st mort. 6's. 1905	1,200,000	J & J	87½	85	*97	101
Dubuque & Dakota 1st 6's. 1919	630,000	J & J				
Duluth Short Line 1st 6's. 1916	500,000	M & S				
Danbury & Norwalk Railroad. 50	600,000					
Detroit, Hillsdale & Southwestern. 100	1,350,000	J & J	82	79		
Eighth Avenue Railroad. 100	1,000,000					
E. & W. R. Co. of Ala. 1st gold 6's. 1912	800,000	J & D	100½	99½		100
Erie & Pittsburgh Railway. 50	1,998,400	Q M				
do do consolidated 7's. 1898	24,500,000	J & J				
Farmers' Loan & Trust Company. 25	1,000,000				430	
Frankfort & Kokomo Railroad. 50	800,000					
do do 1st 7's. 1908	200,000	J & J				
Fort Worth & Denver City Railroad. 100	2,880,000		25½	15	*22	
Galveston, H. & H. of '82, 1st 6's. 1913	2,000,000	A & O	79	71		81
Gold and Stock Telegraph Co. 100	5,000,000	Q J				
Grand Rapids & Indiana 1st 7's. 1899	506,000	A & O			*105	
do 1st guaranteed 7's. 1899	3,934,000	J & J				120
do 1st extended land 7's. 1899	1,010,000	A & O			*113	120
Henderson Bridge Co. 100	1,000,000					
Ind., Decatur & Sp. 1st 7's coupon. 1900	187,000	A & O				
Iron Steamboat Company 6's. 1901	500,000	J & J	90	85½	102	105
Int. & Gt. N'n 2d income. 1909	370,000					
Jefferson R. R. 1st mortgage 7's. 1889	2,000,000	J & J	107	102½	101	
Jerome Park Villa Site & Imp. Co. 100	1,000,000					
Keokuk & Des Moines. 100	2,600,400		16	5½	*6	8
do do preferred. 100	1,524,600		38½	28		
Little Rock & Fort Smith Railway. 100	4,086,135					
do 1st 7's. 1905	3,000,000	J & J				
Louisville City 6's, act. of Leb. bra'h. '88	225,000	J & D				
do 6's, Leb. branch extension. '93	333,000	A & O				
Long Island Railroad. 50			100	80		

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FREE LIST—Continued.

NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAR. 1, 1887.	
			High.	Low.	Bid.	Askd.
{ Brooklyn & Montauk Railroad.....100	900,000					
do do preferred.....100	1,100,000					
{ South Side 1st mortgage 7's.....1887	750,000	M & S				*101
Smithtown & Port Jefferson 1st 7's..1901	600,000	M & S				
Louisiana & Missouri River.....100	2,272,700				*24 1/2	25
do do preferred.....100	1,010,000				*55	
do do preferred g'd.....100	229,100				*120 1/2	124
Louisiana Western 1st 6's.....1921	2,240,000	J & J				
Lake Erie & Western Railroad.....100	7,720,000		18 1/2	7 1/4	*14 1/2	15
do do assessment paid.....1892	500,000	J & D	22 1/2	14 1/2	*20 1/2	21 1/2
Lac. & Sus. Central 1st E. side 7's.....1892	500,000	J & D				
do do W. side 7's.....1892	1,282,000	Q J				
Metropolitan Elevated.....100	1,282,000	J & J				
Mariposa Gold Convertible 7's.....1886	250,000	J & J				
Memphis & Charleston.....25	5,312,725	J & J	69 1/2	29	57	59
do 1st consol'd Tenn. lien 7's..1915	1,400,000	J & J			*128	
Missouri, Kansas & Texas.....100	2,298,000	J & J	38 1/2	21		
{ Union Pacific South Branch 1st 6's..1899	247,000	J & D				
Tebio & Neosho 1st mortgage 7's.....1903	32,000	M & N				
Hannibal & Central Missouri 2d 7's..1892	1,000,000	M & N				
Boonville Bridge Co. 7's guarant'd..1906	208,000	J & J				
Milwaukee & St. P. con. Sink. F'd 7's..1905	86,000	J & J				
do 1st m. Hastings & Dakota 7's..1902	520,000	J & J				
Milwaukee & Lake Winnebago.....100	780,000					
do do preferred.....100	1,420,000	J & J				
do do 1st 6's.....1912	520,000					
do do income 5's..1912	1,000,000	F & A				
New York Life & Trust Co.....100	2,804,000	J & J				
Norwich & Worcester.....100	300,000	J & J				
Nash., C. & St. L. 1st 6's, T. & P. branch..1917	320,000	J & J				
do 1st mort. 6's, McM., M. W. & A. b.	1,500,000					
New London Northern R. R.....100	3,500,000					
New York Mutual Gas Light.....100	1,449,608	J & J	101 1/2	91	96	*100
N. J. Southern int. guaranteed 6's.....1899	4,000,000					100
New Orleans, Mobile & Texas.....100	1,500,000		180	149 1/2	160	170
N. Y. & Texas Land Co., limited.....50	2,968,100		57 1/2	50		50
do do Land Scrip.....1912	2,103,000	A & O				
N. Y., Texas & Mexico 1st 6's.....1902	600,000	J & J				
N. Y., Wood. & R. 1st 6's.....1912	1,000,000		30	10		10
do do 2d income.....1912	650,000	A & O				
N. Y., B'klyn & Man. Beach pref.....100	720,000	A & O				
Nevada Central 1st mortgage 6's.....1904	1,320,400					
Oswego & Syracuse.....1820	642,000				3	4
Panama.....100	7,000,000	Q F				
Pullman's Palace Car debenture 7's..1888	1,000,000	A & O			106	
Phila. & Reading con. coupon 6's.....1911	7,304,000	J & D				
do registered 6's.....1911	683,000	J & D				
do coupon 7's.....1911	7,310,000	J & D				
do registered 7's.....1911	8,338,000	J & D				
do imp't m'tge. coupon 6's.....1897	9,384,000	A & O				
do general m'tge. coupon 6's..1908	12,686,000	J & J				
do income m'tge. coupon 7's..1896	10,000,000	J & D			*54	
do debenture coupon 6's.....1893	670,500	J & J				
do debenture conv. 7's.....1893	10,385,900	J & J			*24 1/2	
do pref. 1st series con. 5's.....1923	6,000,000	M & N			*71 1/2	
do do 2d do 5's.....1933	5,000,000	F & A			*34	
do def'd inc. irredeemable.....	84,900,000					
do do small.....	800,000	A & O	82 1/2	70	65	
Pittsb'g, Bradford & Buffalo 1st 6's..1911	10,000,000		170	155		
Rensselaer & Saratoga R. R.....100	1,193,500					
Second Avenue R. R.....100	1,500,000					
Sixth Avenue R. R.....1889	415,000	J & J				
do 1st mortgage.....1889	500,000	J & J				
Savannah & Charleston 1st 7's.....1900	608,000	F & A				
Sandusky, Day'n & Cincinnati 1st 6's..1900	1,448,800					
St. Louis, Jacksonville & Chicago.....100	1,034,000					
do do preferred.....	2,300,000					
Sterling Iron & Railway Co.....50	2,500,000		17	6 1/2	*10	11
Scioto Valley Railway.....50	7,000,000	M & S				
Spring Valley Water Works 1st 6's..1906						

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FREE LIST—Continued.

NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAR. 1, 1887.	
			High.	Low.	Bid.	Ask d
Terre Haute & Indianapolis R.	50	1,988,000	F & A		*97	100
Third Avenue R. R.	100	2,000,000			220	240
do coupon bonds.		2,000,000	J & J			
do registered bonds.						
Texas & St. Louis Railway in Texas.	100	3,128,000				
do 1st 6's. 1910		2,128,000	J & D		*74½	76
do general 1st 6's. 1921		3,945,000	J & D			
Texas & St. Louis R'way in Mo. and Ark.		9,582,500				
do do 1st 6's. 1911		4,740,000	M & S		*48½	49½
Toledo, Delphos & Burlington.	50	7,000,000				*7½
do do 1st main 6's.	1910	1,250,000	J & J			
do do 1st Dayton div. 6's. 1910		1,000,000	A & O			
do do 1st term. trust 6's. 1910		250,000	J & J			
do do income 6's.	1910	1,250,000				*7
do do Dayton div. inc. 6's. 1910		1,000,000				
Tonawanda Valley & Cuba.	100	600,000				
do do 1st 6's.	1931	500,000	M & S			
Union Trust Co.	100	1,000,000			410	
United States Trust Co.	100	2,000,000			525	
Valley Railway Co. cons. gold 6's.	1921	1,700,000	M & S	105½	104	104½
Vermont Marble Co.	100	3,000,000				
do do sinking fund 5's. 1910		1,200,000	J & D			
Warren Railroad.	50	1,800,000			*125	
do 2d mortgage 7's.	1900	750,000	A & O		*123	
Williamsburgh Gas Light Co.	50	1,000,000	Q J			
Wabash funded interest bonds.	1907				75	85
Toledo & Illinois Division 7's.		128,000	F & A		*100	
Lake Erie, Wabash & St. Louis 7's.		350,000	F & A		*90	
Great Western 1st mortgage 7's.		350,000	F & A		*100	
Illinois & Southern Iowa 7's.		42,000	F & A		*93	
Decatur & East St. Louis 6's.		472,500	F & A		*88	
Quincy & Toledo 6's.		37,500	F & A		*80	
Toledo & Wabash 2d mortgage 6's.		127,500	F & A		*85	
Wabash & Western 2d mortgage 6's.		222,500	F & A		*85	
Great Western 2d mortgage 6's.		437,500	F & A		*85	
Consolidated convertible 6's.		637,000	F & A		*85	
Central Arizona Mining.	10	3,000,000				
Excelsior Water & Mining Co.	100	10,000,000				
Homestake Mining Co.	100	12,500,000	Mo.	23	11	*17½
La Plata Mining & Smelting Co.	10	12,000,000				
Little Pittsburgh Consol. Mining.	100	10,000,000				
Mariposa L. & M. Co., California.	100	20,000,000				
do do preferred.	100	5,000,000				
Ontario Silver Mining Co.	100	15,000,000	Mo.	30	22	*24
Standard Consol'd Gold Mining Co.	100	10,000,000				25
Silver Cliff Mining Co.	50	10,000,000				

FIRST NATIONAL BANK.

Editor Rhodes' Journal of Banking:

LANDER, Wyo. Ter., February 10, 1887.

SIR:—Herein find draft to pay for our subscription to your valuable JOURNAL, together with your Directory for 1887. We should dislike very much to be without your publications.

Yours truly,

SAM'L. C. PARKS, JR., Cashier.

O'CONNOR & SULLIVAN, BANKERS.

Editor Rhodes' Journal of Banking:

SAN ANTONIO, Tex., February 11, 1887.

SIR:—Enclosed I beg to hand you draft for subscription. I consider your JOURNAL OF BANKING a most valuable publication for the use and advancement of our modern American bankers.

Yours truly,

A. HANSEL, Cashier.

FIRST NATIONAL BANK.

Editor Rhodes' Journal of Banking:

BRUNSWICK, Ga., March 1, 1887.

SIR:—A copy of your Bankers' Directory & Collection Guide was received to-day. Am very much pleased with its appearance and adaptability for ready reference.

Yours truly,

J. L. N. HENMAN, Teller.

BANKERS' OBITUARY RECORD.

Cutting.—Mr. Robert L. Cutting, a prominent banker of New York, died on February 25th, aged 75 years. He was a member of the New York Stock Exchange nearly thirty-seven years, but retired in 1881.

Farwell.—Mr. George N. Farwell, a prominent banker of Claremont, N. H., died on February 24th, aged 83 years. In 1848 he organized the Sullivan Savings Institution and in 1849 the Claremont Bank, which subsequently became the Claremont National Bank, of which he was President at the time of his death. He served several terms in the Legislature, and filled positions of trust for over fifty years. He leaves two sons, one of whom, John L. Farwell, is Treasurer of the Savings Institution.

Goodall.—Mr. Albert G. Goodall, President of the American Bank Note Company, died on February 19th, aged 61 years.

Hayford.—The Hon. William B. Hayford, President of the Kenduskeag National Bank, of Bangor, Me., died on February 8th, aged 59 years. Mr. Hayford was elected Mayor of Bangor in 1876. He was a Trustee of the Bangor Savings Bank at the time of his death.

Head.—Mr. George S. Head, formerly President of the Second National Bank, of Pittsburgh, Pa., died on February 4th, aged 68 years.

Hickling.—Mr. George M. Hickling, of the banking firm of G. M. Hickling & Co., of Philadelphia, Penn., died on January 31st, aged about 82 years. He was a senior member of the Philadelphia Stock Exchange, having been a member of the Board for almost sixty years.

Laighton.—Mr. Albert Laighton, for twenty years Teller of the Rockingham National Bank, died at his home in Portsmouth, N. H., on February 6th, aged 58 years. He acquired considerable celebrity as a poet.

Masten.—Mr. Peter Masten, one of the organizers of the State of New York National Bank, died at Kingston, N. Y., on February 18th, from paralysis of the heart, aged 70 years.

Palmer.—Mr. Nicholas Fletcher Palmer, formerly President of the Leather Manufacturers' National Bank, of New York city, died on February 27th, aged 74 years. He was connected with the bank for fifty years, passing through the several grades of employment leading up to the Presidency. He was presented with a magnificent silver service in April, 1886, in commemoration of the completion of half a century of labor for the bank. He resigned from the bank last December owing to ill-health.

Reinig.—L. O. Reinig, proprietor of the Bank of Lewis, Lewis, Iowa, died on January 30th.

Stokes.—Mr. Henry Stokes, a well-known New York banker, died on February 11th, aged 81 years. He was Vice-President of the Manhattan Savings Institution, of New York city, for a number of years, and also an active Director in the Union Trust Company, the Citizens' National Bank and other financial institutions.

Thacher.—The Hon. George H. Thacher, Vice-President of the City Bank, of Albany, N. Y., died in that city on February 15th, aged 69 years. He was elected Mayor of Albany in 1860, and served four terms. At the time of his death he was worth about \$1,000,000.

Wells.—The Hon. Chandler J. Wells, one of the founders of the Erie County Savings Bank, of Buffalo, N. Y., died on February 4th, aged 72 years. He was Mayor of Buffalo in 1860, and for many years was very active in advancing the interests of that city.

BANK OF RADCLIFFE.

Editor Rhodes' Journal of Banking:

RADCLIFFE, Iowa, February 15, 1887.

SIR:—The December number, Volume XII., of RHODES' JOURNAL OF BANKING is before me. I like it very much. Enclosed find draft for subscription.

Yours,

H. D. BALLARD, *Cashier.*

CONCHO NATIONAL BANK.

Editor Rhodes' Journal of Banking:

SAN ANGELO, Texas, February 25, 1887.

SIR:—Enclosed find draft, for which please send JOURNAL as before. We can't do without it.

Yours,

R. B. TALBERT, *Cashier.*

[In January this subscriber ordered the JOURNAL discontinued, and, in accordance with an invariable rule of this office, his request was promptly complied with. The above letter, therefore, is especially significant. Our publications are only sent to those who want them. No forcing process is permitted here.—B. R. & Co.]

WINTON & DEMING STATE BANK.

Editor Rhodes' Journal of Banking:

ASHLAND, Kansas, February 25, 1887.

SIR:—Your Bankers' Directory (the red book) received, and the least we can say is that we are greatly pleased with the same. It is the best publication we know of—and we have used them all.

Yours truly,

H. E. TAYLOR, *Cashier.*

RHODES' JOURNAL OF BANKING.

Vol. XIV.

APRIL, 1887.

No. 4.

MENTION was recently made in the JOURNAL of efforts to establish savings banks in Illinois on the system prevailing in New York and Massachusetts. It is gratifying to note that similar plans are progressing in Missouri, a number of prominent residents of St. Louis having obtained the introduction of a bill in the Legislature to incorporate a genuine savings bank system. That is to say, the banks are to be managed by Trustees serving without compensation; they are to pay not over 4 per cent. on deposits; the method in which the deposits shall be invested is strictly prescribed; the banks are prohibited from discounting or carrying on a commercial banking business; and they are to report to and be examined by the State authorities. As the *St. Louis Republican* says: "There are many banks in St. Louis—enough to accommodate the business interests; but they do not want the small sums that make up the monthly, weekly or daily savings of working people, teachers, clerks, messengers, servants and other wage-earners, and this large class of our citizens are forced to keep their money as they best can. Many do not save because of the want of a safe place to deposit their savings." It is to be hoped that this state of affairs will no longer exist. It is much better, besides, for the people to establish banks themselves than to ask the Government to do it for them, especially as the Government has no way of using the deposits to advantage. Every State in the Union should have a savings bank system similar to the one shortly to be introduced in Illinois and Missouri, which, in the main, is founded on the principles underlying the provident savings banks in New York and the New England States. Some idea of the success of savings banks in the State of New York may be formed by reading the report of Bank Superintendent Paine in this number of the JOURNAL.

THE QUESTION WHETHER OR NOT a monetary panic is likely to occur this year on account of the failure of Congress to dispose of the Treasury surplus has aroused considerable interest. While the late Congress fully deserves all the criticism so far received for its short-

comings, yet the reasons given for expecting trouble to the money market from the cause mentioned are insufficient. If the three per cents. are all redeemed before the next session of Congress, and money is accumulating in the Treasury, most assuredly the Secretary of the Treasury will buy $4\frac{1}{2}$ or 4 per cent. bonds. The belief that, if he does this, the bonds will go up to an extravagant figure is not well founded. If money is scarce some of the holders would rather sell at the present high premium in order to use their capital to better advantage. There would be free competition among the bondholders, and the price of the bonds in the open market would be governed by the price of other good securities. The money paid by the Department would go more directly into the channels of trade than the money paid now for the three per cents., which is left in the Treasury, to a great extent, in order to redeem the bank circulation now issued against the bonds. The period during which there is a chance of money accumulating in the Treasury covers only a few months preceding the next session of Congress. At that time a policy of some kind in relation to disposing of the surplus will perhaps be decided upon.

MR. EDWARD ATKINSON, of Boston, has recently written a strong argument in favor of redeeming Greenbacks. [The letter is printed in full in this issue of the JOURNAL—see "World of Finance."] He shows that the various other kinds of money in the country (gold coin, silver coin, gold certificates, silver certificates and National bank notes) have some tangible value or capital upon which they are based, but the legal-tender notes are simply evidences of debt due from the Government. Strangely enough, however, the National banks are permitted to use these notes as part of their reserve instead of coin or coin certificates. It seems to be assumed, he says, that if the Greenbacks were redeemed the effect would be either like "a great withdrawal of actual capital from its customary use or a large quantity of coin from the banks to be piled away idle in the Sub-Treasury of the United States." This common view of the matter is certainly erroneous, as the notes are mere promises of the Government to pay money; and, being once redeemed, there is no necessity for their reissue. This simple, natural and honest method of disposing of the Treasury surplus is one less often thought of than it should be.

F. E. SPINNER, formerly Treasurer of the United States, who has been living in retirement for a number of years past in Florida, recently wrote his views on the silver coinage to a banker friend in the North. He considers the existing silver legislation dangerous and mischievous, and warns his friend to prepare for the "storm that is sure to come when we shall pass from the gold standard of the commercial world to our alternate depreciated silver standard." There is nothing new in this warning, but it should not be forgotten that the country's finances

are moving directly toward the danger mentioned, and that it has been so far avoided is mainly due to the superior administration of the laws as compared with financial legislation. Very likely timely warning will be given by the state of the Treasury before gold will go to a premium. This may suffice for ordinary business transactions, but in making their engagements a long time ahead wary business men will not leave it out of consideration. Of course, no important change will occur very soon.

A STRONG EFFORT HAS BEEN MADE during the present session of the Pennsylvania Legislature to pass a measure favoring a State supervision of banks. It met considerable opposition, however, many of the members thinking it was a scheme to persecute the banks, and on March 15th it was defeated in the Assembly on its final passage. The vote was reconsidered, however, and the bill may come up again. Laws similar to those embodied in this bill have been enacted for many years in a number of States, and neither the banks doing business under their provisions nor the public have found them open to the objections brought forward at Harrisburg. It is perfectly competent for the Legislature to require that banks incorporated under State laws shall make regular reports of their condition, which should be published. In order that the reports may be properly compiled and published it is necessary that the matter be put in charge of an officer appointed for the purpose, as in New York, Minnesota and many other States, or else the work will be done in a merely perfunctory manner. The examination of State banks should also be provided for. Under a system devised to carry out these ends well-managed banks will flourish and weak or badly-managed ones be weeded out. The history of Pennsylvania banking for a few years past shows the necessity of this reform.

A NUMBER OF BILLS have been offered in the Massachusetts Legislature to widen the scope for investing savings bank funds, which has lately become somewhat restricted. One of these measures proposes to extend the limit applied to loans on personal security or three-named bills receivable from $33\frac{1}{4}$ to 40 per cent. of the deposits; but this might be rejected, as discounting bills should be left to purely commercial banks. Another proposal, to allow investments in the first mortgage bonds of any railroad that has earned and paid dividends for ten consecutive years, has been criticised on the ground that it is based on the "theory that increase of revenue is of first importance, whereas the cardinal principle in dealing with savings deposits certainly should be security first, last and always, and revenue an after consideration." Security should certainly be the cardinal principle, but, after this has been provided for, it is foolish to ignore the importance of profit to the depositor. It is a part of the inducement to save that a fair profit can be earned on the money. It is surely true that the losses to savings bank depositors in past years—small as they are—can be traced to laxity in the laws governing investments; but now that State supervi-

sion of these institutions is much more closely applied than formerly it does seem necessary for the good of the system that a little wider latitude in the way of investments could safely be accorded.

THE SCARCITY OF SMALL BILLS gives rise from time to time to a great many misunderstandings. Treasury officials, the banks and even bear speculators have been blamed for a lack of sufficient one and two-dollar notes. It is argued that the present state of affairs could not arise from an increase in business transactions, because this was gradual, while the scarcity of notes has been suddenly felt. This idea is far from being correct. It is comparatively a long time since the Treasury Department ceased printing one and two-dollar greenbacks, which caused an inquiry during the past session of Congress, but it seems that this did not change the rule not to put any more small bills in circulation. The object of Secretary Manning was to produce an outlet for the circulation of silver dollars. This policy did not suit the silver men, and Congress provided for issuing small silver certificates, which were only begun a few months ago; but the supply does not meet the present demands of business. During the clamor the bright idea of circulating the "stove-lid" dollars does not seem to have occurred to any person. However, the Treasury presses are once more at work on small certificates, and the policy of tiding over a temporary difficulty at the cost of future disaster is being continued.

BY PASSING AN ACT to redeem trade dollars, Congress did but simple justice to holders of the coins. Their rights have been persistently delayed by arguments to the effect that the coins were not issued for general circulation, but merely for foreign use, as if this could relieve the Government from all responsibility for money issued from its Mint, stamped with its insignia, and created by law as coin of the United States and a legal-tender in sums of not over five dollars. Many newspapers considered it a strong argument against recognizing the trade dollars because they had fallen into the hands of speculators. It is certain that speculators have gained little or nothing by the transaction, because they lost the interest for a number of years on the money they had invested in trade dollars. Besides, is not any repudiated Government obligation sure to go into the hands of speculators? That is a favorite argument with repudiators generally. Honest people should not use reasons in one case that they ignore and contest when brought forward in similar transactions.

THE UNITED STATES has an advantage over most other countries in being a large producer of precious metals. Its mines yielded \$35,000,000 of gold last year (not an extraordinary output), and, if it had exported most of this, it would be no poorer in the metal than the previous year. A large amount of gold could be exported this year without affecting the finances of the country in the slightest degree.

NATIONAL BANK RESERVE CITIES.

One of the final acts of Congress at its last session was to provide for an increase in the number of National bank reserve cities. The Act amends Sections 5,191 and 5,192 of the Revised Statutes, which specify in what cities National banks may keep a portion of their reserve to secure deposits.

The cities named as reserve cities in the Revised Statutes are New York, Boston, Chicago, Cincinnati, Cleveland, Philadelphia, Pittsburgh, Baltimore, Washington, Albany, Louisville, New Orleans, Detroit, Milwaukee, San Francisco and St. Louis.

The National banks in these cities are required to maintain a cash reserve equal to 25 per cent. of their deposits, but are allowed to keep one-half of this reserve in New York city banks.

The banks outside of the sixteen cities named are required to keep a reserve of 15 per cent., of which they are allowed to keep three-fifths on deposit with reserve city banks.

The law passed by Congress now provides that whenever three-fourths of the National banks located in any city having a population of 50,000 shall make application to the Comptroller of the Currency in writing, asking that the name of the city in which such banks are located shall be added to the list of cities named in Sections 5,191 and 5,192 of the Revised Statutes, the Comptroller shall have authority to grant such request, upon the condition that every bank located in such city shall at all times thereafter have on hand an amount equal to at least 25 per cent. of the deposits as provided in said sections of the Revised Statutes.

The law also provides that, whenever three-fourths in number of the National banks located in any city having a population of 200,000 shall make application that such city may be a central reserve city like the city of New York, in which one-half of the lawful money reserve of the National banks located in other reserve cities may be deposited, as provided in Section 5,195 of the Revised Statutes, the Comptroller shall have authority, with the approval of the Secretary of the Treasury, to grant such request upon the condition that every bank located in such city shall at all times thereafter have on hand 25 per cent. of its deposits.

The Comptroller of the Currency has decided that the application of any bank to have the city in which it is located made either a reserve or a central reserve city must be authorized by a majority of the Directors, so that there can be no question raised as to the authenticity of the application.

The object of the law has been stated to be to distribute more evenly the reserve fund throughout the country, and particularly to keep the reserve from increasing in New York, there to be used for speculative purposes.

Whether the law will accomplish any such result is a very doubtful question. In the first place, legislation is not likely to prevent money going to the commercial centre which is the most convenient point and the only place where large amounts can be employed. New York banks pay interest for money deposited with them by outside banks, and thus attract the reserves

of other cities. The banks of other reserve cities have for years paid larger rates of interest for deposits without affecting the amounts held in New York.

The provisions of the law relative to reserve cities do not hold out the advantages which at a first glance they seem to do. All banks in reserve cities must hold a 25 per cent. reserve, while in other places only 15 per cent. is required. Nor do the latter have to hold in cash in their vaults more than two-fifths of their 15 per cent. reserve, while the reserve city banks are compelled to hold one-half of their 25 per cent. reserve in cash.

The difference may be shown by assuming that the deposits of a bank in each class are \$1,000,000 each. The reserve city bank will have to hold \$250,000 of reserve, of which \$125,000 must be in actual cash and \$125,000 on deposit, if the bank so chooses, in a central reserve bank. The bank which is not in a reserve city is required to hold a reserve of only \$150,000, of which \$60,000 must be in cash and \$90,000 may be deposited in a reserve city bank. In the first case the bank can use \$875,000 of its deposits, in the second case \$940,000.

The effect of this provision of the law is seen in the amount of cash reserve and reserve held with agents by banks in reserve cities and other banks at different periods. To show this below are given the amounts reported at the close of each of the past ten fiscal years, as follows :

October 1st.	RESERVE CITIES OUTSIDE OF NEW YORK.		OTHER BANKS.	
	Cash reserve.	Deposited with reserve agents.	Cash reserve.	Deposited with reserve agents.
1877.....	\$39,900,000	\$24,400,000	\$35,800,000	\$48,900,000
1878.....	38,800,000	29,100,000	39,100,000	58,000,000
1879.....	44,300,000	35,700,000	41,800,000	71,300,000
1880.....	53,300,000	48,200,000	49,500,000	86,400,000
1881.....	56,500,000	40,600,000	54,600,000	82,400,000
1882.....	52,400,000	33,200,000	60,000,000	80,100,000
1883.....	56,400,000	40,800,000	62,000,000	84,100,000
1884.....	63,600,000	32,300,000	66,100,000	79,700,000
1885.....	76,900,000	42,400,000	71,400,000	95,900,000
1886.....	70,500,000	41,300,000	77,900,000	90,500,000

It will appear from the above that the total cash reserve carried by the banks outside of reserve cities in October, 1886, was only \$7,400,000 more than that held by the reserve banks outside of New York, while they had \$58,200,000 more deposited with reserve agents. Yet the net deposits of the reserve cities amounted to only \$381,500,000, while in the remaining banks they aggregated \$637,600,000. That is, with about 75 per cent. more deposits, the outside banks carried only about 10 per cent. more cash in their reserve. In 1885 the cash reserve of outside cities was smaller than that of the reserve cities, although the deposits were \$206,000,000 larger.

The figures indicate that the banks find it advantageous to keep their reserve where they can get interest on it rather than to keep it as idle cash in their vaults. By examining the returns of the reserve banks it also appears that they in turn find it profitable to keep as much of their reserves as they can in New York because it is the commercial centre.

From the statements of the banks to the Comptroller of the Currency on October 7, 1886, the following figures are obtained, showing the amount due from reserve agents and from other National banks to the banks in

each reserve city and the amount due from reserve banks to the National banks:

	<i>Due from approved reserve agents.</i>	<i>Due from other National banks.</i>	<i>Due to National banks.</i>
Boston	\$11,704,020	\$10,126,350	\$26,905,918
New York		18,850,754	103,127,344
Albany	1,441,196	1,131,761	2,270,631
Philadelphia	7,656,746	4,926,405	14,143,900
Pittsburg	1,922,938	959,801	3,060,964
Baltimore	1,652,528	1,308,172	2,929,853
Washington	920,393	244,177	228,988
New Orleans	692,471	190,203	853,913
Louisville	784,158	252,266	459,943
Cincinnati	2,769,457	1,688,126	6,830,330
Cleveland	1,197,410	1,246,735	988,850
Chicago	6,748,977	3,900,321	17,302,315
Detroit	1,312,098	931,765	1,225,748
Milwaukee	1,069,619	464,701	835,881
St. Louis	1,367,928	542,436	2,215,162
San Francisco	31,563	68,307	409,086
Total for reserve cities	\$41,271,502	\$46,835,280	\$183,788,826
All other National banks	99,493,077	33,691,335	34,607,124
Total for United States	\$140,764,579	\$80,526,615	\$218,395,950

The last column shows only the amount due from the reserve banks to other banks, the amount held by the former as reserve agents not being separately stated. The first column, however, shows that the reserve cities have \$41,271,502 deposited with reserve agents, of which \$11,704,020 belongs to Boston banks, \$7,756,746 to Philadelphia banks, \$6,748,977 to Chicago banks, and \$2,769,457 to Cincinnati banks.

Where the money is lodged may be inferred from the fact that, out of \$183,788,826 due from reserve banks to other banks, the New York banks hold \$103,127,344, or nearly 60 per cent. Boston, Chicago and Philadelphia hold about \$58,000,000 more, or a little more than one-half of what is held in New York. All of this money, of course, is not held by the banks in the cities named, as reserve agents, but the greater proportion of it is.

The facts which these figures show are that New York naturally attracts the surplus funds of banks in other cities. Because a city may be denominated a reserve city it does not follow that the banks in that city will find it to their interest to keep their funds in their own vaults or in neighboring reserve cities.

No objection is here raised against the proposition to increase the number of reserve or central reserve cities. Whatever objection there may be is likely to come from the banks in the cities which are likely to become reserve cities, for the law provides that *every* bank in a reserve city shall come under the rule relative to the manner of holding its reserve, whether or not it desires to become a reserve agent.

The text of the law will be found on another page.

The New York Legislature is considering several measures of interest to bankers. The Trust Company Bill passed the Senate, but has been amended in the Assembly, and consequently must be returned to the Senate for concurrence. The Savings Bank Tax Bill is an unrighteous measure (its success would be a serious blow to the progress of these institutions) and should be defeated.

BANK OF AMERICA CLEARING-HOUSE CERTIFICATES.

Under Section 5,192 of the Revised Statutes of the United States, "Clearing-House certificates, representing specie or lawful money specially deposited for the purpose, of any Clearing-House Association shall also be deemed lawful money in the possession of any association belonging to such Clearing-House holding and owning such certificates." National banks in New York city belonging to the Clearing-House Association can, therefore, hold the full amount of their lawful money reserve in these certificates. When formerly what were known as three per cent. certificates issued by the Government were permitted to form a part of the lawful money reserve in bank, there was a requirement that two-fifths of such home reserve should be held in specie or legal-tender notes.

From the report of the Comptroller of the Currency for 1880 it appears that, after the discontinuance of the issue of gold certificates by the Government in 1878, and the increase of gold coin consequent on the resumption of specie payments on January 1, 1879, the banks in New York city found it necessary to select the Bank of America as a depository of gold coin for the convenience of the Clearing-House. Certificates of deposit at this depository were first issued on October 14, 1879.

The Clearing-House balances during the years from 1881 to 1886 were paid in the following medium, as shown by information furnished to the Comptroller of the Currency by Wm. A. Camp, Manager of the New York Clearing-House :

	<i>Certificates of Bank of America.</i>	<i>U. S. Gold Certificates.</i>	<i>U. S. Legal- tender Certificates.</i>	<i>Gold Coin.</i>	<i>Legal- Tenders.</i>
1881.	\$1,394,966,000	.....	.....	\$392,419,000	\$8,633,161
1882.	1,325,990,000	.....	.....	259,550,000	10,220,245
1883.	1,020,039,000	\$530,718,000	.....	6,864,000	10,017,196
1884*	751,382,000	640,370,000	\$20,320,000	.....	42,198,994
1885.	120,436,000	556,376,000	406,900,000	.....	212,643,251
1886† ...	177,673,000	645,643,000	286,796,000	.....	410,814,385

* In this year there were also \$70,510,000 Clearing-House loan certificates.

† In this year there were also \$140,000 Clearing-House loan certificates.

The issue of gold certificates by the United States was resumed under the Act of July 12, 1882, and the use of these certificates has in the last four years largely superseded that of the Bank of America certificates and gold coin entirely. The use of legal-tender notes and United States legal-tender certificates has, however, increased, which would indicate a tendency to hold gold.

A question has arisen whether the Bank of America certificates are issued in a form that conforms to the requirements of Clearing-House certificates, which, under Section 5,192, may be counted as lawful money reserve ; and this necessarily includes another question, whether the Clearing-House Association is bound for the payment of these certificates.

It will be seen by Section 5,192 that the certificates which may be counted as a reserve must be those of the Clearing-House Association. It nowhere appears on their face that the Bank of America certificates are those of the Clearing-House ; there is nothing to show that the deposit is made under the

authority or order of the Clearing-House, or that the certificates are anything more than certificates of special deposits of gold coin with the Bank of America, for the issue and payment of which that bank is alone responsible.

It would seem that, under the terms of the law, a Clearing-House certificate to be counted as reserve should either be issued by the Clearing-House directly, specifying that the specie deposited is a special deposit made with the specified depository for the purpose of facilitating the payment of balances; or, if the certificate is issued by a depository bank specially selected by the Clearing-House, it should state the fact of such selection, etc.; and the certificate not be regarded as complete until countersigned by the Clearing-House Association.

As far as the simple counting of these certificates in the form at present issued as reserve, this is a matter for the Comptroller of the Currency to decide.

The more important phase of the question is whether, in the event of loss through any cause, the Clearing-House Association would be responsible.

The deposit is made "specially for the purpose," and would, perhaps, come under the law of ordinary special deposits, the liability of the Bank of America depending on the degree of care exercised, which might make the recovery from that bank a matter of tedious litigation.

The Clearing-House Association has certainly the right to issue the certificates, inasmuch as it has (in 1873 and in 1884) issued Clearing-House loan certificates which were used in payment of balances.

The subject is not, however, of so much importance since the passage of the Act of July 12, 1883, authorizing the issue of United States gold certificates, inasmuch as the banks can, if the Comptroller decides that the Bank of America certificates are not in legal form, avoid all difficulty by transferring their gold to the Treasury, and taking out United States gold certificates.

Big Checks.—It is a satisfaction to read about checks that have drawn large sums from banks even if every person is not fortunate enough to have a bank account that will stand such drafts. The largest check ever made in the United States—according to the JOURNAL's records—was drawn by Mr. John D. Taylor, recently deceased, who was for many years Treasurer of the Pennsylvania Railroad Co. It was given to purchase a controlling interest in the Philadelphia, Wilmington & Baltimore Railroad, the stock being held in Boston. The check was drawn on the National Bank of Commerce, New York city, to the order of Lee, Higginson & Co., Boston, and was for the very comfortable sum of \$14,256,440. Great as was this amount—being nearly equal to the total award in the Alabama claims—it was transferred from Philadelphia through the New York banks to Boston without causing even a ripple in the financial sea. Jay Gould is also famous for the easy manner in which he can sign big checks; and they are good, too! It is a matter of record how he testified to drawing \$5,000,000 and \$10,000,000 checks for subscription to the American Cable Company. Another of his big checks was the one in payment of President Scott's interest in the Texas Pacific Railroad. It was written on a plain sheet of note paper, drawn upon the Fourth National Bank, of New York city, and amounted to \$8,400,000. Other checks for enormous sums have been drawn at different times by members of the Vanderbilt family, but the foregoing are believed to be the largest ever used in any legitimate business transactions.

THE SUB-TREASURY SYSTEM.

The failure of Congress to provide for the distribution of the surplus revenues of the Government must necessarily cause the forced locking up of large amounts of money in the Treasury for some time to come. On the 1st of April there were less than \$30,000,000 of bonds subject to call which had not been redeemed, and by the 1st of July these, in all probability, will have been retired.

No other bonds can be retired, except at the option of the holders, until September 1, 1891, so that four years must elapse before debt-paying can be resumed, unless the Government goes into the market as a purchaser at the current premium rates. During that time what the Government is to do with its surplus revenues Congress has not decided, yet that surplus is not likely to fall much below \$100,000,000 a year unless the annual expenditures are increased or the revenue laws changed.

Until December, at least, there can be no provision made for the use of the surplus. It is assumed, of course, that the President will not call Congress in special session to act upon this matter. For nearly six months, therefore, after all the redeemable bonds have been paid off, the surplus will be accumulating in the Treasury, and how much longer will depend entirely upon the promptness with which Congress disposes of the question.

While it may be useless at this time to discuss any proposition as to the best way in which to dispose of the surplus, the question how to prevent a locking up in the Treasury of money required in circulation is timely enough to admit of discussion.

It would not be of such vital importance that the Government is collecting \$100,000,000 more per annum than its immediate wants require were it not that this large sum is retired from the channels of trade and forced into unproductive idleness when it might be kept in profitable employment. The contraction of the circulating medium promises to be more disastrous than the over-taxation which produces the unused surplus.

Under the Sub-Treasury system, money which the Government takes, but for which it has no immediate use, is in effect demonetized so far as its public use is concerned. The vaults in which this money is deposited are, as their name implies, burial places, and, were they accessible to the public, numerous would be the mourners who would be tempted to visit them when money is scarce everywhere except in the one place where it should be scarce.

It is not within the scope of this article to discuss the history of the Sub-Treasury. Suffice it to say that its adoption was a departure from the policy of other great nations. The experience of the Government with United States banks was not pleasant or satisfactory. When the revenues and cash balances of the Government were small the practicability of holding in its own possession its surplus was not doubted, and only in recent years has the policy of locking up Government funds come to be burdensome.

From 1840 until 1861 the net ordinary receipts of the Government never reached \$75,000,000 in any one year. The annual receipts ranged from about

\$16,000,000 to \$74,000,000, while the average for the twenty-two years was less than \$44,000,000 per annum. The balance in the Treasury at the end of each year during that period ranged from \$28,000,000 to \$50,000,000, and averaged only \$38,000,000.

It appears, therefore, that prior to the late war neither the receipts of the Government nor the balances which it carried were large enough to cause very much apprehension of the dangers involved in the forcible withdrawal from circulation of the money held by the Government.

But the financial affairs of the Government have grown to mammoth proportions. We paid for pensions alone last year nearly \$20,000,000 more than the average yearly revenues of the Government were between 1840 and 1861.

Skipping over the period of the war, when the receipts and disbursements of the Government were exceptionally large, and starting with 1870, the record down to date shows that the moneys constantly going into the Treasury amount to enormous sums. The net ordinary receipts during that period have ranged from \$257,000,000 to \$395,000,000, and averaged \$332,000,000 per annum, or at the rate of over \$1,000,000 for each business day.

This, it is to be understood, comprises only the net ordinary receipts which find their way into the Treasury or Sub-Treasuries. It does not include the receipts from loans, from notes redeemed, nor the gross receipts of certain branches of the Government such as the Postal Department, which turn into the Treasury only its net receipts after paying all disbursements.

The balance in the Treasury, which prior to 1860 rarely reached as much as \$50,000,000, on June 30, 1886, amounted to more than ten times that sum. How the balance has grown is shown in the following statement of the amounts reported at different periods:

<i>Year.</i>	<i>Date.</i>	<i>Balance in the Treasury.</i>
1830	December 31st.	\$6,014,539
1840	December 31st	29,963,163
1850	June 30th.	35,871,753
1860	June 30th.	32,979,530
1870	June 30th.	177,604,116
1880	June 30th.	231,940,064
1886	June 30th.	526,848,755

It is not surprising that frequent appropriations have been required to supply storage room for the funds which have accumulated, nor that the Sub-Treasuries have been increased in number and their capacity for storing money enlarged.

It should be observed, however, that not all of this \$526,000,000 of money reported in the Treasury represents cash actually withdrawn or kept out of circulation. Considerable of it is in circulation by virtue of paper representatives in the shape of gold, silver and legal-tender certificates, while a small part of the balance is represented by moneys belonging to the Government in the hands of disbursing agents, depository banks, etc.

The amount which is in fact withheld from circulation is very large, however, as is indicated by the following table, which gives the net gold coin and bullion, the net silver coin and bullion (including subsidiary silver coin), and the net legal-tender notes, after deducting the certificates outstanding, held

in the Treasury at the end of each of the past 17 fiscal years and on February 23, 1887:

	<i>Net gold.</i>	<i>Net silver.</i>	<i>Net legal-tenders.</i>	<i>Total.</i>
1870	\$76,231,846	\$1,022,007	\$31,037,862	\$108,291,215
1871	73,319,160	977,599	12,931,030	87,227,779
1872	45,013,736	1,336,013	11,331,320	58,281,069
1873	33,932,313	3,320,849	7,535,555	44,819,017
1874	50,416,008	4,559,745	10,573,548	65,554,301
1875	39,139,848	5,858,623	28,085,245	71,083,516
1876	81,042,624	6,270,433	38,324,806	125,637,863
1877	57,082,431	5,224,945	21,864,967	84,182,363
1878	103,562,522	21,913,252	25,775,120	151,250,894
1879	119,956,854	41,728,837	45,036,903	206,722,594
1880	118,181,527	68,110,768	18,785,559	205,077,854
1881	157,412,141	53,991,638	18,554,032	229,957,811
1882	143,477,369	63,827,294	21,425,589	228,830,252
1883	138,271,197	72,261,550	23,438,899	234,071,596
1884	133,729,364	72,790,123	27,993,801	234,513,288
1885	120,238,895	99,154,950	15,462,378	234,856,223
1886	156,793,743	125,134,220	22,868,816	304,796,779
1887 *	175,180,261	108,164,659	25,689,201	308,934,121

* February 28th.

The table shows how money has been accumulating in the Treasury in recent years, and it now amounts to four times what it did in 1875 and seven times the amount held in 1873.

But this money is not all held in the Treasury at Washington; in fact, only a small portion of it is there. The bulk of it is in the Sub-Treasuries located in nine different cities.

The figures are not attainable which would show the exact proportion of the amounts mentioned in the foregoing table as in the Treasury which is actually in the Sub-Treasuries, but an idea may be had of the amounts in the Sub-Treasuries by examining a statement published in the last annual report of the United States Treasurer which shows where the funds constituting the Treasury balance were held on September 30, 1886. The statement shows that the balance was \$584,124,982, of which only \$90,690,639 was in the Treasury at Washington while \$353,452,734 was in the Sub-Treasuries, the remainder being in the Mints and Assay Offices, excepting \$16,897,047, which was in National bank depositories. There was \$197,443,056 in the New York Sub-Treasury alone, over \$58,000,000 in San Francisco, \$22,500,000 at Philadelphia, \$21,000,000 at St. Louis, and \$19,600,000 at Boston, besides smaller amounts at Baltimore, Cincinnati, Chicago and New Orleans.

The locking up of money, therefore, may be traced to the maintenance of the Sub-Treasury system. The collecting of more money than the Government needs for immediate use would not in itself be so harmful were it not that it is retired from circulation. For nearly nine years the Government has kept a cash balance on hand averaging over \$240,000,000. The interest on that sum at only 3 per cent. would amount to \$64,800,000.

How to prevent, first, the locking up of money, and, second, the loss of interest upon so large a sum of money, is a question which seems capable of practical solution. The evil of the Sub-Treasury system has been very plainly set forth by Treasurer Jordan in his last annual report, in which he says:

"That alterations should be made in the present system, so that it may conform to the financial changes which have taken place since this system was adopted, does not admit of doubt. The annual and daily transactions of the Treasury have become so large, its financial operations and movements touch the interests of the people at so

many points, that great care should be taken to avoid any unnecessary friction. As the country increases in wealth and population, with the consequent increase of its revenues and disbursements, it will be impossible to continue it in its present form."

Fortunately, the Treasurer suggests a plan which would tend to bring material relief—that is, the more extended use of the banks as depositories—which he says would result in a large saving to the Government and very much lessen the chances of loss from speculation and frauds. Since 1864 over \$4,458,000,000 of Government funds have gone through National bank depositories; and the Treasurer says:

"No loss has resulted in this class of deposits for the past 18 years, although a number of failures have taken place among the depository banks."

Here may be found a complete remedy for evils of the Sub-Treasury system.

At present the rules adopted by the Treasury Department governing public deposits in National banks are not liberal enough to encourage the banks to seek that class of deposits. These could be modified so as to make the inducement to receive such deposits greater without in any way impairing the security for their safe-keeping. In this way the surplus moneys collected by the Government could be kept in the channels of circulation and be made to earn some interest, no matter how little, for the Government.

It is certainly as poor economy for a Government to lock up its money as it would be for a private individual to keep all his capital in cash locked up in his own safe or in a safe deposit vault.

Circuitous Collection Routes.—The following from a subscriber illustrates the 'round-Robin-Hood's-barn-methods of making country collections:

Editor Rhodes' Journal of Banking:

MALDEN, Mass., March 17, 1887.

SIR:—The point of a recent article in the JOURNAL on circuitous methods of making collections was forcibly illustrated recently by a draft received for collection. The draft was dated Versailles, N. Y., and was eleven days in reaching its destination at Malden, Mass., passing from bank to bank in the following order:

Bank of Gowanda, N. Y.
First National Bank, Springville, N. Y.
Ohio National Bank, Cleveland, Ohio.
Merchants' National Bank, Philadelphia, Pa.
National Bank of the Republic, New York City, N. Y.
Manufacturers & Traders' Bank, Buffalo, N. Y.
First National Bank, New York City, N. Y.
First National Bank, Boston, Mass.
First National Bank, Malden, Mass.

Respectfully, K.

Bankers' Signatures.—A correspondent, referring to the JOURNAL's articles on Signatures, writes:

"By the way, is there any good reason why a banker's signature should be illegible? It would seem that the plainly-written signature would be much more difficult to counterfeit; and certainly the paying bank would rather have a readable signature than an illegible scrawl."

There is much force in the above suggestion. We have thought that some bank officials studied how to write their names illegibly for the simple reason that they could not be easily counterfeited. If this is not a plausible theory, then it must be from want of care. Certainly it cannot be from lack of time, for Cashiers in large banks have but little writing to do except sign their names. Our opinion is that plain signatures are the best. But we would like to hear from other correspondents on the subject.

PRIVATE BANKING IN PENNSYLVANIA.

A bill is now pending in the Pennsylvania Legislature, known as House Bill No. 27, that has for its object the bringing of private banks under State supervision, and which has caused no little acrimonious discussion. The bill was introduced at the suggestion of Auditor-General Jerome B. Niles, and provides for the appointment of a Bank Examiner, who shall have supervision over all incorporated and private banks, the same as is provided by the National Bank Act for the National banks. It requires every bank to make a quarterly report, giving a detailed statement of assets and liabilities, which is to be published three times in two newspapers in the locality of the bank. The Bank Examiner is required to make a personal examination of the bank once or more in each year and may call for additional reports from any bank whenever he thinks it advisable. The bill also provides, by certain prescribed legal procedure, for the dissolution and appointment of a Receiver for an insolvent or fraudulently conducted bank. Under this bill every bank would be required to register in the office of the Auditor-General, giving a list of the officers, amount of capital invested, etc. The Auditor-General, in his annual report, recommends the passage of the bill, stating his reasons at considerable length.

Bankers and brokers are required under the laws now in force to report annually, under oath, to the Auditor-General, their net earnings or income, upon which they are required to pay a tax to the State of 3 per cent. The banks are allowed to deduct from their gross earnings clerk hire, rent, fuel, taxes, insurance and loss in exchange, and the tax is levied upon the balance remaining.

The Auditor-General states that 266 bankers reported their income for the year 1886. Of these only 41 report an annual income exceeding \$10,000 and 27 others more than \$5,000, while 44 reported an income of less than \$500 and 29 no net earnings whatever. In referring to these banks the Auditor-General says:

"Of the above number it is estimated that some 200 are engaged in the banking business. Many of them are situated in small towns remote from National and State banks, and are the sole depositories for the savings of the communities in which they are located. Many of them have high-sounding titles, which are "taking" with the people. There is something seductive to the average citizen in the word "bank." Generally "a bank" is supposed to be a safe depository for the citizens' money. These banks sometimes consist of a single individual; more often of two or more persons, who constitute a firm or private partnership. They have no capital stock, and the public, which trusts them implicitly, has no knowledge or means of knowing the extent of their assets and liabilities. It may be said that the property of the persons composing the firm is liable to its full amount for the payment of the amount due depositors; but past experience has sadly shown that, in case of the failure of a private bank, the property and assets of the persons composing the same, in too many instances, had found its way into the hands and control of the owners' friends and relations. Convenient judgments, mortgages and transfers given before the shutters went up had been resorted to, and, when the innocent and too-confiding depositors came to look after their money, the assets were, as a rule, found to be composed of protested notes, rusty nickels and unpaid bills. In 1886, as before stated, twenty-nine reported a net loss, forty-four an income of less than \$500 and

twenty-five an income of less than \$1,000, making ninety-eight which are doing a public business, and which, on an average, earn less per annum than a good mechanic. The logic is clear that they are in an unsafe condition, or else they are not paying the State her just dues. In either event their management is wrong."

The Auditor-General states that a careful examination of the reports on file in his office will show, in many cases, that the institutions are either not in a solvent condition or else the State is not receiving a proper revenue from this source.

During the past three years four incorporated banks suspended or went into liquidation and eleven private banks failed, the losses resulting to depositors therefrom being from \$1,500,000 to \$2,000,000.

A number of statements of private banks are mentioned in detail in the Auditor-General's report, and they make a curious showing. One of these banks, located in Allegheny county, reports that it paid nearly \$22,000 in interest last year, but that the net profits on its business were but \$105.87, making its tax to the State \$3.15. A Tioga county bank reports that its gross earnings and its expenses tally to a cent, each being \$2,220.15. A York county bank makes the announcement that, while its gross income was only \$26,000, it lost \$11,500 during the year by exchange and discounting notes—nearly as much as it paid out in interest. By the sworn statement of a Columbia county bank the interest paid on deposits during the year only lacks a few dollars of the amount reported as the gross earnings. Another private bank reports exceptionally good fortune with its exchange business, as it met with no loss at all in that branch; but, although it earned only \$5,998.65, it paid \$5,835 in salaries to clerks to do its year's work. A Crawford county bank reports gross earnings of \$1,702, and clerk hire of \$1,720, which, with other incidental expenses, inflicts a loss of over \$1,000 on the bank for the year. The loss on exchange reported by a Clarion county bank exceeds by \$9 the total yearly income. A Butler county bank gives its gross income as \$2,315.36. It reports ordinary expenses at \$942 and credits itself with the sum of \$3,579.35—lost in oil. One of these private banks, with deposits of \$300,000, returned, in its report for 1883, an income of \$68. The next year, with an increased amount of deposits, it reported no income, and before it was time to make another report closed its doors and promised to pay its depositors 20 cents on the dollar. Another of these institutions, in Butler county, reports gross earnings at \$16,000 and profit and loss account at \$10,000.

Estimating from the amounts reported to the Auditor-General as paid in interest on deposits in these banks, an experienced accountant says that there cannot be less than \$10,000,000 on deposit in these 200 private banks, without taking into account the business done by about 70 brokers, who operate on the same plan and with the same freedom from surveillance and restraint. "It is as easy to start a private bank in Pennsylvania," says Auditor-General Niles, "as it is to start a grocery or a shoe store." There is absolutely no legislation governing the management of these institutions in the State.

The Auditor-General urges the passage of the bill before the Legislature so as to bring all banks under State supervision. He argues, and with sound reason, that the publication of the report of a bank, showing it, after an examination, to be upon a sound financial basis, will aid and not injure it. He further says :

"Beyond all question, the revenues of the State will be largely increased by the examination proposed by the Packer bill, and reason for such belief must be manifest to all. As bearing upon the propriety of examining State banks and private banks, I quote from RHODES' JOURNAL OF BANKING, a work of known and accepted authority, of February, 1885. After speaking of the English joint stock companies, it says: 'For many years there has been a marked tendency throughout the country to start National banks; the reason is, not the profit on circulation, for that is very trifling, but that the people have more faith in the National than in other banks generally, knowing that the statements of the former must be published regularly, and that they are under competent supervision. In this view of the case it would appear that the State banks should welcome any legislation calling for publicity of accounts within reasonable limits, and for proper oversight by a State official.' The same journal, in March, 1885, spoke editorially upon the subject as follows: 'Bills have been introduced in the State Legislatures of both Pennsylvania and Indiana, which are designed to bring all the private banks under State supervision. Leaving out of consideration the details of the bills in question, to some of which valid objection may be made, a word ought to be said here in favor of the general principle involved. Banking, in the sense of receiving deposits from the public generally, discounting, etc., is altogether too important a matter to the people to be allowed to be carried on under a cover as a purely private business. In that case the public is at a disadvantage. It is expected to trust the banker implicitly at every turn of business, and take it for granted that he is solvent and is carrying on his affairs in a legitimate way. But there is no good reason why this ought to be entirely taken for granted, and it is extremely likely that the change proposed would work as much good for the banks as for their customers. The principal advantage which the National banks now enjoy is that of efficient supervision, and this is enough to make them popular. We had occasion to quote from an English contemporary, a month ago, some remarks strongly confirming this view.' The italics are mine. The logic of these articles, to my mind, is unanswerable."

The position of the JOURNAL with reference to the supervision of the business of banking is clearly defined in the above extract. It has always favored every safeguard that would protect honest banking from falling a prey to designing people.

It is only fair to say, however, that the bill introduced in the Pennsylvania Legislature has been opposed by bankers in that State who command our confidence and esteem. Some of them have expressed to us their perfect willingness to have "any fair bill" passed, but they make objection to some of the provisions of the proposed law.

It is objected that the measure imposes obligations and restrictions upon persons doing a private business without conferring any benefit or advantage upon them. It is argued that the National Bank Act limits the liability of stockholders, allows them note circulation, and in other ways compensates them for the restrictions, duties and penalties imposed upon them.

The bill defines a banking business to be "the receipt of money on deposit, subject to check or draft, or the issuing of a certificate of deposit with or without interest." This, it is claimed, is too broad a definition, and reaches every person who receives money from another to be repaid upon order, and every person who, upon the receipt of such money, acknowledges the same and agrees that it is to be repaid upon demand; for checks, drafts, and certificates of deposit are nothing but such orders and acknowledgements.

The provision requiring private bankers to register their capital with the Auditor-General, it is argued, would compel them to list everything they own, whether used in their banking business or not, as all the property of a private banker is liable for his debts. Virtually all his assets may be classed as capital, and to compel him to file an inventory and appraisal of his entire

estate would be an injustice, and all the greater because the proposed law requires him to publish quarterly statements of his resources three times in two newspapers at his own expense.

The authority given the Auditor-General to call upon a private banker to make a report whenever the former may desire is considered by the opponents of the bill as giving one person too broad a discretion. It is also objected that the bill leaves it open for irresponsible persons—appointed temporary examiners in the absence of the Bank Examiner—to pry into the affairs and accounts of any bank and publish the information to the world.

It is further claimed that, whenever the Auditor-General shall have reason to believe that the business is being fraudulently conducted, or for any other reason that it is inexpedient that the bank shall continue, he can, without a sworn complaint, or any evidence whatever outside of his own official suspicion, cause the Attorney-General to commence a suit against the banker, and if he vindicates his integrity and solvency, it is done at his own expense, with his financial standing smirched and his business probably ruined. Such a proceeding cannot be instituted without leaving its injurious effects. All this may be done through ignorance, or upon suspicion, or from motives of malice or caprice.

It is claimed on behalf of the private bankers that they transact their affairs in the same way as all private persons in any other business, and are subject to the same penalties. They receive no favors from the State, and should, therefore, not be held to greater responsibility than other private individuals. They simply take money that is offered them and keep it for depositors, permitting them to withdraw it upon checks, orders or drafts; loan such money as they can spare; and sell exchange. These are transactions that any person may enter into without question, and which are done every day by individuals who do not claim to be bankers.

The person who deals with a private banker, it is argued, deals with him exactly as he would with a farmer or a shopkeeper. In small towns and villages the private banker usually is a man who has grown up in the community, acquired property, and by his experience and ability won the confidence of the people among whom he lives. Residing away from a large town, he establishes small banking facilities for the accommodation of his neighbors, and they rely upon their knowledge of the man and his personal responsibility without regard to State supervision or legal enactments. The banker has his reputation at stake and his property to protect, and these make him cautious. That a banker so placed should have but small profits to report is neither a reflection upon him nor upon his business standing.

Some private bankers have no idea of making large profits out of banking. They have private sources of income of their own, and their bank is either a pet hobby or is conducted as an accommodation for the neighborhood. The village banker is very often the presiding genius of the place he lives in and the financial mentor of all his fellow citizens. That this picture is not overdrawn many of the JOURNAL's readers will no doubt admit, for in many interior towns will be found some contented, well-to-do citizen who takes pride in running a small private bank without regard to large profits.

A correspondent in Pennsylvania writes the JOURNAL concerning the private banks in his county. He says that in the town in which he lives there is

one National bank with a capital of \$100,000 and deposits amounting to about \$400,000. There are five private banking concerns in the same county, but in different towns, and not one of them nearer than seventeen miles to the National bank. The deposits of the five private banks will not aggregate \$250,000, while the individuals owning these banks are worth very nearly, if not quite, a million dollars. He says:

"This bill is ostensibly to 'secure depositors.' Which class of depositors is the better secured: the depositors in the National bank with a limited liability or the depositors with the private bankers with an unrestricted liability—liable for all that they are now worth or ever may be worth? This is the situation all over our State. In this county there is a National bank at the county seat and five private banking concerns scattered in the smaller towns around the county, reaching the people directly, who are not asking any change."

It is claimed that such a bill as the one proposed would, if made a law, cause the closing up of many of the small private banks in the State and cripple the business of numerous small towns, for it would leave them without banking facilities except those which might be afforded by larger towns distant twenty, thirty or forty miles. These small towns now, through their private banks, are ancillary and auxiliary to the larger towns, and the banks of the former are feeders of the banks of the latter. Wipe out the small private banks and it is argued that the large banks will be the sufferers.

These are the arguments of the opponents of the bill in the Pennsylvania Legislature. Whatever force they may have against that particular measure they are not intended to be urged against the general principle of *proper supervision of banking*. Those who advance these arguments declare that they favor any law which will restrain dishonest banking, but they are opposed to any measure that places unjust and unnecessary restrictions and imposes burdensome obligations upon men who are carrying on a legitimate business in a lawful and honest manner.

Mexican Gold and Silver.—A curious financial proposition has recently originated in Texas in the shape of a bill before the Legislature to make Mexican gold and silver coin a legal-tender in that State. The idea is advocated by the supposition that it would make money more plentiful in the State and every man would have a better chance to get some of it. The difficulty in passing a bill of this character is that such a law would be in violation of the United States Statutes, and therefore clearly unconstitutional. The Mexican *Financier* properly calls the proposal absurd, but says: "A monetary union of the United States and Mexico may be desirable, and, certainly, if the two Governments would agree to strike a silver dollar interchangeable in both countries for merchandise, a great impetus would be given to international commerce." Desirable as such an agreement might be, it is totally impracticable under present conditions. Our silver dollars, while intrinsically worth no more than the Mexican, are now interchangeable with gold dollars, while the Mexican dollar is worth in trade only about eighty cents. Silver has driven gold out of circulation in Mexico. If the same thing should occur in this country, the United States might be in a condition to enter into a monetary union on even terms, but not as affairs are at present. If the Mexican dollars were made a legal-tender in this country they would soon circulate in such quantity as to drive out gold.

"WHAT'S IN A NAME?"

II.

In the March JOURNAL was published a partial list of names of bank officers who correctly deciphered the difficult signature (W. P. Hazen's) which appeared in the January issue. Of the entire number the West furnished exactly twice as many correct readings as the East, and that proportion seems to have been maintained among those who *did not* decipher the name correctly. It should not be inferred from this that Western bank Tellers are any brighter than their Eastern brethren, but probably they manifested a greater interest. The "new South," too, shows that it is rapidly developing a multitude of keen-eyed bank clerks in due proportion to its increase in banking facilities and material resources.

The Hazen signature gave rise to a great variety of interpretations—which proves how easy it is for a person to be mistaken and not know it. For instance :

A Book-keeper in a National bank in Iowa deciphered Mr. Hazen's name as W. W. Morgan or possibly W. W. Horam, while the Cashier of a National bank in Indiana "read it very plainly" Wm. H. Betts. One of the proprietors of a Minnesota bank called it W. M. Marshall. Two Tellers (one in Dakota and the other in Illinois) gave their opinion that it was W. J. Tobey. Four Tellers in Iowa, Minnesota, Dakota and Michigan respectively, and one Assistant Cashier of an Ohio National bank, make it W. H. Haskell. A curious rendering came from the Cashier of a Nebraska bank, who read it W. W. Horm—nearly equalled by an Assistant Cashier in Dakota whose "guess was W. M. Horm." Two Tellers, one in California, the other in Pennsylvania—showing how extremes meet—think it is W. or "Wm." H. Bell, while a Massachusetts clerk, "never having seen it before," calls it Walter H. Bell. Not to be outdone, three Tellers (one from Maryland, one from Indiana, and another from Michigan) come to the front with W. H. Betts. W. C. Rankin seems to be quite a favorite, a National bank Teller in Ohio having come to that conclusion "after scrutinizing it with a glass," in which decision he is joined by a brother Teller in Ohio, a Minnesota banker, an Assistant Cashier in Kentucky and a Teller in Pennsylvania—the last-named "making a break at it." The Assistant Cashier of a Rhode Island National bank thinks it "looks more like a scratch than anything else," but reads it, all the same, J. W. Brown. An Illinois Cashier wants to know "if Wm. H. Brown is right?" The Teller of one of the leading banks in Canada reads it as "W. P. Brown, Cash'r," while an Oregon Cashier of a National bank "guesses" W. P. Brown. The Teller for a private banking firm in Georgia asks if "W. P. Horm is correct?" A Pennsylvania National bank Teller calls it W. V. Horne or W. V. Thorne, and would like to know which is correct. One of the strangest renderings is that of the Cashier of an Iowa National bank, who thinks it is W. N. Worm, while a Wisconsin Cashier and a Tennessee Teller offer W. P. Worm as the right name. The Teller of a National bank in Ohio is not absolutely certain that the name, after all, is *not* "John Smith," but finally translates it also W. P. Worm, "or possibly

"Warm," and an Illinois private banker "enters" W. W. Worm as correct. Another National bank Teller in Ohio was "so near and yet so far" when he suggested W. E. Hazen as the right reading. How a genuine Yankee could make W. F. Tompkins out of it almost passes comprehension, but such is the guess of a Maine Cashier—and a National bank one at that; but he is fully offset by the Colorado National bank Teller who saw in it only Wm. S. Park. The Teller of a Connecticut National bank sends, "as near as he can make it," the name of W. H. Herbst, while a Massachusetts National bank clerk gets still further "off" on W. M. Hiant. A Wisconsin bank Teller sends W. P. North, "or words to that effect," as the plain reading of the signature, and the opinion of another Massachusetts bank Teller favors W. W. Allen. We feel sorry for the Missouri Teller who tried so hard and failed. He sends two versions—W. W. Kern and W. W. Sizm—and writes that "he is satisfied he is right on one of them." Another Ohio Teller goes wrong on W. H. Bell. A New York Savings bank Secretary and a Maryland Teller of a National bank agree that W. P. Worth is the man. From New Mexico come two guesses—both from a National bank—one of H. P. Morgan, the other W. P. Morgan, and a New York National bank Cashier asks "if it is not W. M. Morgan?" A New Hampshire Teller came to the conclusion that it was A. H. Magill.

And so the list might be extended over several pages. But enough instances have been cited to show that there is a good deal in a name.

In the March number of the JOURNAL it was stated that the names appearing in the published list were *not all* entitled to the premium. Neither did all those deciphering the name correctly care for the extra subscription, as the following letter will show:

FARMERS' NATIONAL BANK,

KNOXVILLE, ILL., March 7, 1887.

Editor Rhodes' Journal of Banking:

SIR:—Your favor of the 2d inst. received. In reply would say I waive any claim for a premium that I may have for interpreting the signature of W. P. Hazen, Cashier. In fact, if I rightly remember, the offer was *only* to bank Tellers. My whole interest in the matter was to read the signature—not to get a premium. You call it good guessing, and perhaps it was so partially; but I claim to have read the name "Hazen" before referring to the *Directory*, and when I found the "W. P." I could read it easily. My starting point of the name was the letter "Z."

F. G. SANBURN, President.

In the published list of successful competitors should have appeared the name of W. M. Conover, Teller in the Mechanics' National Bank, Trenton, N. J.

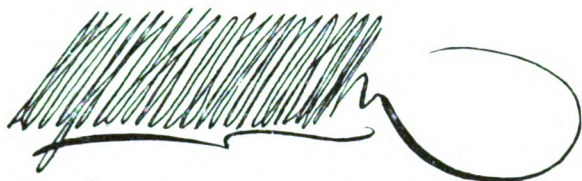
Continuing the series of curious signatures, that of a well-known bank Cashier whose autograph is frequently seen in banking circles is given below. It is very plain—to those who can read it. Those who cannot will be able to learn what it is by consulting the continuation of these "signature" articles in subsequent numbers of the JOURNAL:

Following is the signature of a prominent business man, whose name is "as good as his bond" in his section when he has occasion to affix it to a piece

of paper. It is possible that any one of the JOURNAL's readers would be willing to take his "promise to pay" even if they cannot decipher his signature:



A good many bank Cashiers have probably seen the following, but we think it will prove a conundrum to a large number who are not familiar with it. It is a *fac-simile* of the signature of the Treasurer of a large manufacturing company, and is composed of a double-back-action combination of letters known only to the signer:



Any bank official or employee, other than President, Vice-President or Cashier, who sends a correct reading of the *three* photographed signatures before the first day of June next will be entitled (1) to the publication of his name in the JOURNAL as having deciphered the signatures correctly, and (2) to a copy of the *Bankers' Directory & Collection Guide*—July edition—free of charge.

[To be Continued.]

Private Banks in New York.—A correspondent wishes to know if he can "open a private bank in a town in this State [New York] and do a general banking business under the title of, say, 'John Smith & Co., Bankers,' receiving deposits subject to check, etc.; or, if I prefer to use the name, 'Bank of Earlville, John Smith & Co., Bankers,' could I do so under the law?"

Under the present laws of New York the Superintendent of the Banking Department has no supervision over a firm doing business as "John Smith & Co., Bankers," but the title "Bank of Earlville" could not be used either alone or in connection with the firm name. Here is the law on the subject, Chapter 329, Section 311, passed May 23, 1885:

"No person or persons engaged in the business of banking in this State, not subject to the supervision of the Superintendent of the Banking Department, and not required to report to him by the provisions of this Act, shall make use of any office sign at the place where such business is transacted having thereon any artificial or corporate name or other words indicating that such place or office is the place or office of a bank; nor shall such person or persons make use of or circulate any letter-heads, bill-heads, blank notes, blank receipts, certificates, circulars, or any written or printed or partly written and partly printed paper whatever, having thereon any artificial or corporate name, or other word or words, indicating that such business is the business of a bank. Whoever shall offend against any of the foregoing provisions of this section shall be deemed guilty of a misdemeanor, and shall also forfeit the sum of one thousand dollars. The penalties prescribed in this chapter, where no other provision is made, shall be recovered by suits in the name of the people of this State, to be prosecuted by the District-Attorneys of the counties, respectively, where the offenses may be committed; provided, however, that the provisions of this section shall not apply to any person or persons engaged in the business of banking in this State prior to the passage of this Act."

Notes and Comments on
BANKING PRACTICE.

SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject. •

The Correspondence Desk.—In a large bank the correspondence desk is properly ranked as one of the senior desks. The duties of the clerk in charge of this desk are very important, because it is through him that the bank maintains relations with out-of-town customers and agents. When the work of this desk is done neatly, accurately, and with promptness, it gives the bank a better standing with its correspondents. In glancing over the daily mail of a bank with a large correspondence one cannot but be struck by the different appearance of the various letters. Here is a great blanket sheet with spider lines scrawled all over it, and the figures placed in a happy disregard of the rule to place units under units and tens under tens, for there are no down lines. Here is another sheet not as large, but bearing so extensive a heading that one is uncertain whether the object is to write a letter or advertise the bank that sends it. As to the various styles and kinds of handwriting, most of them bear marks of haste, not from carelessness, but from the clerk having more to do than he can properly attend to. All these little things bespeak the character of the bank from which the letter comes. The general manner of conducting its correspondence shows under what kind of management a bank is carried on. By daily familiarity with the bank mails, a Corresponding Clerk, if he has his eyes open and his wits about him, gradually forms a pretty fair idea of the way his correspondents conduct their business, and governs his opinions concerning them accordingly, and he thus becomes, to use an old-fashioned phrase, "the eye of the Cashier." Particularly is this the case if the desk of the Corresponding Clerk be next that of the General Book-keeper. These two clerks should be able between them to keep the Cashier fully informed in regard to all the bank's correspondents. The following is suggested as a convenient "form" of paper to use when writing a letter: Let the size be five by eight inches, or, for large letters, eight by ten inches. This is a regular printer's size, and paper comes from the mills cut in what is called flat letter (10 by 16 inches) of all kinds and qualities. Do not put anything on the letter, either printed or written, except what is absolutely necessary. The printer should use plain type, and the handwriting and figures should be entirely free from flourishes. The letter should be distinctly ruled with both horizontal and down lines, and it has been suggested, as a good point, that the horizontal lines be numbered. Use single sheets, and write only on one side of the paper. A general attention to the above suggestions will not only tend to increase the general convenience but bring about a degree of uniformity which, in itself, is highly advantageous. In looking over the morning mail it is evident at a glance that some of the letters have not been copied in the ordinary copying

press. The old style of copying by hand has not, perhaps, gone entirely out of fashion (so conservative are some institutions), but some banks go to the opposite extreme and do not copy their letters at all, contenting themselves with "proving" them with the general cash-book. The general rule should be laid down that every letter and telegram that goes out of a bank should be copied in a copying-press, and the copy-books filed, so that the letters can be readily referred to.

Special Deposits.—Following is a form, "Release for Special Deposits," furnished by Mr. E. F. Torrey, Cashier of the Honesdale National Bank, of Honesdale, Pa., which appears to include all the points likely to arise in receiving such deposits:

To the Board of Directors of the Honesdale National Bank:

GENTLEMEN:—I desire the privilege of placing from time to time Bonds or other Valuable Securities or Property in the Vault of your Bank.

If you will permit me to do so, until such time as you shall otherwise direct, I agree that such Bonds, Securities and Property shall be and remain at my entire and exclusive risk, and that in case of loss or damage to any of the same, or if same cannot be found when hereafter called for, I will under no circumstances whatever hold the Bank liable or make any claim or demand upon the Bank or any of its officers or employees for any such loss or damage on the ground of negligence or want of proper care on their part.

I do not desire the Bank, or its officers or employees, to become custodians of said property, nor to be responsible for the exercise of any care with regard to the same, but simply that you will not refuse me the privilege, for my own personal accommodation and at my own risk, of occupying so much space in your vault as will contain said property.

I assume all risk and responsibility for the security of said vault, and agree that the Bank may leave the same altogether unprotected and unlocked, so far as said property is concerned.

As this favor is to be granted entirely for my accommodation, with no benefit to accrue to your Bank, I desire this paper to be construed as exonerating your Bank, its officers and employees from risk and liability as completely and absolutely as if I had placed or should place said property in your vault without your knowledge or consent and its existence there remained unknown to you, and that such be construed the condition upon which the privilege asked is granted by you; and I agree to remove said property whenever you may desire.

Witness my hand and seal this — day of ——— A. D. 188 .

The foregoing having been first carefully read by me.

SEAL.

In the JOURNAL's series—"Methods and Machinery of Practical Banking," March, 1886, page 194—may be found an article on the "Power of Bank Cashiers to Receive Special Deposits."

Shorts and Overs.—It is next to impossible for a Teller to settle his cash day after day and always come out right. With the exercise of the greatest care and attention there will occasionally be differences one way or another that cannot be found. What is to be done about them? If the Teller's cash constantly shows a short amount or a sum in excess of the right figures, should he change the total with every additional error? No; the better way is to carry the difference a reasonable time and then charge it off, making on the settlement book or slip a memorandum of the fact for possible future reference. Errors in the cash cannot be wholly obviated, but they can be reduced to a minimum by a plain and simple system of keeping the cash-books. The business of each bank is peculiar to itself, and therefore it is impossible to lay out a system that will be applicable to all. The fewer books

in use the better. Enter the checks on two separate books and prove the totals; that will be sufficient. The Teller should be able to prove the money independently of the checks and other cash items—that is to say, if the cash is short or over, he should be able to tell definitely whether or not the money itself is all right. Often, with a little ingenuity, the books may be arranged so that an error may be approximately located. For instance, where the items are listed in two or more books, one column may be proved against another or one "batch" of checks against another. Another point in guarding against errors is to have enough clerks to do the work in a proper manner. The man who stands at the window should have plenty of time to attend to his duties, and not be kept on a strain for two or three hours at a time; and so also with his assistants. After a long day's work with an insufficient force the men are too much fatigued to look for errors carefully, and consequently an approximate settlement is too often regarded as satisfactory.

"Work and Wages"—A QUESTIONER ANSWERED.—An article in the February number of the JOURNAL on "Work and Wages" seems to have excited considerable interest among our readers. In the department of "Open Letters" in this issue of the JOURNAL appears a communication from a correspondent which doubtless expresses the views of many Cashiers as well as other officers. In the banks in large cities, where work is done under the constant supervision of men trained in the requirements of a counting-house, there is not apt to be any deficiency in the number of clerks requisite to conduct the business of the bank properly, but in country banks, where the owners are mainly men of little business experience and no practical knowledge of the amount of work required from the clerical force in a bank, a disposition is too often displayed to keep it at the least possible number. Two or three men are expected to do work which could not be performed properly by less than twice that number. Indeed, as our correspondent's letter would indicate, the staff is sometimes cut down until there is only one man left. In the smallest country banks not less than two men should ever be employed, not only on account of the work that is performed, but also that one may serve as a protection to the other, and that, in case of sickness or necessary absence, an experienced man is at hand to take general charge of affairs. In regard to vacations, the principle that every bank official should be required to absent himself from his post for at least ten days during the year holds good as well in regard to the smallest country banks as to the largest city institutions. This affords an opportunity to the managers to gain a correct insight into the manner in which the work of the absent official has been done. In regard to the point whether a Cashier should be allowed to attend to duties not connected with his official business it is difficult to give a definite statement. In this, as in many other matters, the conclusion depends to a great extent upon the man himself. A Cashier who is a large stockholder may well claim considerable discretion as to the manner in which he performs his duties, but when he has no interest in the concern except to draw his salary he may reasonably be expected to give the greater portion of his time to the bank that employs him. At the same time, if his outside interests are of such a nature as to require nearly all his attention, would it not be practicable to make an arrangement with the bank by which he could be afforded additional clerical assistance, and his own salary, in view of this fact, be scaled accordingly? The

experience of bank managers goes to show that a parsimonious policy in reference to salaries and general privileges accorded to their employees is apt to react unfavorably to the interests of the institution.

Errors in Balance Sheets.—It is provokingly true that if work is done properly it will come out right, but too often it is not, and the trouble consists in finding out where the wrong is. When the ledger is kept on the "Boston" or "Daily Balance" system errors are readily found, but on the old cash-book and ledger system, still used by a number of banks outside of large cities, an error in the balance sheet is not so easily located. The most systematic way is to go over the additions of the balance sheet first, then review the taking off of the balances, then the additions, transfers, etc., on the ledger, then the postings, and last the additions of the cash book. But all this takes a long time. Therefore it is worth while to consider whether some expedients cannot be adopted to shorten so laborious a task. In the first place the work should be done carefully, and every entry reviewed. When posting insert markers (narrow slips of blotting paper are most convenient), and check the posting back. When accounts are transferred or balanced slip in a marker and examine it next day. Prove the additions of the ledger carefully when they are made. In the morning run over the work of the previous day to make sure that every item has been posted, and especially items added at the close of the day. A favorite place for errors is the making of corrections in the cash-book and neglecting to alter the posting in the ledger. To avoid this make it a rule not to alter the *footings* of the cash-book until the ledger-posting is corrected. The reason of this rule is that the footing is obliged to be altered to agree with the other books of the bank. If the error is 1 or 2 in any column it is probably in the addition. If it is divisible by 9 it is most likely a transposition, and therefore in the posting or in carrying forward some amount. If it is divisible by 2 it may be an item posted to the wrong side of the ledger. Look over the cash-book for such an item. If the difference consists of two or more figures glance over the proper side of the cash-book for an omission to post such an amount. If the error still eludes a search it is well to call in some of the more active pass-books and balance them up. This is easier than ticking off the postings of a long account. Sometimes the error is in a balanced account, but this is very rare. In short, be careful not to make errors. If any are made try to find them in the quickest and easiest manner possible. The most convenient time to take off balance sheets is during the next to the last week in the month. This week is about the duller in the month, and, if there is an error, one has time to look it up before the first of the next month. A good many pass-books come in about the first, and balancing these will detect errors in postings.

Gas Explosions.—Every now and then some unlucky person is injured in a bank vault by an explosion of gas. The gas had been extinguished the preceding night, but not turned completely off, and whoever is unfortunate enough to "light up" the following morning meets a severe accident. It is the duty of Cashiers to see that proper care is exercised about such matters, but, in spite of the utmost precaution, accidents will sometimes occur. Both on this account, and in view of the possible danger from fire, it is a great deal better, where it can be done, to use the electric light for illuminating bank vaults.

BANKING LAW.

* Legal Decisions Affecting Bankers.

EXECUTION OF PROMISSORY NOTE WITH CONDITION ON STUB—ALTERATION BY REMOVING CONDITION—ACTION AGAINST MAKER BY BONA-FIDE HOLDER.

On December 24, 1881, S, a farmer in Williamson County, was approached by C and constituted an agent for the sale of "Pulliam Patent Bolster Springs," and fifteen sets of said springs, estimated at \$15 a set, were delivered to S to be sold. Four days later one T, claiming to represent the same company represented by C, called upon S and demanded payment for the springs, insisting that S had bought them. S denied that he had bought them, and very properly refused to pay for the springs. Finally, T prepared a note for \$225, the price of the springs, due in three months, and presented it to S for his signature. S, still being willing to sell the springs as agent, agreed to sign the note if T would insert therein the condition that he (S) should have credit on the note at maturity for such of the springs as might then remain unsold. T agreed to the condition, but declined to put it on the face of the note upon the ground that there was not sufficient space on the note. He did write the condition, however, upon the stub of the note (the note and stub attached being in a book of blank notes) and sign the same, whereupon S signed the note and delivered it to T with the stub attached. According to the manifest purpose of T the stub or condition was cut from the note, and the note was by the payee, the Pulliam Patent Bolster Spring Co., indorsed in blank and delivered to the Semple & Birge Manufacturing Co. in payment of a debt and to secure future credit. Without its indorsement, the Semple & Birge Manufacturing Co. delivered the note to D, the plaintiff, before maturity at 25 per cent. discount. When the note was presented for payment, S declined to pay any part of it, because the springs were worthless, and none of them had been sold by him. In a suit to recover the amount by D against S, the latter admitted that he signed the note, but averred that it had been altered and changed by separating it from the conditions. Plaintiff replied that the note was a perfect and complete negotiable instrument upon its face, and that he was an innocent holder. The trial Judge charged the jury that if the conditions "were upon the stub, easily removed without defacing the note, the defendant would not be entitled to relief on account of his own negligence," and that D could recover, notwithstanding such condition, if he became the holder of the note before maturity for a valuable consideration and without notice of any fact to arouse the suspicion of a prudent man that all was not right with the note. Judgment was rendered against S, who appealed.

Held, This instruction was erroneous. The condition was written contemporaneously with the note. By agreement of the parties before the signing of the note it was a substantive part of the note and restricted its negotiability the same as if the condition had been indorsed upon the face of the note. The severance of the condition without the consent or knowledge of the maker was a material alteration of the original contract to his prejudice, and, therefore, the act was forgery. The instrument sued on is but a part of the contract between the parties and could not be acquired and held as a negotiable note by any one. That the stub could be easily separated from the note can make no difference, as no rule of law required the maker to anticipate

* All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL'S Law Department as early as obtainable.

Attention is also directed to the series, "Powers of Bank Cashiers," "Law Notes and Comments" and "Replies to Law and Banking Questions," which are included in this Department.

that the payee would commit a felony by the alteration. He could not be required to protect himself in advance against such an act on the part of the person with whom he contracted. Similar, and we may say identical, questions have arisen in other States and been decided in accordance with the views we here express. (Citing *Benedict vs. Cowen*, 49 N. Y., 396; *Wait vs. Pomeroy*, 20 Mich., 425; *Burchfield vs. Moore*, 25 Eng. L. & Eq., 123; *State vs. Stratton*, 27 Iowa, 420.)

Judgment reversed.

Stevens vs. Davis, Supreme Court of Tennessee, December 9, 1886.

PAYMENT OF DRAFT ON FORGED INDORSEMENT—ACTION BY OWNER AGAINST DRAWER—NEGLIGENCE IN FORWARDING.

Plaintiff procured a draft of defendants, bankers, upon the First National Bank, of Chicago, for \$100, dated January 9, 1882, and payable to her own order. On the same day it was indorsed by her through her husband, who acted for her and used her name as follows: "Pay Charles Raymond, Boston." He testified positively that the draft was, after it was so indorsed, carefully inclosed in an envelope with an accompanying letter and addressed "Charles A. Raymond, 175 Congress Street, Boston, Mass.," that being his address and place of business. The letter and draft were not, however, received by the latter in due course or at all until it was sent a second time, as below mentioned. On the 21st day of January following the same draft was presented at a hotel in Boston for his bill by a person who had the day before registered there as "Charles Raymond," and was by him indorsed. It was received and deposited in bank and thereafter forwarded and collected of the drawee, The First National Bank, of Chicago. This indorsement is admitted to have been fraudulent and a forgery; but nothing further appears in the evidence as to the identity or name of the person so indorsing it. The draft was intended for "Charles A. Raymond," to whom the plaintiff was indebted, but was by mistake indorsed payable to "Charles Raymond." It was forwarded to and formally indorsed by "Charles A. Raymond" to plaintiff in August, 1882, her account with him having been otherwise adjusted; and thereafter, payment having been duly demanded of the drawee and refused, she brought this action to enforce the collection thereof against the defendants. Upon the trial the Court directed a verdict for the plaintiff. On appeal,

Held, The principal question here is whether the Court erred in such disposition of the case upon the evidence. The defendants contend that there is evidence in the case tending to prove negligence on the part of the plaintiff in forwarding the draft which caused or contributed to the fraudulent misappropriation and negotiation thereof, and that this question should have been submitted to the jury. The draft was, according to the plaintiff's evidence, inclosed in a letter directed to "Charles A. Raymond" to apply the amount upon plaintiff's indebtedness to him. If the evidence in her behalf was true, then the letter was wrongfully delivered or anticipated by some one other than the person addressed, and the fraudulent and unauthorized indorsement of "Charles Raymond" is as much a forgery as if the draft had been correctly indorsed by the plaintiff and the letter had been intercepted or the draft stolen and negotiated through the forgery of the name "Charles A. Raymond." There is no proof that it in fact came into the possession of any one identified as "Charles Raymond." It was not shown that any one of that name lived in or received his mail in Boston at that date. It does not even appear that the party who negotiated the draft at the hotel was registered as a resident of Boston, or that he was identified at all by the hotel clerk who received it from him. Hence the evidence that one claiming to be "Charles Raymond," and responding to a letter addressed to that name in the Charlestown district of the city in the year 1884, would not raise or strengthen the presumption that he received the letter in question here in due course of mail, and of course would not be material upon the alleged mistake of plaintiff's husband in sending the draft. And for the same reason it was not material to prove that the indorsement was in the same handwriting as the signature of the letter introduced in evidence

purporting to come from "Charles Raymond" in 1884. The testimony is clear and explicit on the part of the plaintiff that the letter enclosing the draft was addressed "Charles A. Raymond" at his place of business in Boston, and that the address was taken from one of his bill-heads placed before the writer at that time. There was no conflict in the evidence, and there is no presumption, therefore, that the draft miscarried and fell into the hands of some one whose address was "Charles Raymond, Boston," through the mistake or carelessness of the plaintiff. Since the indorsement of "Charles Raymond" appears to be a forgery, the payment was unauthorized, and the plaintiff upon the record as it exists was entitled to recover, and the verdict was properly directed.

Judgment affirmed.

Lennon vs. Brainard, Supreme Court of Minnesota, January 2, 1887.

**SET-OFF BY BANK OF INDIVIDUAL DEPOSIT AGAINST PARTNERSHIP DEBT—
ACTION BY CHECK HOLDER AGAINST BANK.**

O and T were partners under the firm name of O. & Co., and doing business as commission merchants in the city of Chicago. The partnership was dissolved on the last day of August, 1879. It had made deposits with the International Bank and drawn drafts payable in the course of its business, and at the time of the dissolution the firm was indebted some \$1,100 to the bank on overdrafts. After the dissolution of the partnership, O continued to do business under the old firm name of O. & Co., and, on the first day of September, 1879, he drew a check in the name of O. & Co. upon the International Bank, payable to J. & Sons, for \$1,960.75, and delivered it to the payees in payment for 250 barrels of pork then bought by him of them. Payment of the check was refused by the International Bank, and this suit was brought by J. & Sons, as payees in the check, against the bank for the money which the check directed to be paid. It was clearly proved that on the day the check was drawn, and before presentment of the check, O deposited with the International Bank to the credit of O. & Co. more than enough money to pay this check and enough to pay all checks drawn by him on that day, and this was not contested. But the International Bank claimed the right to apply the deposits made by him on that day in payment of the overdrafts of the old firm of O. & Co. (composed of O and T), and, having done it, there were not funds left to meet this draft. Upon the trial the plaintiffs gave evidence to the jury tending to prove that the Cashier and President of the International Bank were notified of the dissolution of the firm of O. & Co., and that O would thereafter do business as a new firm under the old firm name; that on September 1, 1879, they were expressly notified before this check was drawn that O, as the new firm, would draw checks upon the International Bank on that day, and that to meet those checks he would deposit the checks which he should receive in payment on sales made by him on that day; that after the check was drawn and before it was presented for payment it was expressly notified by O that it had been drawn, and that he had made a deposit with the bank to meet its payment, to all of which it assented. On behalf of the International Bank evidence was given tending to contradict this evidence and to show that the officers of the bank had no knowledge that the firm of O. & Co. had been dissolved, and that the deposits on September 1, 1879, were made by O alone as O. & Co.; and also evidence tending to show that the officers of the bank had reason to believe that the transactions between O and the bank on the 1st day of September, 1879, were but a continuation of the business of the old firm of O. & Co.

Held, The general rule is that a bank has a right of set-off, as against a deposit, only when the individual who is both depositor and debtor stands in both these characters alike in precisely the same relation and on precisely the same footing towards the bank, and hence an individual deposit cannot be set off against a partnership debt. (105 Ill., 470; "Morse on Banking," 48.)

And the jury, having found the facts to be as testified by plaintiff's witnesses,

Further *Held*, Notwithstanding O owed the duty to pay the firm debt, still, inasmuch as the bank could not set-off the firm debt against his deposit, he

could lawfully appropriate his deposit to a *bona-fide* creditor by drawing a check in his favor on the bank for the amount and thereby vest him with full power and authority to sue for and collect the same.

International Bank of Chicago vs. Jones and others, Supreme Court of Illinois, January 25, 1887.

ACTION BY DEPOSITOR AGAINST BANK FOR BALANCE OF ACCOUNT—SET-OFF OF OVERDRAFT BY HIM ON ANOTHER ACCOUNT.

Plaintiff sued defendant, his banker, to recover on a book account for services rendered to the latter, and also a balance of a bank account at defendant's bank. In addition to plaintiff's personal account with defendant he had opened an account as treasurer of a mining company, and in his capacity as treasurer plaintiff had checked out the money of the company and had overdrawn this latter account to the amount of \$180.53. Defendant sought to set-off the amount of this overdraft against the balance due plaintiff on his personal account, claiming the right to hold plaintiff personally liable therefor.

Held. The checks drawn by plaintiff against the mining company account were without exception signed by him in his official capacity as treasurer of the company. In addition to this he distinctly notified the defendant at the time the account was opened and thereafter that he was acting as treasurer of the company and would in no wise be individually responsible on any of the company's transactions nor for any of its debts. The defendant thereafter could not pay out money on account of the company and hold plaintiff responsible therefor. Unless he intended to credit the company he should have rejected their drafts when there were no funds in his hands to meet them. The overdraft on the account of the mining company should not be allowed as an offset against the individual claim of the plaintiff.

Miller vs. Mickel, Supreme Court of Colorado, November 12, 1886.

DISCOUNTING DRAFTS IN GOOD FAITH HAVING FORGED BILLS OF LADING ATTACHED—INDORSEMENT BY BANK OF SUCH BILLS OF LADING "FOR COLLECTION" IMPLIES NO GUARANTY THAT THEY ARE GENUINE—RECOVERY ON DRAFTS FROM ACCEPTORS.

In October, 1881, the plaintiffs in error, Goetz & Luening, were partners in the business of buying and selling hides on commission at Milwaukee, Wis. At that time one Du Bois was a dealer in hides at Kansas City, Mo. On the 10th of that month Du Bois telegraphed to them from Kansas City inquiring what they could sell 400 green salt hides for, and what they would advance on a bill of lading of the shipment. The firm answered by telegram, stating the market price of light hides on that day, and that they would pay a draft "for two-thirds value, bill of lading attached." On the same day the firm sent a letter to Du Bois, repeating the message, and adding that, if the hides were in good condition and No. 1, they could sell them readily; that their commission was 2½ per cent.; and that they would sell all hides that he might ship to the market at Milwaukee. Upon this understanding and during the same month Du Bois drew upon the firm five drafts, amounting in the aggregate to \$9,395, which were accepted, and, with the exception of the fifth one, were paid. The fifth one, which was for \$2,000, was protested for non-payment. To each of the drafts were attached a bill of lading and an invoice of the shipment. The bill of lading purported to have been issued by the Chicago & Alton Railroad Company, stating that it had received hides, giving the number and estimated weight, to be transported on the road from Kansas City to Milwaukee, and marked and consigned as follows: "To shipper's order. Notify Goetz & Luening, Milwaukee, Wisconsin." The invoice purported to give the net weight in pounds of the hides shipped and the market price at Milwaukee and their estimated aggregate value, referring to the sight draft for two-thirds of the amount.

The drafts were made payable to Thornton, the Cashier of the Bank of Kansas City, and were cashed as drawn, the bank paying their full face less the usual rate of exchange on Milwaukee. The amount, as each was cashed,

was passed to the credit of Du Bois, and was checked out by him in the usual course of business in a few days. The drafts were sent by the bank to its correspondent at Chicago, indorsed "for collection" on its account, and by him were forwarded to Milwaukee. The invoices of some of the shipments were indorsed in the same way. The bills of lading were indorsed by Du Bois *per* J. MacLellan, his clerk. The signatures to the bills of lading proved to be forgeries, on which account Goetz & Luening refused to pay the fifth draft. The bank thereupon brought an action against them for the amount in the Circuit Court of the United States. They defended, and set up as a counterclaim the sums they had paid on the four drafts. At the same time they commenced an action in the State Court against the bank to recover the money paid on those four drafts. The latter action was removed, on application of the bank, to the Circuit Court of the United States, where the two actions were consolidated and tried as one, the same questions being involved in both. The trial resulted, by the direction of the Court, in a verdict for the bank, by which it recovered against the firm the amount claimed on the unpaid draft and defeated the claim of the firm for the return of the money paid on the other four drafts. The case being taken to the Supreme Court of the United States, Field, J.,

Held, The contention of Goetz & Luening was substantially this: That they accepted the drafts in the belief that the bills of lading were genuine; that their genuineness was asserted by the indorsement of the bank on the invoices accompanying them; that the bills of lading were forgeries; that no shipments as stated therein had been made; and that Du Bois bore in the community such a reputation for dishonesty—having been charged at other times with forging bills of lading attached to drafts drawn by him—that the bank was guilty of culpable negligence, amounting to bad faith, in discounting these drafts on the faith of the bills of lading presented by him without inquiring as to their genuineness. The testimony offered by the firm respecting the character of Du Bois was of great length, but it would serve no useful purpose to discuss it. It is sufficient to say that it consisted of a mass of loose statements, general charges of criminality, with vague references in some instances to reported particulars, sensational articles in newspapers, surmises, insinuations, rumors, beliefs and suspicions which might make men cautious in their dealings with him, but they were altogether of too indefinite and uncertain a character to interdict all transaction with him in the ordinary course of business. Besides, testimony was produced by the bank highly favorable to the standing and character of Du Bois. He is shown to have been a man of great enterprise and capacity, and, just before opening business with the bank, to have been a member of the Government of Kansas City, representing his ward in the Common Council, and spoken of as a prominent candidate for its Mayoralty. He was a member and Director of the Board of Trade in the city and one of its Committee on Arbitration, to which business disputes of its members were referred for settlement. He had been a Captain in the Union army and bore the reputation of a brave and gallant officer. He was received in the best society in the city and was generally popular. He commenced business with the bank in March, 1881, and drafts by him, cashed by the bank, amounted from \$20,000 to \$100,000 a month. Those drafts were always accompanied by bills of lading, and not until after the discovery of the forgery of the bills of lading in this case was it known that in any of these transactions had he been guilty of dishonest conduct. Under these circumstances, it is not surprising that, when drafts on the merchants in Milwaukee were presented for discount, the bank made no inquiry as to the genuineness of the bills of lading attached to them. A bank in discounting commercial paper does not guarantee the genuineness of a document attached to it as collateral security. Bills of lading attached to drafts drawn as in the present case are merely security for the payment of the drafts. The indorsement by the bank on the invoices accompanying some of the bills "for collection" created no responsibility on the part of the bank. It implied no guaranty that the bills of lading were genuine. It imported nothing more than that the goods which the bills of lading stated had been shipped were to

be held for the payment of the draft if the drafts were not paid by the drawees, and that the bank transferred them only for that purpose. If the drafts should be paid the drawees were to take the goods. To hold such indorsement to be a warranty would create great embarrassment in the use of bills of lading as collateral to commercial paper against which they are drawn.

The bank, after discounting the drafts, stood towards the acceptors in the position of an original lender, and could not be affected in its claim by the want of a consideration from the drawer for the acceptance or by the failure of such consideration. This has been held in numerous cases and was directly adjudged by this Court in *Hoffman vs. Bank of Milwaukee*, 12 Wall., 181, which in the essential particulars is similar to the one at bar. There the bank had discounted drafts drawn by parties at Milwaukee on Hoffman & Co., commission merchants, of Philadelphia, to which were attached bills of lading purporting to represent shipments of flour. Hoffman & Co. accepted and paid the drafts. The bills of lading proved to be forgeries, and Hoffman & Co. sued the bank to recover the money paid. It was contended that they had accepted and paid the drafts in the belief that the accompanying bills of lading were genuine, and that, had they known the real facts, they would not have accepted and paid the drafts and could not have been compelled to do so, in which case the loss would have fallen on the bank; that is, that they paid the drafts under a mistake of facts. But the Court answered "that money paid as in this case by the acceptor of a bill of exchange to the payee of the same, or to a subsequent indorser, in discharge of his legal obligation as such, is not a payment by mistake nor without consideration, unless it be shown that the instrument was fraudulent in its inception, or that the consideration was illegal, or that the facts and circumstances which impeach the transaction as between the acceptor and drawer were known to the payee or subsequent indorsee at the time he became the holder of the instrument;" that, supposing the plaintiffs accepted the bills of exchange on the faith and security of the bills of lading attached, that fact would not benefit them, as the bills of exchange were in the usual form and contained no reference whatever to the bills of lading; and it was not pretended that the defendants had any knowledge or information that the bills of lading were not genuine, or that they had made any representation upon the subject to induce the plaintiffs to contract any such liability; that undoubtedly the bills of lading gave some credit to the bills of exchange beyond what was created by the pecuniary standing of the parties to them, but that they were not a part of those instruments, and could not be regarded in any more favorable light than as collateral security accompanying the bills of exchange, and that proof that the bills of lading were forgeries could not operate to discharge the liability of the plaintiffs as acceptors to pay the amounts to the payees or their indorsees, as the payees were innocent holders, having paid value for the same in the usual course of business. (Other cases cited by the Court as to the same effect are *Robinson vs. Reynolds*, 2 Q. B., 196; *Craig vs. Sibbett*, 15 Pa., 240; *Munroe vs. Bordier*, 8 C. B., 862; *Thiedemann vs. Goldschmidt*, 1 De Gex F. & J., 4; *Hunter vs. Wilson*, 19 Law J. Exch., 8; *Leather vs. Simpson L. R.*, 11 Eq., 898.)

Further *Held*, The bad faith in the taker of negotiable paper which will defeat a recovery by him must be something more than a failure to inquire into the consideration upon which it is made or accepted because of rumors or general reputation as to the bad character of the maker or drawer. The main position of the plaintiffs in error is, therefore, untenable. It only remains to say a few words respecting the exceptions to the rejection and admission of testimony.

The Court, after then considering the exceptions to the admission or rejection of testimony, affirmed the judgment for the bank.

Goetz, Jr., and ano. vs. Bank of Kansas City, Supreme Court of the United States, January 10, 1887.

BANK AND DEPOSITOR—AUTHORITY TO DISPOSE OF FUNDS WITHOUT ORDER FROM DEPOSITOR.

On the 15th of November, 1882, the plaintiff's testator, J. Marion Sims, delivered to one Crowell his check on the People's Bank, of the city of New

York, payable to the order of the defendant, for \$5,000, with verbal directions to deposit the same to his credit with the defendant. Instead of doing as directed, Crowell delivered the check to the defendant, but requested and received from it a certificate of deposit payable to himself as trustee for Doctor Sims, and shortly thereafter drew the money thereon and converted it to his own use. The defendant collected the money from the People's Bank upon Doctor Sims' check. In an action by the plaintiff, as executor of Doctor Sims, against the defendant to recover the amount of such deposit,

Held, The main question in the case is whether the defendant had authority to make the payment it did to Crowell. It claims to have acted in so doing upon the strength of an alleged custom among banks authorizing such a payment. Upon the trial, however, the proof in relation to such a custom was conflicting, and the question as to its existence was submitted to the jury and found against the defendant's claim. Upon the transaction, with this feature eliminated, there would seem to be no doubt of the defendant's liability. The check upon its face imported the ownership of the moneys represented in it by Doctor Sims and his desire that its custody should be transferred from the People's Bank to the defendant. This certainly did not warrant the defendant in supposing that Doctor Sims thereby intended to pay \$5,000 to Crowell or place him for any purpose in possession of the fund. If he had so intended the check would have been made payable to Crowell's order and there would have been no need of the agency of the defendant in the transaction. The use of the defendant's name as payee of the check indicated the drawer's intention to lodge the moneys in its custody and place them under its control, and nothing further than this was inferable from the language of the check. The check by its terms authorized the defendant to withdraw from the People's Bank a certain sum for a purpose not disclosed but fairly inferable from the nature of the defendant's business. The defendant could have refused to receive the deposit or act as Doctor Sims' agent in transferring the funds from one custodian to another, but having accepted the office of so doing it was bound to keep Doctor Sims' money until it received his directions to pay them out. The language of the check making the funds payable only upon the order of the defendant imposed upon it the duty of seeing that they were not, through its agency, improperly disbursed after it had received them. It could not safely pay out such funds except under the direction of their lawful owner. This it had never received, unless the proof hereafter referred to shows such authority. (And after considering the evidence in the case, the Court holds:) The circumstance that it was the custom of the trust company to require the signature of a customer to accompany a deposit was one adopted for the safety and protection of the bank which it was at liberty to enforce or omit as it deemed best under the circumstances. It could not affect its liability to the real owner of the moneys actually received by it or the legal effect of a transaction by which it came into the possession of another's property. We think the evidence of ratification by Doctor Sims of the act of Crowell in making the deposit in question as he did was not sufficient to authorize the submission of that question to the jury.

Judgment for the plaintiff affirmed.

Sims' Executor vs. The United States Trust Company, of New York, New York
Court of Appeals, November 23, 1886.

**BANK OFFICER RECEIVING DEPOSIT WITH KNOWLEDGE OF INSOLVENCY—
MISSOURI STATUTE—DOES IT INCLUDE PRIVATE BANKERS?**

Section 1.350 of the Revised Statutes of Missouri declares that "if any President, Director, Manager, Cashier or other officer of any banking institution doing business in this State shall receive, or assent to the reception of, any deposit of money or other valuable thing in such bank or banking institution, or if any such officer shall create, or assent to the creation of, any debts or indebtedness by such bank or banking institution after he shall have had knowledge of the fact that it is insolvent or in failing circumstances, he shall be deemed guilty of larceny, and upon conviction thereof shall be

punished in the manner and to the same extent as is provided by law for stealing the same amount of money deposited or valuable thing; provided that the failure of any such bank or banking institution shall be *prima facie* evidence of knowledge on the part of any such officer or person that the same was insolvent or in failing circumstances when the money or property was received on deposit."

Held, It was the intention of the General Assembly in the above enactment to include only the President, Directors, Manager, Cashier or other officers of incorporated banks, and not persons forming a voluntary association or partnership to engage in the business of private banking; and, where a private banker was convicted by the Circuit Court under this Act, the judgment was reversed and the prisoner discharged.

State vs. Kelsey, Supreme Court of Missouri, November 15, 1886.

— BONA-FIDE HOLDER—NOTICE TO CASHIER. —

The Second National Bank, of Pittsburgh, Pa., discounted a note before maturity given by the defendants to the Gillespie Tool Co. for certain work which the latter had agreed to do. The Cashier of the bank was also the treasurer of the tool company. At maturity, the note having been protested, the bank sued defendants, who claimed that there had been a failure of consideration, and that of this failure of consideration the bank, by its Cashier, had notice.

Held, Admitting that, as between the original parties, the consideration of the note in controversy had failed because of the breach by the tool company of its contract with the defendants, yet, as the bank is a *bona-fide* holder for a valuable consideration and without notice of the status of affairs between these parties at the time of the discount of the paper, clearly it cannot be affected thereby. The knowledge of Willuck, the 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; but of this there is no evidence.

Judgment for the bank.

Second National Bank, of Pittsburgh vs. Wilson, Supreme Court of Pennsylvania, November 15, 1886.

— ISSUE OF CERTIFICATE OF DEPOSIT BY CASHIER—AUTHORITY TO BIND BANK. —

Action against a bank on a certificate of deposit as follows:

\$780.	FIRST NATIONAL BANK OF LIVINGSTON, LIVINGSTON, M. T., May 21, 1884.
<p>This is to certify that the Crystal Plate Glass Company have deposited in this bank seven hundred and eighty dollars payable in current funds to the order of themselves three months after date with interest at the rate of six per cent. per annum on the return of this certificate properly indorsed. No interest after three months.</p> <p style="text-align: right;">D. E. FOGARTY.</p> <p>No. 508.</p>	

Fogarty was Cashier of the bank at the time this certificate was issued, and sent the same to the plaintiff in a letter as follows:

"GENTLEMEN:—Your favor of the 16th is received. Owing to the stringency in the money market here the parties we ordered the glass for are unable to pay for the same at present. They are perfectly good. Consequently we will take their paper for three months and inclose our C. D. to secure you, which we trust will be satisfactory.

"Respectfully,
D. E. FOGARTY, Cashier."

The bank having refused payment of the certificate when due, plaintiff brought suit against it, in which the following questions arose:

1st. Was the certificate of deposit issued by Fogarty as Cashier of the bank?

2d. If so, did he, under the above state of facts, have authority to issue it?

Held, As to the first question. It is true that the certificate was not signed by Fogarty as Cashier, but the evidence shows that he was Cashier of the bank at the time of its issuance, and the letter of the same date relating to it as above

set forth is signed by him as Cashier. We have no doubt, therefore, from the above state of facts, and from the inherent nature of the transaction, that it was issued by him in his official capacity of Cashier of the bank.

Further *Held*, Did he have authority to issue the certificate? From the foregoing evidence it appears that it was not issued upon the strength of funds of the plaintiff deposited in the bank, but upon the promissory notes of third persons made payable to the bank for whom the bank had previously ordered goods. The letter was admitted without objection, and it appears from it that the bank itself had ordered the goods for the price of which the certificate of deposit was issued. It is fair to presume that credit was given to the bank and that it was responsible therefor. It was therefore a demand against the bank, and the certificate of deposit payable three months after date was in substance the promise of the bank to pay at the expiration of that period. We think this to have been within the authority of the Cashier. But even proceeding upon the theory that it was not the debt of the bank, but of the third parties who gave the notes, the bank, by taking these notes, payable to itself, assumed their indebtedness and became liable therefor. In this case the Cashier would have the authority mentioned before. But, aside from this, it is the regular course of business in banks that persons make their promissory notes thereto and have the amount thereof placed as so much cash to their credit, and a certificate may be issued therefor to themselves or to any one whom they may direct. Therefore, putting out of view the liability of the bank, when the bank took the promissory notes of the parties for whom the goods were ordered they may be considered funds in its hands upon which the Cashier might issue a certificate of deposit to their creditor, the plaintiff. We think that the proceeding was according to the ordinary course of business in banks and that the Cashier did not exceed his authority.

Judgment against bank.

Crystal Plate Glass Co. vs. First National Bank of Livingston, Supreme Court of Montana, January 12, 1887.

POWERS OF BANK CASHIERS.

Continued from page 267, March number of the JOURNAL.

XV. Miscellaneous Matters Falling Within the Ordinary Duties of a Cashier.—The drawing of checks upon the funds of the bank deposited elsewhere is an act which falls within the ordinary duties of the Cashier, and he is the proper officer to attend to this part of the business. The drawing and accepting of bills of exchange and the issuing of certificates of deposit, when done in connection with the regular business of the bank, falls within the scope of his employment. The Cashier, however, has not the power to bind the bank by an acceptance for accommodation, and such an acceptance would be invalid in the hands of every person having notice of the fact. In a case reported in this number (Crystal Plate Glass Co. vs. First National Bank), where a Cashier issued a certificate of deposit to a creditor for the debt of a third party, taking the notes of such third party made payable to the bank, it was held that the Cashier had authority to issue the certificate and that the bank was bound.

It is also a part of the duty of the Cashier to attend to the opening of accounts with depositors and to decide upon their acceptance or rejection, subject, of course, to the supervision of the Board of Directors. The correspondence of the bank is also a branch of the business which is conducted by the Cashier with more or less assistance from his subordinates. The Cashier has general charge and supervision of the personality of the bank, and is responsible for the safe-keeping of its money and securities. He attends to the payment of debts and taxes. It is also his duty to superintend the collection of debts owing the bank and to make up the accounts of the sums due. His power with regard to compromising the debts of the bank is treated elsewhere in this series.

LAW NOTES AND COMMENTS.

TAXATION OF NATIONAL BANK STOCK IN THE TERRITORIES.—Section 5,219 of the National Bank Act provides: "Nothing herein shall prevent all

the shares in any association from being included in the valuation of the personal property of the owner or holder of such shares in assessing taxes imposed by authority of the State within which the association is located ; but the Legislature of each State may determine and direct the manner and place of taxing all the shares of the National banking associations located within the State, subject only to the two restrictions that the taxation shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of such State, and that the shares of any National banking association owned by non-residents of any State shall be taxed in the city or town where the bank is located and not elsewhere. Nothing herein shall be construed to exempt the real property of the associations from either State, county or municipal taxes to the same extent according to its value as any other real property is taxed." Under this section a resident of Montana and holder of certain shares in a National bank located in that Territory resisted a levy of taxes upon his shares on the ground that by virtue of this section the right to tax National bank shares is limited to National banks located and doing business in a *State*, and that such shares are not subject to taxation in a Territory. The Supreme Court of Montana has just rendered a decision in the matter (*County of Silver Bow vs. Davis*, January, 1887), denying this claim and holding that shares in a National bank are equally liable to taxation in a Territory as in a State. The Court says that, in construing the section above referred to, reference must be had to all the sections and to the general scope and meaning of the Act of Congress authorizing and establishing our National bank system. That the sections or different parts of every statute must be construed together and as they are modified by one another. If the object and intent of the statute is definitely defined and clearly expressed ordinary words will be given such a meaning, if they have such a meaning, as to make them harmonize with such object and intent even though they might be so interpreted as to conflict therewith. The word "*State*" has various meanings. It may mean a place ; it may mean an organized political community. If used in the latter sense the word might mean the same as Territory, if that is also an organized political community. The Court holds that the general purpose and scope of this Act of Congress was to give the people of the United States, whether they lived in a State or in a Territory, a uniform system of banking whereby they should be authorized to form associations for carrying on that business ; that it requires such associations in their certificates to name the place where its operations of discount and deposit are to be carried on, designating the "*State, Territory or district*" and the particular county, city or village. (Section 5,184.) Here the words "*State, Territory or district*" mean simply the place—the locality—in which the business is to be carried on. The right to form such associations is made a privilege—a franchise—which is distributed equally among the people of the *States and Territories* according to the population of either (see Sections 5,178–5,180), and every association is allowed to charge and to receive interest at the rate allowed by the laws of any *State, Territory or district* where the bank is located. (Section 5,197.) Penalties for the violation of any of the provisions of the Act by the officers of any banking association are the same whether such violation occurs in a State or Territory. (Section 5,239.) The Court holds that the banking system created and established by the Act extends alike to the States and Territories. The Constitution and laws of the United States which are not locally applicable have the same force and effect in the Territories as elsewhere within the United States. (Rev. Stat. U. S., Sec. 1891.) The Territories are as much a part of the United States as are the States. There is but one banking system for all. No provisions of the Banking Act are locally inapplicable to the Territories. The legislative powers of the Territories extend to all rightful subjects of legislation. It is just as competent for a Territorial Legislature to determine and direct the manner and the place of taxing personal property as it is for a State Legislature to do the same thing. In this respect their powers are alike. Either may levy and assess taxes upon property subject to taxation within its jurisdiction. Each must raise a revenue by taxation for carrying on the local Government. The National banking system extending over each

alike, it would seem that the words in Section 5,219, "in assessing taxes imposed by authority of the State within which the association is located," ought to be interpreted to mean the legislative authority or the authority within the locality in which the banking association is situated that may rightfully and legally levy and assess taxes upon personal property. Otherwise burdens are imposed upon banking associations in States and exemptions are allowed to those in Territories which would be inconsistent with the whole spirit of the Act which was designed to give a uniform system to every locality. If this interpretation of the word "State" be correct, the Court holds that then there are no restrictive words in Section 5,219, which is a part of Chapter 3 of the Act, and is controlled by Section 5,157, which provides that Chapters 2, 3 and 4, which are expressed without restrictive words as applying to "National banking associations" or to "associations," apply to all associations organized to carry on the business of banking under any Act of Congress. If this interpretation is not correct, then, by virtue of the same section, the real estate of any banking association in a Territory is exempt from taxation, and, by virtue of Section 5,242, attachments and injunctions may issue against banking associations before final judgment if located in a Territory. And so, if the word "State" means one of the United States, and not a place in which the banking association is located, then, while the Comptroller of the Currency, by virtue of Section 5,181, is given authority to equalize the currency in a State according to the population, he has no such power in the Territories. The Court shows that these incongruities are avoided and the Act made consistent and harmonious by giving to it a uniform operation in the States and Territories, which can be done without violating any of its words or phrases, and which was the evident purpose of Congress when it provided a banking system for the people of the United States. The claim of the shareholder to exemption on this ground was therefore denied. The Court further held that by the laws of Montana and by the showing of the facts in the case there was not, as claimed also by the shareholder, an unjust discrimination against him in the taxation of his shares of National bank stock.

LIABILITY OF A PARTY WHO SIGNS A NOTE WITHOUT READING IT.—In the case of *Carpenter vs. First National Bank*, in the Supreme Court of Illinois (decided January 25, 1887), a party signed a note in a hurry without reading it and without really understanding its contents. The Court held that he could not be relieved from liability, as maker, if no artifice was used to induce him to sign it, and he, being a man of mature years, sound mind, and able to read and write, had an opportunity to read and examine the note before signing it and to inform himself of its contents.

DRAFTS PAYABLE "IN EXCHANGE."—The following terse article, by Dr. Andrew Simonds, President of the First National Bank, of Charleston, S. C., issued in circular form and circulated among bankers, presents very clearly the objections to making paper payable "in exchange." The writer says:

"Our business with the Northwest is large and increasing. Occasionally drafts come payable 'in New York exchange.' This doubtful form is open to many objections, one of the least of which is to deprive the collecting agent of all compensation for his risk, labor and expense (no charge being made for collecting other than the small profit on the exchange, averaging from one-sixteenth to one-eighth of one per cent.). It is claimed by the drawee that he can discharge the paper by offering a draft on New York. If so, must the payee accept any draft offered? If not, who is to decide what he may refuse? Surely not the drawee, whose interest it is to pay in the cheapest bill to be had. If the holder can refuse one tender it is clear he can refuse any.

"It is said that the draft of a drawer in good repute must be offered. But who is to decide on this good repute? If the payee has doubts about the offer, may he refuse it? If, then, for reasons satisfactory to himself, he declines the tender, must he protest the collection? If he accept payment 'in exchange' which should prove worthless, on whom shall the loss fall? To avoid such

troublesome questions, banks and bankers are respectfully urged to refuse drafts out of the legitimate form 'with current rate of exchange on New York.'

"In financial dealings certainty is essential to security. I can find no decision as to the effect of the words 'in New York exchange,' and am therefore forced to conclude that, if they are to be regarded at all, they destroy the negotiability of the paper.

"If this is correct then the drawers and endorsers have no legal right to protest and notice of non-payment as in the case of negotiable paper. Commercial paper to be negotiable must be payable in money. Drafts are not money.

"Daniel on Negotiable Instruments,' Vol. I., Sections 55 and 56, says:

"It is indispensably requisite, in order to constitute a bill of exchange or negotiable promissory note, that the direction or promise be to pay *in money*. And if the instrument be expressed to be payable 'in cash or specific articles' in the alternative, or in merchandise, as, for instance, 'in good merchantable whiskey at trade price,' it becomes a special contract, and by the law merchant loses its character as commercial paper. Nor can it be for payment in 'good East India bonds' or in 'foreign bills' or by bill or note. A bond payable 'in notes of the United States Bank or of either of the Virginia banks' has been held not payable in money; but where the bond was for a certain sum, and it was added, 'which sum may be discharged in notes or bonds due on good solvent men in R——,' it was held payable in money. But the Courts would not go so far, we think, as to hold an instrument couched in such terms negotiable; for, in order to possess that quality, it should afford on its face every element necessary to fix its value, and such a paper would be a special contract rather than a negotiable bill or note."

In this connection it will be interesting to learn what Mr. Patten, the author of the JOURNAL's series on "Practical Banking," at page 794 of the October (1886) number of the JOURNAL, said on the same subject:

"There is a class of business men who have the inveterate habit of making drafts payable 'in New York exchange' rather than 'with exchange.' This is a risky and objectionable way of framing paper, and banks should set their faces very strongly against the use of such a form. The bank which attempts to collect the paper drawn in this manner is liable to find itself in an unpleasant predicament. The drawee of paper of this type may take the stand that he can pay the paper by offering in settlement any draft on New York which he may select. If the collecting bank attempts to discriminate regarding the character of the exchange on New York that is offered, and raises the question whether or not the tendered exchange is of good repute, it may find itself in an unwelcome controversy with the payer, and it may, in the end, be difficult to say who has the right to decide upon the repute of the exchange tendered. This form of draft-drawing should be entirely done away with, and, in order to hasten the abolition of its use, the banks should take the position that they will not assume any responsibility in the matter of collecting such paper."

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—and which are not to be published. See advertisement on another page.

Editor Rhodes' Journal of Banking:

CORNING, Iowa, March 9, 1887.

SIR:—Will you please give us some idea in the JOURNAL in regard to collaterals? If we lend money to a party, and take notes as collateral security, should we give the party a receipt for the collateral notes? Is it not the custom among bankers to withhold receipts in such cases?

Truly yours,

WESTERN BANKER.

Answer.—We think a receipt should be given. In one or two of the States statutes have been enacted in the matter. Thus, in Alabama, by the Laws of 1879, as amended by Laws of 1883, No. 33, it is provided that "all banking, insurance and other corporations, private bankers, brokers, and other persons

† NOTE.—Inquiries from Pittsburgh, Pa., and Louisville, Ky., received too late for insertion in this number.

engaged in the business of making discounts or loaning money, are hereby required, on the receipt by them of any collateral for a loan or discount, if demanded by the borrower, his agent or attorney, to give a receipt or acknowledgement in writing, which said receipt or acknowledgement shall designate or describe the collateral so held, the amount and character of the debt and the time when due; and if the same be negotiable bonds, the series number thereof shall also be given in said receipt; and if any corporation or person so making discounts or loaning money wilfully fail or refuse to give such acknowledgement, as above provided, such corporations or persons shall have no title to said collaterals until such receipt or acknowledgement is so given."

Editor Rhodes' Journal of Banking:

LEWISBURG, Tenn., March 14, 1887.

SIR:—Please give your opinion in regard to the following note—whether negotiable or collectable in cash—all the provisions in the note being legally complied with by the payee:

\$100.	OFFICE OF THE DUCK RIVER VALLEY RAILROAD CO., COLUMBIA, Tenn., August 31, 1880.
Twelve months after the completion of the Duck River Valley Railroad to the town of Fayetteville, Tenn., the Duck River Valley Railroad Co. will pay to B, or order, the sum of one hundred dollars, in six equal installments, at the office of the company, in the town of Columbia, Tenn., the same being one-half of his subscription under date of —.	
This note is payable in shares of the capital stock of the company, or in freight and passage only at the option of the holder.	
Signed, DUCK RIVER VALLEY RAILROAD CO., By GEORGE CHILDESS, Secretary & Tr.	

This road was completed to Fayetteville on June 1, 1882. Can this note be collected, provided the company is solvent? J. T. DEAN, Cashier.

Answer.—The instrument above set forth is not negotiable or collectable in cash for the reason that it is not payable in money, but "in shares of the capital stock of the company, or in freight and passage only at the option of the holder." It is not, therefore, a promissory note, but a contract for the payment of \$100 in the capital stock of the company or in freight and passage twelve months after the completion of its road. This time having elapsed, it can be enforced by the holder should no defense exist on the part of the company. Not being negotiable, it is open to all defenses against any assignee which might be made to it in the hands of the payee. The words "in six equal installments," we think, would be rejected as without meaning in any suit on the instrument.

Editor Rhodes' Journal of Banking:

SAN FRANCISCO, Cal., February 22, 1887.

SIR:—The receipts of the express companies usually contain certain conditions, one being that they shall "not be liable for an amount exceeding fifty dollars unless the true value of the shipment is herein stated."

1. Cannot the shipper legally place the value of \$50 on a package which really contains much more than that?

2. If he does so undervalue his shipment, and the package is lost by fire or through train-robbery, can he collect more than \$50?

3. If he does so undervalue a package, and it is stolen by a servant of the express company, cannot the true value of the package be claimed?

4. In the last case, if the express company should not make known to the shipper the particulars of the robbery, could not the shipper apply for and obtain a search-warrant so as to ascertain whether the company was holding his package as a punishment for undervaluation?

P. A. T.

Answer.—The shipper could not recover from the express company in case of loss or injury for which it was liable any greater amount than the value which he had placed on the package.

In *Tyle vs. Morrice, Carth.*, 485, a carrier received two bags of money sealed up, and was told that they contained £200, and a receipt was given charging 10s. per cent. for carriage and risk. The bags in reality contained

£400, and the carrier having lost them by robbery it was held that the plaintiff could not recover more than £200.

In *Orange Co. Bank vs. Brown*, 9 Wend., 116, Nelson, J., says: "In the absence of notice, if any means are used to conceal the nature of the article, and thereby the owner avoids paying a reasonable compensation for the risk, this unfairness, and its consequence to the carrier, upon the principles of common justice, will exempt him from responsibility; for such a result is alike due to the carrier, who has received no reward for the risk, and to the party who has been the cause of it by means of disingenuousness and unfair dealing."

In *Gibbon vs. Paynton*, 4 Burr., 2,298, an attempt was made to hold a carrier liable for money delivered to him concealed in a bag filled with hay, although he had given notice that he would not be liable for money or valuables unless notice was given that they were contained in the package delivered to him to be carried and with the payment of a higher price for the carriage accordingly, the object of the owner being to cheat the carrier and have the money carried without paying the price which the latter was entitled to. Lord Mansfield held that the plaintiff could not recover because of fraud.

See "Hutchinson on Carriers, Section 212."

And in "*Angell on Carriers*," at Section 259, it is said, speaking of the case above cited (*Tyle vs. Morrice*), where a package containing £400 was valued at £200, and £200 was all the plaintiff was allowed to recover, that "it may be doubted whether the defendant would now be considered as liable even to that extent, and whether the whole contract would not be considered as avoided and rendered a nullity, by the fraudulent representation."

See "*Angell on Carriers*," Sections 258, 259, and cases cited.

Editor Rhodes' Journal of Banking: FORT WORTH, TEX., February 23, 1887.

SIR:—The following check was presented at this bank:

\$10,000.	FORT WORTH, TEX., February 21, 1887.
THE MERCHANTS' NATIONAL BANK.	
Pay to G. B. M. & Co. ten thousand dollars.	
No. 896.	PETER JONES & Co.

The drawer erased the words "or order." Should the holder of the check—that is, the party receiving it from the drawer—lose it on the way to the bank and some person finds it could the finder claim that the check was payable to bearer and demand the money? The drawer makes it read, "Pay to G. B. M. & Co.," knowing at the time that there is no such firm, and holds that it is payable to bearer. I take the position that the party presenting the check must be identified as a member of the firm of G. B. M. & Co., and, on his failing to be identified, we are right in refusing to pay. The person that questions this matter claims that the check is payable to bearer. Is there any responsibility assumed by the bank in refusing to pay the amount of the check without its being properly indorsed? Please give me your opinion as to the bank's responsibility in paying the check in its present shape.

A. B. SMITH.

Answer.—A check made payable to the order of a fictitious name is regarded as equivalent to being made payable to bearer.

Coggill vs. American Exchange Bank, 1 N. Y., 118.

Foster vs. Shattuck, 2 N. H., 446.

Vere vs. Lewis, 3 Term., 182.

And a bank can pay a check which is payable to bearer without the indorsement of the holder. In a case like the present, however, we think the bank would be justified in deferring payment of the check until it had satisfied itself that the name of the payee was fictitious, and that the party presenting was the rightful holder of the check.

Editor Rhodes' Journal of Banking:

BOSTON, MASS., March 19, 1887.

SIR:—A man named A keeps a bank account in a town near this city. A perfect stranger calls on him and requests a favor. The stranger desired to send \$15.25 to New York, and wished A to give him his check for this amount. The check is filled out by A's clerk, payable to bearer—A's customary method of drawing checks—and properly

signed. By using chemicals the stranger cleverly raises the check to \$150.25, and has it immediately cashed at A's bank. Should the bank or A stand the loss?

Respectfully,

WILLIAM A. BLACK.

Answer.—The rule in such cases is that the bank paying the check must stand the loss unless it was drawn in such a careless or incomplete manner that it might be raised without giving it a suspicious appearance or leaving a perceptible mark. In that event A would be chargeable with the amount paid.

Editor Rhodes' Journal of Banking: NORTH LA CROSSE, Wis., March 17, 1887.

SIR:—We would like your opinion, through the JOURNAL, as to the correctness of the following reply, which I clip from a (so-called) banker's publication in your city. The inquiry is dated at Ellis, Kansas, and reads as follows:

"We mailed a remittance of Union Pacific Railway pay checks to our Kansas City correspondent over two months ago, which has never reached its destination. As soon as we discovered the loss we notified the local Treasurer, and requested him to stop payment and send us duplicate checks. Not hearing from him in a reasonable time, I wrote the Paymaster of the U. P. R. a statement of the case, and he referred my letter to the Auditor, who has paid no attention to it. The Paymaster informed me that the Auditor would insist on an indemnity bond before issuing duplicates. Can we secure payment or duplicate checks without giving an indemnity bond, and, if so, what is the proper way? As address was printed plainly on envelope, and the post-office department can find no trace of letter, it was probably stolen, and checks may be presented to the railway company for payment."

Here is the answer given in the paper:

"The course pursued by the railroad company is regular and proper. They paid the obligation due their employee by them by making and delivering such check to him. The check was lost by the agent of the payee, for which the company is not liable, and it cannot, in our judgment, be caused to pay again. It is discretionary with the company whether it will pay again or not. The check may be in the hands of an innocent third party."

It seems to us that the railroad cannot maintain any such position as this. If the check used by the railroad company is drawn on a bank it cannot be considered paid until charged by the bank to the account of the drawer, and in the meantime is a promise of the company to pay to the order of the drawer; and it seems to us the company could be made to issue duplicates upon proper proof and security against the probability of the originals turning up.

Will you please give your views and any legal decisions affecting such cases.

MAGILL BROTHERS.

Answer.—The reasoning in the above reply is certainly unsound. The writer states that the railroad company paid the obligation due their employee by delivering their check to him, and, if the check is lost, they cannot be called upon to pay again. Conceding that they discharged the *obligation* to their employee by delivering the check, their liability on the *check*, as drawers, is not discharged until it is paid.

In the case stated the railway company could probably be required to issue new checks, but not until indemnified against the originals turning up in the hands of some party entitled to enforce them. The authority for this proposition may be found as follows:

By the Statute 9 and 10, William III., ch. 17 (enacted in the year 1698), it is provided by Section 3 that, "in case any *such* inland bill shall happen to be lost or miscarried within the time before limited for the payment of the same, then the drawer of the said bill is and shall be obliged to give another bill of the same tenor with that first given, the person to whom it is delivered giving security, if demanded, to the drawer to indemnify him against all persons whatsoever in case the said bill, so alleged to be lost or miscarried, shall be found again."

It is stated in "Byles on Bills" (seventh edition, Sharswood), at page 384, that this provision is not peculiar to the law of England, but agreeable to the mercantile law of other countries (citing Code de Commerce, Liv. 1, tit. 9, art. 151, 152). And, further, that the "relief administered by courts of equity was not confined within the letter of the statute. It would be afforded not only on *such* bills as are mentioned in the statute, but on others."

And it is stated that this provision is extended to promissory notes by the Statute of III. and IV. Anne, Chapter 9, Section 1 (1775), which is "an Act

for giving like remedy upon promissory notes as is now given upon bills of exchange," etc.

It is probable, therefore, under the provisions of this statute of William III., that a Court of equity has power to compel a drawer to issue a duplicate check upon receiving sufficient security to indemnify him against liability on the original.

Another remedy which the holder of a lost check would have would be to demand payment upon a copy, and, on refusal, bring suit against the drawer. In such a suit he could recover upon giving proper indemnity.

Editor of Rhodes' Journal of Banking: WESSINGTON SPRINGS, Dak., Feb. 19, 1887.

SIR:—In making returns for assessment for local taxes would it be proper for a private bank doing business in Dakota to deduct from its cash on hand the United States notes (greenbacks) which it holds. Respectfully, C. E. THAYER.

Answer.—Treasury notes or greenbacks are exempted from taxation by Section 3,701 of the Revised Statutes of the United States, and can therefore be deducted from the amount returned for assessment.

Editor Rhodes' Journal of Banking: HYANNIS, Mass., March 11, 1887.

SIR:—It was decided in the case of Seeley vs. New York National Exchange Bank (8 Daly, 400,) that, when a National banking association reduces its capital stock, the amount of capital thus released belongs to the shareholders *pro rata*, and must be returned to them; and it cannot be retained by the association for a surplus. *Question:* How would it be as to its *surplus*, providing the bank had a *surplus* equal to 20 per cent. of its capital? Would that have to be divided *pro rata* the same as its capital stock?

JOSEPH T. HALL, Assistant Cashier.

Answer.—In Seeley vs. New York National Exchange Bank (8 Daly, 400) —affirmed in the Court of Appeals—the defendant, by a resolution of its stockholders, under the provisions of Section 5143 of the Revised Statutes, reduced its capital stock from \$500,000 to \$300,000—*i. e.*, two-fifths—and provided that \$100,000 should be returned to the stockholders, who should relinquish two-fifths of their stocks *pro rata* according to their amounts. This, in effect, gave the stockholders but \$100,000 in cash for \$200,000 of stock surrendered, and the remaining \$100,000 was sought to be retained by the association as a surplus. Seeley, the owner of twenty-five shares of \$100 each, brought suit to compel the bank, upon the surrender of the shares, to issue him a new certificate for three-fifths of the amount, and to pay him cash for his remaining two-fifths, claiming that the association had no right to retain any portion of the capital so reduced as a surplus. This claim the court upheld. In this case the shares of Seeley were proved to be of the value of \$100 each, and no question arose as to the *pro rata* division of any surplus. But, supposing in a similar case there was a surplus of 20 per cent., would two-fifths of this surplus be adjudged to be *pro rata* divided in like manner as the two-fifths capital? This is the question we are asked to determine.

Let us examine the opinion in the Seeley case and see if the same reason which influenced the decision in that case would also apply to a case like the present.

Judge Van Hoesen, in his opinion in the Seeley case, says:

"The principal question in this case is whether a National bank may, after reducing the amount of its capital stock, retain, as a surplus or for other purposes, the whole or any portion of the money which it received for the stock that is retired. The defendant reduced its capital stock from five hundred thousand to three hundred thousand dollars. What is to become of the two hundred thousand dollars which was subscribed and paid for the stock that has been called in? Must it be paid to the stockholders who surrendered the retiring stock or may it be retained by the bank? A certificate of stock is merely the evidence of an interest in dividends, as they are declared, and of a right to a *pro rata* distribution of the effects of the corporation on hand at the expiration of the charter. If the defendant had determined to discontinue business and wind up its affairs there is no doubt that the shareholders would be entitled to a distribution of whatever assets of the corporation might remain after its

debts had been paid. If, instead of surrendering all its corporate powers, a corporation, by reducing its capital stock, relinquishes a portion of them, it seems to me that the shareholders may properly claim a distribution of the money which the corporate body has no longer the right to use as capital. *The abandonment by a corporation of all its corporate rights gives the stockholders a right to the distribution of all the net assets. Why should not an abandonment of a portion of these rights give the stockholders a right of distribution pro tanto? Of course, if the capital stock has been impaired, the amount to be returned to the stockholders must be diminished.* * * * * The bank has gone out of existence as a corporation with a capital of \$500,000. Under a modified charter it commences a new life with a capital of \$300,000. *So far as the \$200,000 of reduced stock is concerned, the corporation must be considered as having surrendered its charter and wound up its business.* This being so, there is no doubt as to the duty it owes to the stockholders who own the retired stock."

In the case in which this opinion was rendered there was no surplus. The shares were of the actual as well as the par value of \$100. If there had been a surplus of 20 per cent., so that the actual value of each share had been \$120, is there any doubt that, under this reasoning, each share retired would take with it, in addition to its par value, its *pro rata* of the surplus? "*The abandonment by a corporation of all its corporate rights gives the stockholders a right to the distribution of all the net assets*"—that is, not only the capital, but any surplus. "*Why should not an abandonment of a portion of those rights give the stockholders a right of distribution pro tanto? Of course, if the capital stock had been impaired, the amount to be returned to the stockholders must be diminished.*" With equal reason, therefore, if it has been enhanced, the amount to be returned will be increased.

The rule established by the decision is, that when a corporation with a capital of \$500,000 reduces it to \$300,000, it must be considered as having surrendered its charter and gone out of business to the extent of \$200,000. That this discontinuance entitles the stockholders to a distribution of its *net assets pro tanto*. That, if the capital has been impaired, the amount to be returned must be diminished; but, if the capital is unimpaired, and a surplus exists, this surplus, to the extent of two-fifths, is to be divided *pro rata* with the capital. This is a deduction clearly drawn from the opinion. In the case in which it was applied there appeared to be no surplus, nor was there any diminution of the capital. The shares were each worth par. The Court accordingly held that two-fifths of the capital must be returned *pro rata* to the shareholders. Had there been a surplus, it is clear, under the reasons advanced in the opinion, that two-fifths of this, also, would have been decreed to have been divided in the same way.

Editor Rhodes' Journal of Banking:

HUMMELSTOWN, Pa., March 10, 1887.

SIR:—I would like to get your opinion on the following questions:

1. A makes his note payable to B, or order. B indorses it and hands it back to A, who brings it to the bank and takes credit on his account. Is this note sufficiently indorsed? Transactions of this kind are very common in country banks.

2. Does the waiver of an exemption clause destroy the negotiability of a note?

JOHN J. NISSELEY, Cashier.

Answer.—1. If the note was indorsed in blank by B, and handed back to A, who delivered it to the bank, the indorsement is sufficient to vest the title in the bank, and A is liable thereon as maker and B as indorser.

2. The waiver of exemption laws does not destroy the negotiability of a note in Pennsylvania. *Zimmerman vs. Anderson*, 67 Pa. St., 421, is an authority for this rule. In that case the indorser sued the maker on a note, which read: "Six months after date I promise to pay E. W. Lowe or order one hundred and twenty-five dollars, for value received, with interest, *waiving the right of appeal, and of all valuation, appraisement, stay and exemption laws.*" The maker claimed that the note was not negotiable, and sought to interpose the defense of a want of consideration. The Court held the note negotiable, saying that the words above italicized "do not contain any condition or contingency, but, after the note falls due and is unpaid, and the maker is sued, facilitates the collection by waiving certain rights which he might

exercise to delay or impede it." That "instead of clogging its negotiability, it adds to it, and gives additional value to the note."

We have omitted from the above inquiry a third question as to taking "proceed checks," as it does not seem clear to us. If our correspondent will re-state the inquiry we will gladly answer it.

DIGEST OF RECENT DECISIONS IN COMMERCIAL LAW.

ADMINISTRATOR—EXTINGUISHING DEBT OF.—The granting of administration of an estate to one indebted to the intestate is an extinguishment of the debt. The chose in action becomes converted into a chose in possession, and is transmitted by mere operation of law, which is equivalent to judgment and execution. The debt is thus satisfied and extinguished. The instant administration is granted, the administrator, being the person to receive and to pay, is considered to have paid the debt and as holding the amount in his hands as assets, and the debt having once become assets no act of the parties can return it back to an obligation. [*Jacobs vs. Morrow, Supreme Court of Nebraska, February 16, 1887.*]

ATTACHMENT—FOREIGN ASSIGNMENT—RIGHT TO PROPERTY.—A resident of New York made an assignment for the benefit of his creditors, giving preferences, to a New York assignee. The assignment embraced certain lands in Cook County, Ill., and was duly recorded in that county. A Massachusetts corporation, creditor of the assignor, in a suit against the debtor subsequent to and with notice of the assignment, attached the same property in Illinois and obtained judgment by default. The New York assignee intervened and claimed the property by virtue of the deed. *Held*, A statute of this State makes void every provision in an assignment that provides for the payment of one debt or liability in preference to another. The policy of the law of the State would hardly warrant the Courts in lending their aid to a foreign assignee to withdraw effects, either real or personal, from the just claims of the creditors of the insolvent debtor and remove the same to another State where, under the laws of that State, such creditors might get no part of their claims on account of the preferences given by the deed of assignment. It is, therefore, quite plain that if the attaching creditor was a citizen of this State, or a corporation existing under the laws of this State, it would be entitled to the property attached as against a foreign assignee; and no good reason exists for denying a citizen of another State, owing no duty to observe the laws of the State under which the assignment was made, to become a suitor in the Courts of this State on terms of equality with our own citizens. [*May vs. First National Bank of Attleboro, Supreme Court of Illinois, January 25, 1887.*]

CONTRACT—OFFER AND ACCEPTANCE.—An offer of a bargain by one person to another imposes no obligation upon the former unless it is accepted by the latter according to the terms upon which the offer was made. Any qualification of or departure from those terms invalidates the offer unless the same is agreed to by the party who made it. Where the negotiations are by letters they will constitute no agreement unless the answer to the offer is a simple acceptance without the introduction of any new term. [*Langelier vs. Schaefer, Supreme Court of Minnesota, January 31, 1887.*]

FORGERY—STATUTE OF LIMITATIONS—ABSENCE FROM STATE.—Indictment for uttering a forged note. Defense, the Statute of Limitations. *Held*, It appears that the respondent had always lived in this State, but that several years ago he was absent for several months; his absences in all, if deducted from the period between the commission of the crime and the filing of the information, reducing the period of his actual presence in the State to less than six years. The Statute of Limitations applying to crimes deducts from the six years' limitation such time "during which the party charged was not usually and publicly a resident within the State." It is not mere absence from the State which this statute refers to, but such absence as destroys residence. Otherwise persons would be unable to leave home for any purpose without incurring the risk of consequences which were never contemplated. Criminal cases really do not stand on the same necessity as civil cases, for absence does not prevent an indictment, while it does prevent the beginning of a

civil action. It is a hardship to postpone criminal proceedings so long that testimony may be lost and the truth difficult to get at. Long delay in complaining does not usually further justice. We think there was nothing in this case to take it out of the statute. Prisoner discharged. [*People vs. McCausey, Supreme Court of Michigan, February 10, 1887.*]

PARTNERSHIP—DISSOLUTION—AUTHORITY OF PARTNER.—After the dissolution of a partnership one partner has no power to assign or transfer a chose in action belonging to the firm without some authority, either express or implied, from the other partner or partners. After the dissolution the former members of the firm are no longer partners, but are only tenants in common; and where there is no agreement to the contrary, each partner, after dissolution, possesses the same authority to adjust the affairs of the firm by collecting its debts and disposing of its property as before the dissolution; but such former partners can no longer bind each other even by varying the form of existing obligation. After dissolution one partner cannot indorse a partnership note even to pay a prior debt of the firm. [*Stair vs. Richardson, Supreme Court of Indiana, December 10, 1886.*]

PRINCIPAL AND AGENT—LIABILITY OF PRINCIPAL FOR FRAUD OF AGENT.—When an agent, in the course of a principal's business and within the scope of his agency, has been guilty of negligence, trespass, or the like, the principal is liable in an action for damages; and the amount of recovery in such cases is co-extensive with the injury sustained by the plaintiff in the action and is not limited to the amount of benefit received by the principal from the tort of his agent. There is no sensible distinction, in this respect, between a case of fraud and that of any other tort; and the authorities, generally, hold that an action for damages for the deceit of the agent will lie against the principal. This proceeds, not upon the ground of any imputation of vicarious fraud to the principal, but upon the familiar doctrine of the law of agency—*respondet superior*. [*Davies vs. Lyon, Supreme Court of Minnesota, February 16, 1887.*]

TELEGRAPH COMPANY—OBLIGATION TO FURNISH MESSAGES FOR AN ILLEGAL PURPOSE—BUCKET-SHOP.—A telegraph company who had been engaged in furnishing to a bucket-shop, by means of wires and ticker, market reports of the prices of grain, provisions, etc., sought to remove the ticker and discontinue the furnishing of such reports. The owner of the bucket-shop petitioned the Court for an injunction restraining the telegraph company from stopping the supply of said reports and removing the ticker. *Held*, These reports were the very essence—the very sinew—of appellant's gambling business, and without the prompt supply of which his business was a failure. Can the appellee be compelled to continue the supply? We think not—not upon the ground that the appellee is the innocent victim of an illegal enterprise, nor that it has been entrapped into aiding a gambling business, for it says that it was willing to furnish the reports as long as the terms of the contract suited it—but upon the ground that the appellant was engaged in a gambling enterprise, which is contrary to law, good morals and public policy. It is for the sake of the law and the best interest of society that we relieve the appellee from continuing to furnish the appellant the reports. It is contended that, although the appellant may be engaged in a gambling business, the appellee has no right to withhold the reports from him because, in its position as a public servant, it is bound to serve the public indiscriminately and without questioning the motives or the purposes of the persons who employ it. Mr. Gray, in his work on "Communication by Telegraph" (Section 15), says: "The general rule is that a telegraph company is under no obligation to contract to communicate an illegal or an immoral message." This rule is not only correct as to telegraph companies, but it applies to all persons who undertake to carry for the public. A contrary rule would convert a telegraph company into a public vehicle for the purpose of communicating unlawful, treasonable or felonious schemes of all kinds, or the consummation of any and all kinds of illegal transactions and enterprises. Of course, a telegraph company, in assuming to refuse to send a message because it is illegal or moral, acts upon its peril. If it is mistaken or has misjudged the tenor or purpose of the message it would be held responsible to the injured party for any damage by reason of the refusal. Petition dismissed. [*Smith vs. Western Union Telegraph Co., Court of Appeals, Kentucky, January 26, 1887.*]

SAVINGS BANKS AND TRUST COMPANIES.

ANNUAL REPORT OF THE BANK SUPERINTENDENT OF NEW YORK STATE.

The report of Hon. Willis S. Paine, Superintendent of the New York Banking Department, relative to Savings banks and Trust companies, was transmitted to the Legislature on the 1st ultimo. As required by the Laws of 1882, it shows the condition of these institutions on January 1, 1887.

Under the existing law the savings banks of the State are not required to forward their semi-annual reports to the Department until August 1st and February 1st, showing their condition on the 1st of July and January respectively. This year the last report was not received until February 10th, and, as the Superintendent is required to submit his annual report on or before March 1st, he complains that the time is insufficient to prepare an exhaustive report. He recommends the amendment of the law so that hereafter savings banks shall be required to file their reports on or before January and July 20th in each year.

RESOURCES OF STATE FINANCIAL INSTITUTIONS.

Savings banks, State banks of deposit and discount, Trust companies and Safe Deposit companies are, by law, required to report to the Superintendent at stated periods, and are subject to annual or biennial examinations by him. The aggregate resources of the financial institutions named, which were organized and are now operated under the State laws and subject to the supervision of the Superintendent on January 1, 1887, amounted to \$963,759,753; on January 1, 1882, the total resources of such institutions were \$680,580,082, an increase of \$283,179,671 during the last five years.

RESOURCES.

	Jan. 1, 1884.	Jan. 1, 1885.	Jan. 1, 1886.	Jan. 1, 1887.
Savings banks.....	\$499,242,641.00	\$505,327,498.00	\$534,536,633.00	\$568,276,807.00
Discount & deposit banks	171,591,164.00	177,445,045.00	180,576,668.00	201,681,168.00
Trust companies.....	164,314,887.17	158,698,081.31	176,216,940.82	189,503,545.20
Safe deposit companies..	8,858,186.61	8,670,477.36	4,078,976.07	4,296,122.90
	\$839,001,878.78	\$845,786,079.67	\$905,409,212.89	\$963,759,753.10

Besides the foregoing there are more than one hundred other concerns, variously styled savings and building, aid, or mutual accumulating fund associations, all in active operation, only seven of which have reported to the Department, although required by law to do so. The Superintendent recommends that, as "their business is of a purely local character, and the publicity that should be given their transactions would be more effectively accomplished by requiring them to report to the Clerk of the county in which their business offices are located," that the portion of the existing law requiring them to report to the State Department should be repealed.

NEW BANKS.

Three new banks were organized during the year — the City Savings Bank, Brooklyn; Richmond County Savings Bank, Castleton (Staten Island), and Amsterdam Savings Bank, Amsterdam. The City Savings Bank, of Brooklyn, has already opened its doors and is doing an active business, and the remaining two expect to open in the near future.

In thirty-one counties of the State there are no savings banks in operation, to wit: Allegany, Cattaraugus, Chautauqua, Chenango, Clinton, Delaware, Essex, Franklin, Fulton, Genesee, Hamilton, Herkimer, Lewis, Livingston, Montgomery, Ontario, Orleans, Otsego, Rockland, St. Lawrence, Saratoga, Schoharie, Schuyler, Steuben, Sullivan, Tioga, Warren, Washington, Wayne, Wyoming, Yates. While the creation of new corporations in the localities named would meet with prompt encouragement, the Superintendent thinks "the increase of savings banks in larger cities should not, as a rule, be favored." He thinks that "applications from neighborhoods having one

or more savings banks are oftentimes made to subserve personal purposes rather than from philanthropic motives."

CLOSED BANKS.

The Chautauqua County Savings Bank, at Fredonia, having paid all but two depositors to whom \$2.24 is due, has made application for an order declaring its franchise surrendered.

FAILED BANKS.

The Whitestone Savings Bank, having reported that \$478.66 was due its depositors, and the assets of the bank were not sufficient to pay this sum, application was made, and James W. Covert appointed Receiver, August 21, 1886.

NUMBER OF BANKS.

On January 1, 1887, there were one hundred and fifteen active savings banks, besides seven dormant and two new banks not yet ready for business, making a total of one hundred and twenty-four. The combined assets of the seven dormant banks are less than \$2,000, and one of them (the Hope, of Albany) has a bill before the Legislature to repeal its charter.

RESOURCES OF SAVINGS BANKS.

On January 1, 1887, the total resources of the savings banks of the State amounted to \$568,276,867, being a net increase for the year of \$33,740,234. The surplus now amounts to \$85,623,329, and the number of open accounts are 1,264,536.

In 1870 there were in existence in this State one hundred and forty-seven savings banks, with aggregate resources of \$245,091,177, showing the enormous increase during the last sixteen years of more than 131 per cent., or \$323,185,690.

The total resources of the banks of discount and deposit on January 1, 1887, amounted to \$201,681,168; the Trust companies, \$189,503,596; and Safe Deposit companies, \$4,298,122—all making a gratifying increase over the previous year.

BONDS AND MORTGAGES.

On January 1st the Savings banks of the State held bonds and mortgages on which deposits had been loaned amounting to \$169,972,875. The increase since 1871 amounts to \$91,788,233, or more than 117 per cent.

The following table gives the location of the Savings banks and the amount of mortgages held by them on January 1st:

COUNTIES.	Amount.	COUNTIES.	Amount.
Albany.....	\$3,234,442 00	Onondaga.....	\$6,145,379 00
Broome.....	636,806 00	Orange.....	1,758,508 00
Cayuga.....	661,558 00	Oswego.....	485,613 00
Columbia.....	251,440 00	Putnam.....	111,226 00
Cortland.....	253,017 00	Queens.....	958,177 00
Dutchess.....	2,127,638 00	Rensselaer.....	472,678 00
Erie.....	9,544,563 00	Richmond.....	239,350 00
Greene.....	172,063 00	Schenectady.....	160,262 00
Jefferson.....	555,948 00	Seneca.....	59,355 00
Kings.....	19,707,734 00	Suffolk.....	1,500,413 00
Madison.....	238,800 00	Tompkins.....	177,685 00
Monroe.....	10,646,617 00	Ulster.....	2,415,868 00
New York.....	102,955,376 00	Westchester.....	2,062,663 00
Niagara.....	317,958 00		
Oneida.....	1,769,542 00	Total.....	\$169,972,875 00

Of this amount nearly the whole is loaned in twelve counties of the State, as follows: New York, \$102,955,376; Kings, \$19,707,734; Monroe, \$10,646,617; Erie, \$9,544,563; Onondaga, \$6,145,379; Albany, \$3,234,442; Ulster, \$2,415,868; Dutchess, \$2,127,638; Westchester, \$2,062,663; Oneida, \$1,769,542; Orange, \$1,758,508; Suffolk, \$1,500,413—a grand aggregate of \$168,908,798.

The par value of stocks and bonds of various kinds held by the banks at the beginning of the present year amounted to \$375,029,114, costing \$293,817,908, their market value being \$333,966,458, or an excess of \$40,149,552 over cost. Of this amount over one-half is invested in United States and District of Columbia bonds, the balance being principally in the bonds of cities, counties, towns and villages in the State.

The amount of "collateral loans" on January 1st was \$14,425,589, an increase of nearly \$9,000,000 during the year. This is the direct result of an amendment to the Savings Bank Law, passed by the last Legislature on the recommendation of the

Superintendent, authorizing Savings banks to loan as high as 90 per cent. of the par value of securities in which they may invest their deposits, except mortgages on real estate, thus enabling them to compete with other financial corporations for these desirable loans and also to utilize the daily excess of receipts over payments.

REAL ESTATE.

Savings banks are allowed by law to purchase, hold and convey real estate only for the purpose of erecting a building requisite for the transaction of a banking business, from portions of which revenue may be derived, and also such real estate as shall have been acquired under foreclosure of mortgages owned by the corporation, or upon judgments obtained for debts due to it, or in settlements to secure such debts; but such real estate must be sold within five years after the same is vested in the bank unless the time is extended by the Superintendent—the intent of the law being that such banks shall not hold real estate other than their banking houses when the same can be sold without loss. The present estimated market value of the real estate so held by the savings banks of the State is \$8,034,653, of which \$4,530,271 represents bank buildings, the remainder having been acquired through foreclosure.

CASH ON HAND AND WITH BANKS AND TRUST COMPANIES.

On January 1, 1887, the savings banks held the sum of \$5,836,906 in cash, and had \$30,796,122 deposited with State and National banks or Trust companies incorporated under the laws of this State, making a total of cash uninvested amounting to \$36,633,120, or \$1,125,241 more than the preceding year.

The Superintendent considers that, as "deposits have increased \$25,436,480 during the past year, it is a remarkably favorable showing for the banks that the increase in cash uninvested has not been greater."

DEPOSITS.

The total amount of deposits in the Savings bank of the State on January 1st was \$432,436,730, an increase during the year of \$25,436,480; but, as \$15,777,022 resulted from accretions of interest credited or paid to depositors, it leaves a net increase of deposits of \$9,659,458. Much of the marked increase in actual deposits during the past two years is attributed by the Superintendent to the calling of United States 3 per cent. bonds, the money received having, to a considerable extent, probably been deposited in the Savings banks.

During the year 1886 the sum of \$170,198,206 was received from and \$160,538,141 paid to depositors.

DEPOSITORS.

On January 1st the number of depositors in all the Savings banks of the State was 1,264,535, an increase over last year of 56,463. This of course, includes only those who have open accounts. The average of each account is \$381.55, an increase of \$3.22.

SURPLUS.

Estimating the stock investments and real estate held by Savings banks on January 1, 1887, at market values, the surplus of the banks on that date was \$35,623,329, an increase during the year of \$8,340,440.

INTEREST OR DIVIDENDS.

The sum of \$15,777,022 was paid depositors during the past year for interest, a net increase over the preceding year of \$625,043.

Sixty-one Savings banks with aggregate deposits of \$332,709,750 paid rates of interest varying from three-and-one-half to four-and-one-half per cent.

The total amount paid during the past year for expenses in managing the Savings banks was \$1,590,967. Of this amount \$1,133,268 was paid for salaries and the balance for miscellaneous expenses. The average cost of caring for each account was \$1.26.

RIGHTS OF TRUSTEES.

Trustees cannot have any interest, direct or indirect, in the profits of their banks, and are not allowed to receive pay for services rendered, except those who act as officers of such corporations and whose duties require and receive their regular and faithful attendance at the bank. The question, what is an "indirect interest" of a trustee, was recently ruled on by the Department in the light of an opinion by the Attorney-General, who holds that the cases specified do not come within the prohibition of the Savings Bank Law.

INVESTMENTS.

On the subject of increasing the scope of investments for Savings banks, the Superintendent argues sensibly and soundly, as follows:

"It is urged in favor of increasing the scope of investments that there is a steady diminution in the amount of securities allowed by law to be taken by these institutions, that the rate of interest realized upon the same is decreasing, while the necessary incidental expenses are not less. Admitting this to be so, it is nevertheless true that the banks were not created for the purpose of accumulating large sums on deposit, but to afford the laboring population and others of limited means a place where their small deposits would be safely kept and immediately available upon demand. Safety and availability should be the tests in investing these trust funds. A high rate of interest is of slight importance compared to absolute security and convertibility of the principal. Better that a few depositors should withdraw their money and place it in investments where they can gain greater profits from its use than that one should witness again, in this State, the insolvency of more than twenty savings institutions in one locality, several of which were most lamentable failures."

RECEIVERSHIPS.

Fifteen failed savings banks, which paid dividends to depositors ranging from 15 to 88 per cent., have been closed up, and the Receivers, having deposited with the Superintendent all moneys not claimed by depositors or creditors, have been discharged by the Court. There still remains deposited with this Department the sum of \$74,079.03 in unclaimed dividends and deposits of these failed banks.

The Superintendent is not able to give much information concerning the affairs of most of the fifteen failed savings banks still in the hands of their respective Receivers, owing to the fact that many of these officers fail to comply with the provisions of law directing them to semi-annually report to the Superintendent of the Banking Department. In the case of the German Savings Bank, of the town of Morrisania, and the Bond Street Savings Bank, a final accounting is now in progress, on the termination of which these two Receiverships will be closed.

TRUST, LOAN AND MORTGAGE COMPANIES.

Nineteen Trust, Loan and Mortgage Companies reported to the Department at the beginning of the year, with aggregate resources and liabilities of \$189,167,452.31.

Printed copies of the proposed general law for the organization of Trust companies have been sent for suggestions to each of the now existing Trust companies, Savings institutions and the banks of discount and deposit. So far there has not been the slightest opposition manifested to the enactment of the measure as a whole. It is now before the Legislature. The total amount on deposit with these various Trust companies on January 1st was \$145,845,688.37, on \$135,337,361.27 of which interest is paid.

CHANGE OF NAME.

By the general act under which the names of corporations in this State are changed, Trust companies, banks and banking associations are expressly excepted.

The Superintendent recommends that, instead of the Legislature passing a special act in each case, a general law be adopted, whereby, after "the approval of this Department, application may be made to the Supreme Court in the county where the institution is situated for an order to authorize it to assume another corporate name."

CORPORATE AND OFFICIAL SEARCHES.

This question is treated at great length by the Superintendent, who reviews the two methods of searching—the old one by the County Clerks and Registers of Deeds and the new one by corporations organized for that express purpose. Banking institutions are among the heaviest loaners on bonds and mortgages, and their patronage is eagerly sought for by these new corporations. Formal application was made by two of these corporations, in which it was claimed that, if it was shown they have the ability to make more reliable searches than those made by official custodians of the records, and possess sufficient pecuniary accountability, where Trustees of savings banks prefer to use searches made by such corporations, they should be permitted to do so, and that such searches should be accepted by the Department.

Referring to the method of searching now in vogue, the Superintendent says: "Indexing against the names of the parties to a deed or mortgage is the method now used in this State, and is easily liable to error. The mistakes of clerks, who hold positions in the public offices during the brief reign of political favor, multiply the imperfections of a system easily liable to inaccuracy." To show the enormity of the task it is stated that, in 1855, there were only twelve hundred volumes of conveyances in the New York County Register's office, while at present there are nearly four thousand.

"Should a bank decide to loan on a certain mortgage, and investigate the title to the land offered as security, official searches up to the date of the last transfer would

generally be found with the deed and title abstract of the owner. Such searches are usually accepted by the bank, and official searches from the date of last transfer to the date of the mortgage are then procured. If loss should follow, owing to errors in the searches of the previous period, the mortgagee would be without remedy against the searcher.

"Were the banks to adhere to the strict rule of requiring new official searches covering the same period that existing certificates represent, borrowers would negotiate with private capitalists, the banks would be unable to effect good loans, and their deposits would be proportionately unproductive. It is a necessary evil, therefore, and essential to the financial prosperity of these institutions so long as the present method of searching is practiced.

"The scheme of corporate searching has been found, it is alleged, to be practicable and safe elsewhere, and the comparatively brief existence of similar companies within this State, it is further alleged, exhibits evidence of a greater degree of accuracy and a larger financial responsibility for loss than has before been claimed by either the most expert private searcher or the most careful and responsible official. They contract to pay any loss when the party guaranteed has been evicted by adverse title, when any lien guaranteed against has passed into final judgment and execution defeats the title, or when the property is rejected by a future purchaser owning to newly-discovered errors or defects. This is more than Registers or County Clerks pretend to do."

The Superintendent sums up the matter as follows:

"Taking into consideration the claims that the paid-up cash capital of these corporations exceeds the private fortune of the average official or the penalty of his bond, that the stockholders are personally liable, and that the liability of the companies continues permanent, the conclusion is warranted that their ability to answer for loss is as great as that of the custodian of the records. The banks under the supervision of this Department are bound to seek the safest methods of investment available, and it is the duty of their trustees to be alert and watchful. The manner in which the examination shall be made is not limited or specified by law. It is true, however, beyond all contention, that the special method to be pursued rests in the sound discretion of the trustees of the bank; and it is their solemn responsibility to use the safest and best method. It, therefore, comes within the province of this Department to watch and supervise the use of this discretion."

REGISTRATION OF TITLE TO LAND.

This question is also discussed very fully, including the proposed reform in the method of transferring title. In 1884 Commissioners were appointed by the Governor, who, after carefully investigating the subject, reported two systems, one known as the "lot" the other the "block" system. Both plans are elaborately reviewed by the Superintendent, who claims that many defects of the "lot" are avoided in the "block" system, as, "under it, the responsibility of proper indexing would be slight."

The proposed bill to adopt the block system provides that:

"No instrument shall be deemed or held to be recorded or filed for the purpose of giving notice thereof unless it shall be entered in the local index of the block in which the land affected by such instrument is located subsequent to the entry thereof in the Register's Journal.

"It is not claimed for the block system that searching will be avoided by it, but it certainly would reduce the expense of a search to a merely nominal amount, while delay would be prevented and errors and loss avoided. The block system unites the virtues of simplicity and definiteness. The block area is known to all, and, as a rule, is unalterable. It is the smallest practicable area that remains fixed and permanent. The block index is easily understood and convenient for use by laymen. It restricts searching; and, with a name index for each block, a search would be the labor of a few minutes. An official search once made inures to the benefit of all and reduces the expense of searching to a nominal fee. It requires no elaborate study of maps, no surveys, and no additional legal writings to properly index a deed; the mere knowledge of a block number is sufficient, and there is no opportunity for fraud. In the block index the risk of proper indexing may be assumed with safety by the party recording his deed. The adoption of this system would be a most desirable reform in the method of transferring title to land."

"A Publication of Great Value."—"The new *Bankers' Directory & Collection Guide*, published by Messrs. Bradford Rhodes & Co., 78 William street, New York city, is a very useful and reliable publication. It contains a full list of bankers in this country as well as Canada admirably arranged for prompt reference, is well revised—the corrections being made down to January 21st—and may be fully relied upon. It has a compendium of the collection laws of the different States and of Canada, and shows briefly the laws as to assignments, mortgages, attachments, arrests, etc. A list of places without banks, with directions where to send collections to the nearest point to them, is given. It is a publication of great value to every banker, merchant and collection agent—in fact, to any business man—and deserves a large patronage. The price of the book is \$2."—*U. S. Economist & Dry Goods Reporter*.

CHICAGO BANKS AND MONETARY AFFAIRS.

[From the JOURNAL's Chicago correspondent.]

There is quite a mania for the formation of new banks in this city, which is due to the great success of the old institutions. Three National banks were organized last year, and it seems that there was room for them, as they report a very good business, and the stock of one of them (the American Exchange) has sold at 12½, while that of a second is quoted at about 11½, and a third in the vicinity of par.

This year a National bank (the Lincoln) has been formed on the North side, ex-Governor Beveridge being its President. That is a part of the city where there have been no banks heretofore, and it is expected that this bank will secure a good many small accounts.

Mr. Spencer Hibbard has for some time been organizing a National institution, which is to have a capital of \$500,000, and will open shortly after the 1st of May.

It is reported that Marshall Field, the great dry-goods man, is interested in another enterprise of the same description, and will have associated with him his partner Mr. Higginbottom and Henry J. Willing.

Efforts have been made from time to time to start banks outside the National system, but the laws of the State are so unfriendly to such enterprises that they have made no headway. Very few people care to be in a bank organized on the partnership plan, and there is no other method except to secure one of the old State charters. Most of those charters have become valueless through failure to "keep them alive," and so it is practically National bank or no bank at all.

There is a strong movement among public-spirited men toward the formation of savings banks, but we have no law that allows them to begin business on the mutual plan, which has been so successful in the East, and there are no charters available for the organization of such institutions as stock companies. There are some bills before the Legislature authorizing savings banks; but, in spite of all that has been written on the subject, there is a general apathy, and it is doubtful if anything will be done.

The great profits of the banks here have been the chief stimulus to the new enterprises. Aside from wise management, the two leading causes of these handsome profits are the large proportion of deposits to capital and the rapid and constant increase in the business of the city. A comparison of the deposits of Chicago banks with those of other cities as related to the amount of capital will show that it is very far above the average of the country. A banker who has a large amount of other people's money to lend, and only a moderate amount of his own to declare dividends on, will make heavy per centages if he is a person of fair abilities.

The First National made a net profit of 20 per cent. last year, and others did almost as well. But there is a feeling among the best financiers that the institutions now in existence and planned are quite enough for the present. A man who is probably interested in more banks than any other person in the city said not long ago that he did not care to go into any new enterprises of that description.

But, while the Chicago banking interest is growing rapidly, the expansion of financial affairs to the west of the city is forcing itself on observing men as one of the important phenomena of the time. The question is often asked why it is that there are such enormous shipments of currency to the country towns every fall and no return flow at all commensurate with them. The answer is found in the establishment of financial centres all over the West. Every year Chicago is called upon for large amounts of currency "to move the crops," and every year an increasing proportion of what is sent out remains in the towns that have ordered it. They have grown and they want the funds themselves, not merely while the grain is being bought of the farmers, but right through the year. This fact has impressed itself on the minds of Chicago bankers, who see that it means a certain amount of competition for the business they have heretofore had almost a monopoly of. The effects of the same phenomena are also seen in the buying and selling of Eastern bills. Of course Chicago is the natural centre of the West for dealings in such bills, and the smaller towns rely

on it to a very considerable extent for their New York paper. But for months past New York bills have been almost uniformly at a discount, and the dealings in them have been materially restricted.

Outside bankers are regulating their own supply and demand to an unusual degree. One of the influences at work is the large amount of railroad building in the West. The capital for the new roads comes mainly from the East, and the payments for supplies and labor are made in New York funds. Persons making remittances to New York can therefore get their bills without sending to Chicago for them. These influences will, of course, go on after the roads are completed. They are a part of the natural growth of the new country.

The banks of this city are still drifting southward toward the Board of Trade. When that institution was moved south over two years ago several of the banks saw that to follow was a necessity of their business. Lending to Board of Trade men is by no means the best branch of banking in Chicago, but it is a very important branch. Some of the bankers refused to go with the tide at first, but have since yielded, and others will do the same this year or the next. The best banking rooms in the world are being prepared in that quarter, and they will not be long vacant.

An important step has been taken toward the prevention of fraud in borrowing money on warehouse receipts. It will be remembered that the Neeld defalcation a few months ago consisted in borrowing on bogus warehouse receipts. Money was advanced on certificates purporting to represent merchandise stored in certain warehouses. After the disappearance of the defaulter it was found that no such property existed. The usual precaution against frauds of that character has been to insist on the registry of certificates. This is not considered a positive preventive, but a wise safeguard.

A number of leading bankers have organized a company, which will take charge of any personal property on which a loan is desired anywhere in the Northwest, place it under lock and key, and certify that the property is as represented. There is a wide field for the operations of such a concern.

Warehouse receipts, when genuine, are among the best securities offered for loans in this market.

E. B. C.

THOMAS COOPER'S ACCOUNT.

The following letter was received on the 16th of last December, and, being such a remarkable production, we hesitated to publish it. As may be seen, it refers to Mr. Cooper's account with the "London & Westminster Bank," of London, England, shown in the *fac-simile* of a London Pass-Book which appeared in the December issue of the JOURNAL in the department devoted to "Practical Banking:"

"*Editor Rhodes' Journal of Banking:*

"THE OAKS,' TIVOLI, December 15, 1886.

"SIR:—I'm no sooner landed in this country than I'm confronted with what purports to be a copy of my account with the L. & W. Bank at home, as displayed on page 964 of your JOURNAL for December current. You preface this publication with the statement that it contains features 'curious and instructive.' I should say it did! And let me tell you I shall apply to the Manager directly I reach home for a satisfactory explanation and apology for the defamatory character of this exhibit. By your showing, it's clear I've defrauded the L. & W. of £200, more or less, or some of their servants have done it at my expense of character and good name. I'm not good at accounts, and am free to say I don't keep any tablets, but when a fellow asks me plump what I've done with that £200 I did the old bank out of, and shows me your print—I'm free to say I want to go home. My friend says there are numerous 'curiosities' about this account, but I'm too sick to point them out.

"THOMAS COOPER, of London."

[In the JOURNAL for January, page 75, Mr. Thomas Cooper, of London, will find something of interest regarding his account—a satisfactory reply, we trust, to his letter.—EDITOR.]

Here is another letter on the same subject from Mr. C. M. Merrick, Cashier of the National Bank of New Brighton, Pa.:

"To a country banker some matters in the 'London Pass-Book' *fac-simile* shown recently in the JOURNAL are not at all clear. The first balance brought down, viz., £639 9s. 1d., should be £439 5s. 2d. Then the next debit footing I make £912 3s. 7d. You have it £902 3s. 7d. And these gross errors are not discovered but carried through to a final settlement. Such errors might occur, but that they should pass inspection by the editor of the JOURNAL, always so correct, is unaccountable to me."

CALIFORNIA BANKING INSTITUTIONS.

STATEMENTS OF THE SAVINGS AND COMMERCIAL BANKS.

From an advance copy of the report of the California Savings and Commercial banks for the six months ending January 1, 1887, the following instructive figures are gathered. A comparison is also made with the condition of the banks on January 1, 1886. The Savings banks show an improvement, deposits having increased \$6,700,000 and the reserve and profit account \$140,000, while the amount of real estate gained by foreclosure has decreased nearly \$300,000 and loans on real estate increased \$2,600,000. The total assets and liabilities show an increase of over \$6,000,000.

Following is a statement showing the financial condition of the live Savings banks of California on January 1, 1887, compared with the report of January 1, 1886:

RESOURCES.	1886.	1887.	Increase or Decrease.
Bank premises	\$496,716.63	\$894,519.48	Dec., \$2,197.15
Real estate by foreclosure	2,815,621.18	2,531,126.44	Dec., 287,494.74
Invested in stocks, bonds and warrants	14,275,024.96	16,447,419.23	Inc., 2,172,394.26
Loans on real estate	39,166,119.72	41,785,313.29	Inc., 2,619,193.57
Loans on stocks, bonds and warrants	5,749,127.08	6,570,294.28	Inc., 821,167.26
Loans on other securities	97,701.82	189,080.45	Inc., 91,378.63
Loans on personal security	1,234,849.07	1,088,465.38	Dec., 176,383.69
Money on hand	1,760,022.77	2,195,681.21	Inc., 445,658.44
Money in other banks	692,539.88	1,431,467.40	Inc., 538,927.57
Other assets	474,994.87	398,420.76	Dec., 81,577.11
LIABILITIES.			
Capital paid up	\$3,378,299.60	\$3,961,272.10	Inc., \$582,972.50
Reserve and profit and loss	2,713,015.82	2,856,816.72	Inc., 143,801.10
Due depositors	60,435,918.99	66,196,189.54	Inc., 5,760,270.55
Due to banks and bankers	27,812.83	22,810.80	Dec., 5,001.88
Other liabilities	330,670.98	459,648.96	Inc., 158,977.88
Total resources and liabilities	\$97,383,717.87	\$73,526,788.08	Inc., \$23,856,929.79

Following is a statement showing the financial condition of the Commercial banks of California on January 1, 1887, compared with the report of January 1, 1886:

RESOURCES.	1886.	1887.	Increase or Decrease.
Bank premises	\$1,848,498.81	\$1,873,424.97	Inc., \$24,926.16
Real estate taken for debt	1,355,540.06	1,451,135.14	Inc., 95,595.06
Invested in stocks, bonds and warrants	2,089,047.11	2,767,000.03	Inc., 677,952.92
Loans on real estate	12,085,393.65	13,191,196.99	Inc., 1,105,793.04
Loans on stocks, bonds and warrants	7,871,329.60	5,782,232.43	Dec., 2,079,231.17
Loans on other securities	10,210,320.99	9,667,453.08	Dec., 542,867.91
Loans on personal security	26,513,369.36	30,051,604.47	Inc., 3,538,235.11
Money on hand	10,146,304.59	11,300,064.23	Inc., 1,153,759.64
Due from banks and bankers	7,457,534.03	10,637,845.51	Inc., 3,180,311.23
Other assets	3,671,115.48	3,221,614.64	Dec., 449,500.84
LIABILITIES.			
Capital paid up	\$30,255,538.29	\$27,252,742.45	Dec., \$3,002,795.84
Reserve and profit and loss	9,983,653.51	10,906,634.22	Inc., 922,980.71
Due depositors	87,537,158.20	44,594,158.95	Inc., 8,756,996.75
Due to banks and bankers	3,636,974.06	6,329,134.73	Inc., 2,692,210.67
Other liabilities	1,636,868.64	1,078,865.84	Dec., 558,002.80
Total resources and liabilities	\$83,349,182.70	\$90,163,631.19	Inc., \$6,814,448.49

The paid-up capital of the Commercial banks amounts, in round numbers, to \$27,000,000. The capital of the San Francisco banks, including the five branches of foreign banks, aggregates \$18,500,000. This, deducted from the total, leaves only \$8,500,000 capital invested in the State at large outside of San Francisco. There are

at present twenty-seven National banks in this State having a paid-up capital of nearly \$4,000,000 and surplus of about \$1,000,000 more, or nearly equal to the combined capital of the sixty-four Commercial banks, exclusive of San Francisco. Taking the decrease in capital into account and the rapid increase of National banks, it would seem that the drift of financial sentiment was settling in favor of the latter institutions.

In the Commercial banks there has been a decrease in capital of over \$3,000,000, an increase in deposits of nearly \$7,000,000, and an increase of profit and reserve of about \$1,000,000. Loans on personal security have increased \$3,400,000, while real estate taken for debt has increased \$75,000.

THE NEW RESERVE LAW.

The following was the text of the reserve law as it passed the House of Representatives on December 15, 1886:

AN ACT to amend sections five thousand one hundred and ninety-one and five thousand one hundred and ninety-two of the Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-one hundred and ninety-one of the Revised Statutes be amended by adding to the list of cities named therein the following, namely: Atlanta, Charleston, Galveston, Saint Paul, Minneapolis, Indianapolis, Denver, Kansas City, Omaha, Richmond, and Saint Joseph.

SEC. 2. That section fifty-one hundred and ninety-two of the Revised Statutes be amended by adding to the list of cities therein named the following, namely: Atlanta, Galveston, Saint Paul, Minneapolis, Indianapolis, Denver, Kansas City, Omaha, and Saint Joseph.

On the same date the bill was referred to the Finance Committee of the Senate; and, on February 15th, it was reported to the Senate with the following amendment:

SEC. 3. That section fifty-one hundred and ninety-five of the Revised Statutes of the United States be amended to read as follows:

"SECTION 5195. Each association organized in any of the cities named in section fifty-one hundred and ninety-one of the Revised Statutes of the United States, or amendments thereto, may keep one-half of its lawful money reserve in cash deposits with any association or associations approved by the Comptroller of the Currency, organized and operating under the provisions of the National banking laws, in either or any of the other cities mentioned in said section."

The bill was subsequently referred back to the Finance Committee, from which it was again reported, and passed as follows:

AN ACT to amend sections five thousand one hundred and ninety-one and five thousand one hundred and ninety-two of the Revised Statutes of the United States, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whenever three-fourths in number of the National banks located in any city of the United States having a population of fifty thousand people shall make application to the Comptroller of the Currency, in writing, asking that the name of the city in which such banks are located shall be added to the cities named in sections fifty-one hundred and ninety-one and fifty-one hundred and ninety-two of the Revised Statutes, the Comptroller shall have authority to grant such request, and every bank located in such city shall at all times thereafter have on hand, in lawful money of the United States, an amount equal to at least twenty-five per centum of its deposits, as provided in sections fifty-one hundred and ninety-one and fifty-one hundred and ninety-five of the Revised Statutes.

SEC. 2. That whenever three-fourths in number of the National banks located in any city of the United States having a population of two hundred thousand people shall make application to the Comptroller of the Currency, in writing, asking that such city may be a central reserve city, like the city of New York, in which one-half of the lawful money reserve of the National banks located in other reserve cities may be deposited, as provided in section fifty-one hundred and ninety-five of the Revised Statutes, the Comptroller shall have authority, with the approval of the Secretary of the Treasury, to grant such request, and every bank located in such city shall at all times thereafter have on hand, in lawful money of the United States, twenty-five per centum of its deposits, as provided in section fifty-one hundred and ninety-one of the Revised Statutes.

SEC. 3. That section three of the act of January fourteenth, eighteen hundred and seventy-five, entitled "An act to provide for the resumption of specie payments," be, and the same is, hereby amended by adding after the words "New York" the words "and the city of San Francisco, California."

Approved, March 3, 1887.

BANKING AND FINANCIAL NEWS:

WITH COMMENTS ON THE MORE IMPORTANT MATTERS. THIS DEPARTMENT ALSO INCLUDES: RAILROAD AND INVESTMENT NEWS, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

Loss on Non-Interest Bearing Bonds.—The failure of some banks to replace the called 3 per cent. bonds on deposit to secure circulation with other bonds has caused the Comptroller of the Currency to call especial attention to the loss resulting from this course of action. The National banks now hold over \$3,000,000 of 3 per cent. bonds on which interest has ceased. The Comptroller expresses the view that it is negligence rather than inability to make new investments which prevents the surrendering of the bonds and taking the money for them or replacing the bonds with others that bear interest. He mentions the case of a Western bank which had \$150,000 of 3 per cent. bonds that ceased to bear interest three years ago. Frequent notice was given the bank that the bonds were yielding no interest, but the bonds were not redeemed until last summer. The Cashier explained that the Directors did not meet very often, and, when they did, he forgot to call their attention to the matter. The bank lost \$11,800 of interest, not counting the interest it might have gained by some other form of investment. The Comptroller has just issued to more than one hundred banks having called bonds on deposit the following notice, showing the loss resulting from failure to have the bonds redeemed:

Banks holding on deposit against circulation United States bonds that have ceased to bear interest are not only persisting in an act declared by the Attorney-General to be unlawful but they are also sustaining a loss. Take the following instances:

1—A bank holds matured bonds.....	\$100,000
Deduct circulation on the same.....	90,000
Non-interest-yielding outlay.....	\$10,000
2—A bank holds 4½ per cent. bonds maturing in 4½ years at a cost of 109 per cent.....	\$108,000
Deduct circulation on the same.....	90,000
Outlay.....	\$18,000
1—Interest at 7 per cent. on \$10,000 locked up in matured bonds, \$700 for 4½ years.....	\$3,150
Add 1 per cent. on circulation on \$90,000 for 4½ years at \$900.....	\$4,050
Loss on investment in 4½ years.....	\$7,200
2—Interest on \$100,000 at 4½ per cent. for 4½ years.....	\$20,250
Deduct 1 per cent. on circulation on \$90,000 for 4½ years.....	4,050
Less premium paid on bonds.....	9,000
Gain in 4½ years on \$18,000.....	\$7,200
Difference.....	\$14,400

Savings Bank Tax Bill.—A bill introduced in the New York State Legislature to tax Savings bank deposits is meeting with much opposition on the part of those who wish to see the Savings bank system preserved. The bill reads as follows:

SECTION 1. It shall be the duty of the Assessors of any town, city or village in this State to assess and levy a tax upon the amount of money held on deposit or as a surplus fund by any Savings bank or Trust company located in any town, city or village in this State in the same manner and at the same rate and at no higher rate than is levied upon other personal property held by individuals or the stocks of incorporated banks or companies in said town, city or village.

SEC. 2. The amount upon which such assessment shall be made and tax levied shall be upon the total amount of deposits and the surplus funds as held by the Savings bank or Trust company upon the day preceding the last as advertised for the review of the assessment roll by the Assessors of any such town, city, or village.

SEC. 3. The Treasurer of any Savings bank or Trust company located in any town, city or village in this State shall present a statement under oath of the amount in gross of deposits and the surplus fund of said Savings bank or Trust company on the last day of the review of the tax roll as advertised by the Assessors of the town, city or village where the Savings bank or Trust company is located, and the amount a

rendered by the Treasurer shall be the amount of the deposits and surplus funds at the closing of business of the Savings bank or Trust company, on the evening of the preceding day as so advertised.

SEC. 4. The assessment shall be made and the tax levied in gross directly to the Savings bank or Trust company, and shall be paid by the Savings bank or Trust company to the Receiver of Taxes for the town, city or village where the bank or Trust company, is located, and not elsewhere.

SEC. 5. The Treasurer of the Savings bank or Trust company may, if so directed by the Trustees or Directors of the institution, charge the amount of the tax so levied and collected to the account of the depositors as shown by the books of the bank or Trust company on the day of making up his accounts, rendered for the assessment at a *pro rata* amount, and the same shall be a legal charge against the amount of such deposit or any accumulated interest on the same.

SEC. 6. All Acts or parts of Acts which may conflict with the provisions of this Act are hereby repealed.

SEC. 7. This Act shall take effect immediately.

The Topeka Savings Bank.—A new banking institution was organized in Topeka, Kansas, during the latter part of March, styled "The Topeka Savings Bank," with a capital stock of \$75,000. President, A. W. Knowles; Vice-President, A. Washburn; Treasurer, L. G. Beal. The list of Directors comprises A. W. Knowles, City Treasurer; A. Washburn, capitalist; Hon. J. B. Mulvane, President of the Bank of Topeka; D. A. Moulton, Cashier of the First National Bank; Willis Norton, President of the Citizens' Bank; B. M. Davies, Vice-President of the Bank of Topeka; T. P. Rodgers, Secretary of the Board of Trade; H. K. Rowley, capitalist; and C. N. Beal, President of the Kansas Mortgage Company, all representative and influential citizens. The bank is incorporated under the laws of Kansas, and, with such able managers, its prosperity is assured.

Small Notes and Coin Outstanding.—A statement has been prepared by the Treasury Department showing the amounts of small notes, standard dollars and fractional silver outstanding on March 1, 1887, as compared with the amount outstanding on July 1, 1886. The statement is as follows:

	July, 1886.	March, 1887.
United States, \$1's, \$2's, \$5's.....	\$121,400,000	\$119,500,000
National bank notes, \$1's, \$2's, \$5's	88,900,000	79,800,000
Silver certificates, \$1's, \$2's, \$5's.	19,000,000	19,000,000
Standard dollars	52,400,000	57,000,000
Fractional silver	46,000,000	48,000,000
Total	\$308,700,000	\$328,800,000
Increase.....		\$19,000,000

The issue of silver certificates began as follows: \$1's, September, 1886; \$2's, November, 1886; \$5's, February, 1887.

Nicholas E. Paine, father of Willis S. Paine, Bank Superintendent of the State of New York, died at his residence in Yorktown, Westchester County, March 23d, at the age of seventy-nine years. He celebrated his golden wedding June 23, 1883. Mr. Paine was born in New Hampshire and graduated from Phillips Exeter Academy. He studied law and was admitted to the Maine bar, after which he became a Colonel on Gov. Fairchild's staff. Nearly half a century ago he removed to Rochester, N. Y., and was successively District Attorney of Monroe County, Mayor, President of the Board of Education and Postmaster. He came to New York in 1869. At the time of his death he was President of the Dakota Railroad Company. The late John Treat Paine, of Boston, was his brother.

Co-operative Banking in Massachusetts.—The system of co-operative banking, which is now in a flourishing condition in Massachusetts, is similar to that which originated in Philadelphia and has proven successful there. Some changes in the law relative to these banks in Massachusetts have been found to be desirable, however. The attention of the Attorney-General was recently called to the provisions of the law under which these co-operative banks were incorporated, and, in accordance with a strict legal interpretation of the statute, he decided that no bank could issue more than 5,000 shares, with an ultimate value of \$200 each, in theory making the total capital \$1,000,000; and he requested those companies which had exceeded this issue to reduce some of the shares. The co-operative banks have now asked the Legislature to

make some changes in the statute, by which the actual capital may approach the limit originally fixed for the working capital, something now impossible by reason of legal technicalities. The Legislative Committee will, it is thought, report favorably on the petition and thus give these organizations an opportunity to extend their wide scope of usefulness.

Canadian Banks.—Following is a summary of the assets and liabilities of the chartered banks of Canada, made from the reports furnished by them to the Department of Finance on December 31, 1886 (cents omitted):

ASSETS.		LIABILITIES.	
Specie	\$4,019,685	Capital authorized	\$79,579,686
Dominion notes	9,181,842	Capital subscribed	64,276,899
Notes of and checks on other banks	6,271,290	Capital paid up	61,257,735
Balances due from other banks in Canada	3,230,684	Reserve fund	17,985,141
Balances due from agencies of the bank or from other banks or agencies in the United Kingdom	15,194,049	Notes in circulation	32,110,620
Balances due from agencies of the bank or from other banks or agencies in the United Kingdom	2,512,069	Dominion Government deposits payable on demand	4,304,611
Dominion Government debentures or stock	4,399,606	Dominion Government deposits payable after notice or on fixed day	100,000
Provincial, British or Foreign or Colonial public securities other than Canadian	3,064,026	Deposits held as security for execution of Dominion Government contracts and for insurance companies	568,430
Loans to the Government of the Dominion	1,224,337	Provincial Government deposits, payable on demand	707,967
Loans to Provincial Governments	864,999	Provincial Government deposits, payable after notice or on a fixed day	1,249,246
Loans, discounts or advances on stocks, bonds, etc., other than Canadian as collateral	12,395,567	Other deposits, payable on demand	50,088,787
Loans, discounts or advances on current accounts to municipal corporations	2,193,553	Other deposits, payable after notice or on a fixed day	55,368,256
Loans, discounts, etc., on current accounts to other corporations	14,071,978	Loans from or deposits made by other banks in Canada, secured	
Loans to or deposits made in other banks, secured	146,502	Loans from or deposits made by other banks in Canada, unsecured	1,638,999
Loans to or deposits made in other banks, unsecured	518,879	Due to other banks in Canada	751,918
Other current loans, discounts and advances to the public	135,628,918	Due to agencies of bank or to other banks or agencies in foreign countries	102,823
Notes and bills discounted, overdue and not specially secured	1,190,391	Due to agencies of bank or to other banks or agencies in the United Kingdom	717,822
Other overdue debts not specially secured	71,337	Other liabilities	302,511
Notes and bills discounted, overdue and other overdue debts secured by real estate or securities	1,457,507		
Real estate the property of the bank (other than the bank premises)	1,347,770		
Mortgages on real estate sold by the bank	814,164		
Bank premises	3,572,216		
Other assets	3,159,018		
Total assets	\$228,632,078	Total liabilities	\$148,028,975

Loans to Directors or firms in which they are interested, \$7,716,441. Average amount of specie held during the month, \$5,912,438. Average amount of Dominion notes held during the month, \$9,258,909.

Minnesota Legislation.—The Public Examiner of Minnesota—Hon. H. M. Knox—with the additional title of "Superintendent of Banks," gets his much-needed deputy, and all duties pertaining to banks is transferred to his office, including organization and reports. All his curative bills were passed and have become law. These provide for the filing of county attorneys' bonds in conformity with the uniform system; the renewal of bonds of depository banks without readvertising on change of organization; providing for notice to the State on the dissolution of State banks by the district courts; and providing for corporate as well as personal suretyship for official bonds. On bills drawn by him of general and far-reaching import the one known as the "Keller bill" has been signed by the Governor as well as the bill providing for a graded minimum capital for State banks. These two Acts do not go into effect until January 1, 1888. This is the first successful attempt to deprive private unincorporate banks of corporate or artificial names. New York tried it and failed, and yet it has but about fifty private banks, while Minnesota has 180. That the first attempt to reduce Minnesota's moneyed institutions to something like consistency should be successful, notwithstanding a most powerful opposition, is little less than marvellous, and is owing almost entirely to the indomitable energy and persistence of Senator Keller. The discussion awakened by the revelation in the Examiner's report of the true condition of affairs as relating to State banks, Savings associations and Trust companies has had also this further beneficial effect, that Trust and Savings companies organized under the general corporation act are now voluntarily amending their charters and dropping out the objectionable titles by law allowed only to institutions chartered under the Savings and Trust company acts. It is now pretty certain that in the near future the title of a moneyed corporation in Minnesota will indicate that it is of State or United States creation, and that it has a known capital behind it.

Following are the laws as passed:

(No. 39.) Relative to the dissolution of corporations:

SECTION 1. That section four hundred and fifteen (415) of chapter thirty-four (34) of the General Statutes of one thousand eight hundred and seventy-eight (1878) be amended by adding to the same the following words:

"*Provided*, That in case of the dissolution, under this section, of any bank incorporated under the laws of this State, a duly certified copy of the order of the Court adjudging such dissolution shall be at once transmitted by said Court to the State Auditor or other officer having power to authorize the existence of banks, and such copy of such order shall be duly filed in the office of such State officer."

SEC. 2. This Act shall take effect and be in force from and after its passage.

Approved March 7, 1887.

(No. 43.) Relating to banks and banking:

SECTION 1. That section forty-three (43) of chapter thirty-three (33) of the General Statutes of eighteen hundred and seventy-eight (1878) is hereby amended so as to read as follows, viz:

"SECTION 43. No person or persons who are now or shall hereafter become engaged in the business of banking in this State, not subject to the supervision of and not required to report to any officer elected or appointed by the State, shall make use of any office sign at the place where such business is transacted having thereon any artificial or corporate name; nor shall such person or persons make use of or circulate any letterheads, billheads, blank notes, blank receipts, certificates, circulars, or any written or printed or partly written or partly printed paper whatever having thereon any artificial or corporate name. No bank hereafter incorporated shall adopt or use the name of any private or incorporated bank now existing without first obtaining consent in writing from the person or persons who have done business by or under such name."

"Any person or persons violating any of the provisions of this chapter not hereinbefore specially provided for shall be guilty of a misdemeanor, and on conviction thereof pay a fine of not less than fifty (\$50) dollars or more than five hundred (\$500) dollars for each and every offense, to be recovered before any Court having competent jurisdiction; and all fines and penalties so recovered shall be paid into the State treasury."

SEC. 2. This Act shall take effect and be in force from and after January first, 1888.

Approved March 7, 1887.

(No 44.) To amend the act relating to banks and banking:

SECTION 1. That section ten (10) of chapter thirty-three (33) of the General Statutes of eighteen hundred and seventy-eight (1878) be amended by striking out the words in the fourth and fifth lines of said section, "but the aggregate of the capital stock of such association shall not be less than twenty-five thousand dollars," and inserting in their stead the words, "but the aggregate amount of the capital stock of such association shall not be less than ten thousand (\$10,000) dollars in any town containing a population of not exceeding one thousand (1,000) persons, and not less than fifteen thousand (\$15,000) dollars in towns of not exceeding fifteen hundred (1,500) population, and not less than twenty thousand (\$20,000) dollars in towns of not exceeding two thousand (2,000) population, and not less than twenty-five thousand (\$25,000) dollars in

towns of more than two thousand (2,000) inhabitants, the population in all cases to be determined by the last official census."

SEC. 2. This act shall take effect and be in force from and after January first (1) eighteen hundred and eighty-eight (1888).

Approved March 7th, 1887.

(No. 137.) Transferring certain duties now performed by the State Auditor to the Public Examiner:

SECTION 1. That all duties now required to be performed by, and all responsibilities now imposed upon, the Auditor of this State under the laws regulating the business of banking shall hereafter be performed by the Public Examiner, under the title *ex-officio* of Superintendent of Banks, and all reports and documents now on file in the State Auditor's office pertaining to banks now in existence are hereby transferred to the custody of the Public Examiner.

SEC. 2. This Act shall take effect and be in force from and after its passage.

Approved March 2, 1887.

Kansas City, Mo.—The Union Investment Company has recently been organized in Kansas City, Mo., with \$300,000 capital, fully paid up. The President is Mr. W. P. Rice, formerly Vice-President of the American National Bank, Kansas City. The new company starts out under favorable auspices, and with so able a financier as Mr. Rice at the helm, added to his ability and experience, the Union Investment Company will rank as one of the leading institutions in the Southwest.

Mr. E. E. Parker succeeds Mr. W. P. Rice as Vice-President of the American National Bank. He was one of the founders and formerly Cashier of the First National Bank of Cawker City, Kan. He has been an active Director of the American National Bank since its organization, and is to be congratulated on his deserved promotion.

Gold Production.—From figures published in a late number of *Herpath's Journal* it appears that the production of gold in the United States, Australia and Russia (the principal gold-producing countries of the world) since 1850 was nearly \$3,900,000,000. The production in periods of five years each since 1850, and the estimated production in 1886, are stated as follows:

Five years including.	United States.	Australia.	Russia.	Total.
1855	\$297,438,011	\$240,782,649	\$82,874,686	\$621,095,346
1860	258,115,698	283,430,800	89,238,980	630,785,478
1865	223,255,785	360,008,835	80,679,840	664,044,460
1870	244,725,905	239,137,631	101,115,820	584,979,356
1875	196,430,082	201,136,872	118,089,213	515,656,167
1880	194,985,241	144,753,922	136,081,094	475,820,257
1885	153,861,154	142,323,199	119,842,767	416,027,120
Year.				
1886	83,272,723	27,373,443	25,547,625	86,193,791
Total	\$1,602,184,594	\$1,538,947,371	\$758,466,980	\$3,899,598,945

The estimated production of gold from 1492, (the year of the discovery of America) to 1850 was \$3,121,000,000, and from 1850 to 1886 it amounted to \$4,184,000.

New Jersey Savings Bank Taxation.—The Committee on Banks and Insurance of the New Jersey Assembly has introduced a bill relative to the taxation of savings banks which cannot fail to have the effect of withdrawing from the tax lists of the cities much valuable property. The Act provides that, in lieu of local taxes now paid upon the property owned by them to the municipalities in which they exist, Savings banks shall pay to the State a tax of "one-half of one per cent. on the amount of deposits exclusive of surplus, deducting, however, from said deposits the sum of \$50,000 and also the amount invested in any securities issued by this State or by any town or city in this State, or which, by the statutes of this State or of the United States, are exempt from taxation, and also the amount of their real estate." This tax is declared to be "in lieu of all other taxes upon said savings banks, their deposits and surplus, except upon the real estate owned by them, which shall be subject to local tax." The bill will be opposed on the ground that there is no reason for its passage, unless it is that some stock institution desires to reduce to a half per cent. the taxes which it now pays to some city. The opponents of the measure will argue that there is no propriety in levying a State tax on savings banks and exempting them from municipal taxation, for they are inherently and almost exclusively local institutions. The franchise of a savings bank is of no value, they say, save that it permits people

who want to save their money to do it in an organized way and under the protection of the law. The money that goes into the banks and takes the form, first of deposits and afterward of investments, is money drawn from the personal custody of those who otherwise would pay tax on it as on their personal property. It will be contended that it is fairly taxable within the city or town where it is held and protected, and is not justly taxable by the State.

Canadian Finances.—The public debt of Canada is stated by Sir Charles Tupper, the present Minister, to be more than \$290,000,000, an increase of over \$5,000,000 during the past fiscal year. Of outstanding bonds it is estimated that Canada holds \$30,000,000; United States, \$55,000,000; England, \$100,000,000; Germany, \$1,000,000, and France, \$5,000,000. The average rate of interest these bonds bear is $5\frac{1}{4}$ per cent., and more than one-half of the bonds were sold at from 5 to 12 per cent. discount. It will be proposed that, in order to take up a loan of \$30,000,000 and to prepare for extraordinary expenses, a new loan of \$50,000,000 be made at 4 per cent., and, if possible, float it at par. If the different railroads now projected (which the Government is pledged to support with the usual subsidy of \$3,500 per mile) are completed the debt will be increased \$1,000,000.

St. Louis' New Sub-Treasurer.—Mr. Chauncey F. Shultz has been appointed as Assistant United States Treasurer at St. Louis to succeed Gen. Albert J. Edwards. Mr. Shultz has been a prominent business man in St. Louis for many years. He was born in Somerville County, Pennsylvania, in 1824, removed to Hampshire County, Virginia, in 1856, and three years after removed to St. Louis. From 1874 to 1876 he was presiding Justice of the County Court. Since that time he has been actively interested in the leather business.

Kansas (Cawker City).—The following changes have been made in the officers of the First National Bank: E. E. Parker, President, in place of H. P. Churchill; H. P. Churchill, Vice-President, in place of H. P. Stimson; O. F. Page, Cashier, in place of E. E. Parker. Mr. Page, the newly elected Cashier, has been for the past six years Treasurer of the Biddeford Savings Bank, of Biddeford, Maine, where he was highly esteemed. In accepting his resignation the Trustees adopted a series of resolutions, from which the following are extracted:

Resolved, That we have always found Mr. Page to be a careful and conscientious man, alike careful to the interests of the bank and of individual depositors.

Resolved, That as evidence of his care in making investments of the funds of this bank and his ability as a financier, we point to the fact that in 1879, when he took charge of the bank, it had a surplus of \$8,000, but that surplus has steadily increased until now it amounts to \$140,000, making it one of the strongest and safest banks in the State.

Resolved, That while we regret the loss of a valuable officer from this bank and so prominent a citizen from our city, we cordially congratulate other institutions and another locality upon their gain, and we earnestly wish him success in his new field of labor.

Trade Dollar Redemption.—On account of inadequate facilities at the Treasury Department the redemption of trade dollars is proceeding very slowly. To accommodate holders of these coins the Treasurer has given notice that applications for the redemption of unmutated trade dollars may be sent to the Treasury or any Sub-Treasury in the United States, and that such applications will be filled as rapidly as possible in the order of presentation. Up to the present time applications to redeem \$5,000,000 in trade dollars have been made at the New York Sub-Treasury and \$2,000,000 at Philadelphia. The first of the coins were redeemed on March 7th, and up to date over \$1,500,000 have been disposed of at New York. All the coins are examined carefully, and mutilated and marked ones thrown out. Very few counterfeits have been found among those presented.

Nathan P. Pratt's Forgery.—The United States Circuit Court has decided that the fraudulent assignments made by N. P. Pratt, Treasurer of the defunct Reading (Mass.) Savings Bank, must stand. The Receivers of the Bank brought a suit against Harvey A. Whiting to compel him to reconvey a number of mortgages assigned to him by Pratt. It was claimed that Pratt had altered the record of a vote of the Trustees of the bank passed in 1876, authorizing the Treasurer to discharge and release all mortgages belonging to the bank, so as to make it read "discharge, assign and release." The defendant derived title to the mortgages in controversy through John F. Kimball, President of the Appleton National Bank, and those for whom the latter acted. The

Court decided that there was not sufficient proof to sustain the allegations in the bill, that Kimball had notice that these securities were taken contrary to the law and that he was guilty of fraud, but that full value was paid for them, and that the certificate, which is in substance a copy of the record of the bank, was received by Kimball from Pratt in the course of negotiating the sale of the first mortgages purchased, and that it follows that, whether forged or not, it binds the bank as against an innocent party acting in good faith and without notice.

California (San Diego).—"The published statement on March 4th of the Consolidated National Bank is one which San Diego as a city may well be proud of, as few banks in the United States can make so good a showing. This bank has had a singularly fortunate career. It has never been in 'trouble,' never had a law-suit to collect a debt, never crowded a customer to the wall to pay his note, never missed a dividend to its stockholders, always carries a cash reserve double the amount required by the National banking law, and attends strictly to legitimate banking business, having the implicit confidence of the community."—*San Diego Union*.

Savings Bank Investments in Massachusetts.—A bill has been introduced in the Massachusetts Legislature to allow Savings banks to invest their deposits in the bonds of railroad companies. The bill is as follows:

SECTION 1. The deposits of Savings banks and the income derived therefrom may, in addition to the investments now allowed by law, be invested as follows, to wit: 30 per centum of the total deposit of any such corporation or any less sum may be invested: *First*—In the first mortgage bonds of any railroad company incorporated by the laws of any State or States of the United States other than this Commonwealth, which is in possession of and operating its own road, and which has earned and paid annual dividends in each of the ten years next preceding such investment. *Second*—In the first mortgage bonds of any other railroad company incorporated as aforesaid, owning a railroad fully built and in operation, the principal and interest of which are guaranteed by a railroad company incorporated, operating its road, and having paid annual dividends for ten years as aforesaid. *Third*—In the notes or bonds of any railroad company incorporated, operating its road, and having paid annual dividends for ten years as aforesaid; provided such notes are secured by the deposit, in a trust company incorporated under the laws of this Commonwealth, of an equivalent amount, dollar for dollar, of the first mortgage bonds of any other railroad company incorporated as aforesaid, the railroad of which is built and in operation.

SECTION 2. This act shall take effect on its passage.

Saturday Half Holiday Bill.—A bill is now pending in the New York Legislature having for its object the making every Saturday afternoon a half-holiday. The importance of this measure lies in its bearing upon commercial paper. The bill as originally drafted provided that drafts and notes falling due on Saturday should be payable on the Friday preceding. It was introduced in the Senate and referred to the Judiciary Committee, which took the view that any advantage should be in favor of business men rather than the banks. The committee therefore amended the bill so as to make such drafts and notes payable on the next succeeding day. The amendment was agreed to by the Senate, but an effort will be made to defeat it on the final passage of the bill.

President Bostwick.—A correspondent wishes to know something about the new President of the New York & New England Railroad. He is a large-hearted man, who has won his way in the world through merit. The following sketch, which appeared in the *Boston Traveller* recently, is substantially correct:

Mr. J. A. Bostwick is one of the largest individual stockholders. He is a man of about 50 years of age, thick-set, but well built, with gray whiskers, streaks of gray in his hair, a smooth upper lip, and features which clearly indicate a remarkable force of character, determination and energy. He is a good illustration of the hard-headed, keen, resolute, self-made men who, beginning with nothing, have amassed great fortunes. He was born in Sullivan County, New York State, where Jay Gould was also born. When he was still a boy his parents moved to Ohio, which may explain his present resemblance to the average Western man of business. For a good many years, however, Mr. Bostwick has lived at No. 800 Fifth avenue, New York city. His fortune is variously estimated by those intimate with him at from \$40,000,000 to \$50,000,000. Mr. Bostwick is a member of Dr. Armitage's (Baptist) Church. One of his friends, speaking of his benevolence, said: "Besides being a conservative and thoroughly reliable business man, Mr. Bostwick is well known for his charitable gifts. I know it to be a fact that he gives away more than a tenth of his income. It was only recently that he gave \$50,000 to one institution." As regards his policy in the management of the New York & New England Railroad, if, as it is probable, he assumes the same, one of his closest friends said to-day: "Mr. Bostwick is not a speculator. He is going to take charge of the New England Railroad for the benefit of New England people. He believes that they have been bottled up long enough."

A Fictitious Bank.—A bank swindle (so-called) has been exposed in Detroit, Mich. It appears that some persons have had engraved drafts and checks of the "Marlette Exchange Bank, of Marlette, Mich.," filled them out for various sums ranging from \$50 to \$75 each, and negotiated them throughout the country. For several days these fraudulent papers had been coming into the First National Bank, of Detroit, Mich., from all parts of the country for collection. One which came in is a fair sample. It was drawn for \$55.50, and was signed by "John B. Martin, Cashier." There is no such institution as the "Marlette Exchange Bank, of Marlette." That village has but two banks—the "Bank of Marlette" and the "First National Bank of Marlette." The extent of the fraud is not known, but it appears to have been of considerable magnitude.

Minneapolis' New Bank.—On May 5th a new financial institution, the Franklin State Bank, will be opened at Minneapolis, Minnesota, with a capital of \$50,000, paid up. Its officers will be: William James, President, and J. C. Fairweather (formerly with the Falls Bank, Sheboygan Falls, Wisconsin), Cashier. It will transact a general banking business.

Bank Reserve Cities.—The Comptroller of the Currency, on March 21st, authorized Kansas City to become a reserve city under the provisions of the Act passed at the last session of Congress. The Comptroller has also received notice that an application will be made by the National banks of Chicago for the designation of that city as a central reserve city. There has been delay in making the application, as several new banks in Chicago are not members of the Clearing-House, and an arrangement will probably be made with them before the formal application is presented.

Issuing Scrip for Money.—The attention of Bank Superintendent Willis S. Paine was called to the practice of some of the ice companies along the Hudson river during the ice harvesting season in issuing pasteboard tickets for fractional parts of a dollar, which circulate as money in the river towns. These tickets were paid to the men in the employ of the companies. It is said that the tickets of fifteen companies are in circulation, and that they have become a nuisance, as proper provision was not made for their redemption. The Superintendent submitted the question of the legal right to issue such tickets to Attorney-General O'Brien. The latter, in a written opinion that such issue is in violation of the laws of the United States, says:

Section 3,583, United States Revised Statutes, provides that "No person shall make, issue, circulate or pay out any note, check, memorandum, token or other obligation for a less sum than \$1, intended to circulate as money or to be received or used in lieu of lawful money of the United States; and every person so offending shall be fined not more than \$500 or imprisonment for not more than six months, or both, at the discretion of the Court.

Illinois (Beardstown).—On the 7th ultimo, the People's Bank, of Beardstown, Ill., was succeeded by the First National Bank with a paid-up capital of \$50,000 and deposits amounting to \$127,000. The People's Bank, by its conservative management, had won a high place in the confidence, not only of its patrons but the public at large, and it will be a source of gratification to know that the new bank is to be under the same management as the old institution. The change was made principally with a view to greater permanency of organization, and also to increase the banking facilities. The capital having been increased to meet the requirements of its business, it is confidently expected that the new institution will enter upon a greater era of prosperity than was ever enjoyed by its predecessor. Its officers are J. H. Harris, President, and T. K. Condit, Cashier.

The Western National Bank.—The absence in Europe of ex-Secretary Manning and ex-United States Treasurer Jordan, who are respectively President and Vice-President of the Western National Bank, appears to have caused sensational rumors to be circulated that the owners of stock in the new bank were selling out. These reports were without any foundation, and have been denied by the principal stockholders. Secretary Manning went abroad on account of ill-health, but is reported to be improving, and it is expected that he will assume the duties of his position when the bank opens on May 1st. By a strange blunder in reporting transactions at the Consolidated Stock Exchange one day last month a sale of Fort Worth & Denver City first mortgage bonds at 92 was printed as "Western National Bank" shares, the price being much below that paid by subscribers for the stock. This mistake caused the circulation of the above report. The bank, however, is on a substantial basis and will be opened

on May 1st in the Equitable building. The main room is forty-five feet square and eighteen feet high. The main entrance will be by a short flight of steps ascending directly from the arcade extending through the centre of the building from Broadway to Nassau street, and just at its intersection with the passage-way running from Cedar to Pine streets. Opening from the south side of the main bank room is an apartment, 15x25 feet, which probably will be used as the President's and Directors' room.

The Savings Bank of St. Paul.—One of the attractive bank buildings of St. Paul, Minn., is that recently completed and occupied as the future home of the Savings Bank, of St. Paul. It is centrally located on the southwest corner of Fifth and Jackson streets, the first floor being devoted to the business of the bank. It was organized in 1867 with a paid-up capital of \$50,000. The last published report shows surplus and undivided profits of \$15,000 and a deposit line of \$415,000. The officers are John S. Prince, President, and Edward J. Meier, Cashier.

Cleveland National Banks.—The statements of the nine National banks of Cleveland, O., on March 4, 1887, show that the aggregate capital on that date was \$4,700,000; surplus and undivided profits, \$1,184,154. The loans and discounts were \$16,066,625 against \$15,622,978 on December 28, 1886, an increase of \$373,947, and \$11,790,866 on March 1, 1886, an increase of \$4,275,759. The deposits were \$14,666,366 against \$14,461,624 on December 28th, an increase of \$204,771, and \$12,666,556 a year ago, an increase of \$1,999,840. The reserve was \$3,488,047 against \$3,357,906 in December, an increase of \$130,144.

Interest Checks to Trustees.—The Treasury Department has issued a circular to National and State banks in regard to indorsement and payment of interest checks, which provides that, in all cases in which societies and lodges hold United States bonds in the name of trustees, proper evidence of their election must be filed in the office of the First Auditor, and that the certificates of authority for the indorsement and collection of interest checks must be from all the trustees, and not from the society or lodge. The circular says that the proper indorsement of interest checks is important and should, before payment, be known to conform to the Treasury rules.

Bank of Commerce, Memphis, Tenn.—The last statement of this bank, made at the close of business on March 2, 1887, has just been issued. It is simple justice to say it is the best ever sent out by this growing institution. The figures show that the capital stock has recently been increased to \$600,000, which gives it the largest capital of any bank in the city. The statement further shows a surplus fund of \$40,000, undivided profits of \$25,700, and deposits of \$1,101,458, which ought to be satisfactory to the stockholders. The building occupied by the bank is one of the finest in Memphis. The officers are: S. H. Dunscomb, President; Jno. Overton, Jr., Vice-President; and J. A. Omburg, Cashier.

A New Yorker's Impression.—The Boston Stock Exchange ordinarily is not a very excitable body, as compared with the New York Stock Exchange. On rare occasions, however, the "bulls" and "bears" become somewhat bolsterous. How it appeared at such a time to a New Yorker is faithfully depicted by a writer for a Boston newspaper:

"The member was occupied in a little speculation of his own as to whether Boston brokers could ever make so serious a business of stock dealing as the speculators of New York and produce brokers of Chicago when he was addressed cheerily by a spruce, tailor-made-looking man at his side, who wore his silk hat tilted in the slightest perceptible degree towards his left eye and had a general jaunty air of New Yorkiness.

"Beg your pardon," said he, "but can you tell me which is Rev. Dr. Tompkins?"

"What do you mean, sir?"

"Mean? Why, isn't this a little Sunday-school convention?"

"Sunday-school convention? No, sir: this is the Boston Stock Exchange."

"St-st-stock Exchange!" The New York man looked stupefied. "You don't mean to say that this quiet little assemblage is a stock exchange!" he went on.

He would have elaborated his joke, no doubt, but there was nothing to do but to cut him dead. The New York man's idea of wit, as it finds expression when he comes to Boston and wants to ridicule something, is excruciating."—*Boston Transcript*.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

— Letters of credit—I O U A V.—*Danville Breeze*.

— There are now nearly \$40,000,000 of silver in the vaults of the Sub-Treasury in New York, and there is room for only \$3,000,000 or \$4,000,000 more.

- The banks of Birmingham, Ala., propose to establish a Clearing House in that city.
- Over \$30,000 has been subscribed for the proposed new National bank at Woodbury, N. J.
- The Bank of the State of New York has increased its capital stock from \$800,000 to \$1,200,000.
- A bill making 12 per cent. the highest rate of interest has been passed by the Dakota Legislature.
- It takes the first thirty years of a man's life to find out that it isn't the man with the shiniest hat who draws the biggest check.—*Philadelphia Call*.
- Bank Superintendent Paine has decided in favor of the application of the Title Guarantee & Trust Company for his approval of the acceptance by Savings banks of its searches.
- Governor Lounsbury, of Connecticut, has appointed Mr. T. W. Wooster, of Saybrook, as Bank Commissioner to succeed Mr. T. W. Williams, of New London. His term will run four years from July 1st.
- The Keystone National Bank, of Philadelphia, Pa., is preparing to erect a new building on the present site of the bank. It will be 32½ feet front and 111 feet deep, and seven stories high. It will cost about \$100,000.
- At the annual election of the Philadelphia Stock Exchange, Mr. Bushrod W. Adams was elected President; T. C. Knight, Chairman; William J. Morris, Vice-Chairman, and John C. Johnson, Secretary and Treasurer.
- Blackstone, the defaulting clerk of the Canal National Bank, of Portland, Me., who escaped extradition, remains in Winnipeg, and is reported to have been "restored to his old position in that city by the firm that formerly employed him."
- W. O. Fuller, Jr., and C. J. Simmons, of Rockland, Me., started on March 28th for their new home in Kansas. Mr. Fuller was formerly engaged in banking in Rockland, but is now one of the Directors and Cashier of the Linn County Bank, La Cygne, Kansas. Mr. Simmons will be located at Pleasanton, Kansas, as Assistant Cashier of the Bank of Pleasanton, recently organized in that place. He was for a number of years connected with the Rockland National Bank.
- We imagine that very few people think that a quarter of a dollar can be changed 215 different ways. The pieces used in making the changes are the twenty-cent piece, ten-cent piece, five-cent piece, three-cent piece, two-cent piece, and one-cent piece. To be able to make all the changes would require one twenty-cent piece, two ten-cent pieces, five five-cent pieces, eight three-cent pieces, twelve two-cent pieces, and twenty-five one-cent pieces, making in all 53 pieces of money representing \$1.25.—*Philadelphia Agents' Herald*.

NEW COUNTERFEITS, SPURIOUS COINS, ETC.

[Readers of the JOURNAL have frequently been informed that much of the news published in newspapers and in so-called "Counterfeit Detectors" regarding bogus bills and coin is either wholly or in a large part unreliable. The Secret Service Bureau of the Treasury Department is so well organized that it is now almost impossible for rogues to either make or put in circulation any considerable amount of bogus money. If bankers exercise proper care and read the information furnished by the Department they will have no trouble in promptly rejecting counterfeits.—EDITOR.]

MR. MARLOR, the New York Sub-Treasury expert, expresses the opinion that the \$5 silver certificate cannot be successfully counterfeited.

COUNTERFEIT silver dollars are reported as circulating in Abbeville County, S. C. It is also thought that counterfeit gold coin is being manufactured in the county, but none has been passed up to the present time.

A COUNTERFEIT \$5 bill on the Traders' Bank, of Chicago, was received at the money-order office in that city from the postmaster at Wenona, Ill., recently, and promptly returned. It is said to be a new counterfeit.

A DISPATCH from Ottawa, Canada, states that a gang of notorious counterfeiters infesting Canada for years has been broken up. Cobourg and Owen Sound, Ontario,

as well as Sweetsburg, Quebec, have been the rendezvous of the gang, and from these headquarters they have issued within the last two years over \$500,000 in counterfeit \$2 notes, as well as \$1,000,000 in \$10 and \$5 notes of the Bank of Commerce and Bank of Toronto. The recent arrests include James Carroll, the noted bank sneak; William Rogers *alias* "California Jack," an ex-convict of the Auburn Penitentiary; Hal Grover, one of the best known of Canadian crooks, and Denis Perullo, who has been in Canada since 1882, where he skipped from Cuba after forging drafts on New York and Savannah brokers for \$110,000, and securing the cash through the Bank of Havana.

RATHER STRANGE.—The correspondent of a Chicago paper writes: "In Bolivia counterfeit money is as current as good money, and passes just as well. At the hotel in La Paz I could hear the workings of a counterfeit press in the room next my own. A former American Consul in one of the Bolivian cities sold his press to my English companion. Another of our diplomatic corps in Bolivia had one hundred kegs of nails sent him from New York. There were a few nails laid in the tops and bottoms of the kegs, but the main contents were counterfeit silver pieces. The Consul was not at home when the kegs arrived at his warehouse. A brother-in-law of President Dosa, of the Bolivian Republic, wanted some nails about this time, and the Consul's secretary sold him a dozen kegs. An exposure was prevented by the Consul going halves with the brother-in-law on the counterfeit money."

THE CHIEF of the Secret Service reports no new counterfeits this month. He referred to the recent Chicago discovery of counterfeit \$100 compound-interest notes and the Hamilton-head \$50 notes, which the party passing them confessed to have stolen from a safe, but refuses to give the name of the owner. A few of the number claimed to have been stolen are still in circulation, but it is not necessary to give the points of difference between them and the genuine, as they are well known.

Following is a circular letter of the Secret Service Division, which the Department found necessary to issue on account of the gullibility of mankind generally. The Chief believes that probably half a million dollars is annually passed into the coffers of this class of swindlers in New York and other large cities by the would-be purchasers of counterfeit money:

SIR:—Your letter of — is received. From its tenor I infer the party offering to sell counterfeit money is of the numerous class of swindlers known by the title of "Boodlers." Such persons never deal in it, but make a pretense of doing so to inveigle dishonest persons into parting with their good money in the hope of getting counterfeit.

They send circulars in imitation of letters by thousands all over the country, inviting their correspondents to visit them, naming the hotel at which they should stop, and offering them great inducements to purchase. Those who go after such bargains never obtain counterfeit money, and seldom return home without leaving all of their good money in the hands of these plausible but dangerous men. In August, 1885, James T. Holland, of Abilene, Tex., allured to the city of New York by a circular similar to that forwarded by you, met Tom Davis and Theodore, his brother. These men, while pretending to sell Holland ten thousand dollars of so-called counterfeit money, but which were genuine notes, cheated him of his good money. Holland, at once discovering the cheat, shot Tom Davis, killing him instantly. A jury subsequently acquitted Holland. Another practice is to toll on their victims by sending a GENUINE one or two-dollar note, or parts of the same, and representing them to be specimens of the counterfeit notes they have for sale. Under the various names of "Green Articles," "Green Cigars," "Green Leaves," etc., they offer for sale counterfeit money which they aver is printed on plates stolen from the Government Bureau of Engraving and Printing. Not a plate of any kind has ever been stolen from that establishment. Those who have counterfeit money for sale do not write letters requesting strangers to buy it. Even after the introduction of a new man by one counterfeiter to another it takes a long time to establish such friendly relations as would induce a counterfeiter to trust a new-comer. Yet thousands of criminally-foolish people believe that they can purchase counterfeit money as they would butter or cheese, and, in their attempts to obtain it, are robbed, and an honest public sentiment says, "Serves them right." The crime of which the "Boodler" is guilty is that of obtaining money under false pretenses—an offense of which State statutes only take cognizance, and over which United States Courts have no jurisdiction. It is next to impossible to obtain legal evidence against these swindlers. Were one of them arrested and brought to trial the testimony of the main witness (he who lost the money) would be weakened by the fact that he WOULD HAVE BEEN a criminal if he COULD. This office is in daily receipt of "Boodle" circulars, sent in from all parts of the country; hence the necessity of putting this explanatory statement in its present form.

JAMES J. BROOKS, Chief.

[Circulars such as Chief Brooks refers to are frequently sent to the JOURNAL office by out-of-town subscribers who request us to ferret out the parties who issue them! We had an experience with one New York swindle, but don't care to start a Detective Bureau just yet.]

7, as shown by their Official Statements.

RESOURCES.							
Other Stocks, Bonds and Mortgages.	Premium on Stocks.	Real Estat. Furniture & Fixtures.	Due from Banks.	Cash Items and Bank Notes.	Specie.	Legal- Tenders.	Over- Drafts.
\$9,000	.....	\$250,000	\$1,246,600	\$117,300	\$2,008,100	\$382,900	\$200
9,000	\$6,200	857,100	234,900	80,000	621,400	721,400	.....
6,000	.....	175,000	697,700	57,500	1,908,900	553,300	.....
84,400	73,500	355,100	230,700	61,100	730,500	33,200	.....
.....	.....	203,000	977,700	197,500	4,375,300	354,000	.....
149,000	34,200	372,900	278,400	55,300	425,500	194,500	.....
.....	.....	45,000	128,200	53,300	690,500	88,100	.....
526,600	.....	195,000	1,399,900	155,100	8,537,800	279,500	5,200
15,900	23,000	243,700	270,800	35,100	629,900	308,900	100
523,800	.....	368,200	67,700	15,100	621,400	515,600	7,400
288,600	45,500	80,000	121,100	27,800	390,600	72,400	.....
729,000	13,500	200,000	73,400	43,500	492,500	159,200	300
32,600	9,000	20,700	127,500	4,500	394,800	63,000	.....
361,500	5,400	307,500	2,293,300	219,600	3,280,300	884,000	5,700
1,571,900	.....	615,000	1,335,400	231,100	3,262,700	927,500	.....
203,100	11,300	250,000	535,300	137,300	1,055,900	280,200	.....
9,400	.....	200,000	415,300	44,600	1,611,000	432,300	400
472,000	24,900	637,700	908,800	38,800	2,232,500	346,900	200
.....	.....	1,400	367,400	39,500	1,007,500	219,200	.....
3,000	100,000	.....	792,000	25,200	3,584,500	458,000	1,700
335,200	.....	127,300	303,300	35,400	710,400	118,600	100
52,900	.....	274,000	220,000	87,800	721,600	114,700	.....
11,800	48,000	40,000	183,400	171,100	690,500	107,100	11,300
218,800	70,000	198,000	219,300	99,500	512,800	242,800	300
140,000	16,400	585,000	188,400	9,600	1,330,900	401,100	200
.....	.....	200,000	777,400	282,000	5,498,500	868,200	200
787,200	5,600	877,800	1,794,700	16,600	5,631,400	1,028,000	700
202,800	.....	74,300	43,900	27,000	251,400	107,300	100
135,600	1,400	600,000	1,483,600	87,500	4,272,900	1,377,600	.....
141,700	33,600	458,000	497,200	37,100	1,301,400	843,300	.....
245,700	18,900	10,000	154,300	126,000	736,100	261,700	1,800
8,200	.....	350,000	754,000	11,600	1,277,400	451,100	1,200
5,894,100	348,500	600,000	752,900	49,900	6,445,200	1,622,300	9,000
159,700	5,400	40,200	499,900	5,200	1,349,500	163,400	6,000
71,900	29,000	85,000	150,400	84,500	183,800	106,600	700
84,400	.....	20,000	219,300	15,500	490,400	126,800	.....
1,074,200	.....	60,000	66,400	23,700	510,500	197,400	.....
172,200	4,100	4,000	219,900	4,300	1,411,000	258,600	.....
151,800	12,600	5,000	272,300	23,400	1,350,800	27,700	1,000
324,000	8,900	8,000	122,300	62,500	700,800	147,100	600
21,300	11,500	8,000	85,400	11,200	460,200	128,700	300
348,400	.....	100,000	51,300	33,600	368,000	103,300	200
10,800	5,000	4,200	177,600	13,300	416,700	154,500	500
1,081,700	20,100	40,000	20,900	87,100	452,000	138,700	.....
30,000	14,300	2,000	92,400	17,600	140,400	126,200	6,900
\$16,899,200	\$999,700	\$10,146,100	\$21,853,100	\$3,062,200	\$75,076,000	\$16,494,900	\$62,100
14,305,200	1,144,200	10,374,500	24,298,500	3,947,100	73,694,600	14,877,400	44,000
\$2,394,000 Increase.	\$144,500 Decrease.	\$228,400 Decrease.	\$2,445,400 Decrease.	\$884,900 Decrease.	\$1,381,400 Increase.	\$1,617,500 Increase.	\$18,100 Increase.

shown by their official Statements.

RESOURCES.

<i>Real Estate, Furniture and Fixtures.</i>	<i>Due from Banks.</i>	<i>Cash Items and Bank Notes.</i>	<i>Specie.</i>	<i>Legal- Tenders.</i>	<i>Over- drafts.</i>
\$900,000	\$480,900	.....	\$1,881,900	\$278,600	.....
159,000	643,100	.....	1,467,500	535,200	.....
45,800	128,800	\$6,200	88,900	115,300	.....
16,800	57,400	.....	89,400	81,800	.....
294,000	161,100	1,900	658,900	256,900	.....
51,300	156,700	3,800	662,400	201,500	.....
77,000	217,000	37,200	234,500	127,100	.....
175,000	238,500	5,700	604,900	307,800	\$600
14,000	283,700	2,200	151,600	432,600	.....
6,500	155,400	46,200	237,200	60,500	.....
103,000	223,700	6,700	993,300	233,400	.....
80,900	130,800	19,800	253,000	154,800	700
94,500	197,400	66,100	109,700	156,400	2,800
4,400	223,400	11,600	561,800	95,100	.....
.....	46,100	8,700	890,300	140,100	400
62,000	203,400	6,900	124,800	386,900	.....
43,800	101,800	21,300	188,400	355,200	100
4,000	461,600	200	1,119,500	189,500	3,600
.....	185,000	18,500	308,100	180,500	400
8,100	89,400	1,800	10,200	35,100	100
14,700	281,300	6,700	317,000	98,000	.....
45,000	149,100	200	41,200	85,300	200
12,700	20,500	.....	50,000	58,600	.....
18,100	186,700	1,300	118,400	225,500	300
6,000	38,600	700	175,000	112,500	.....
5,900	63,900	3,000	6,900	25,300	1,600
1,700	111,000	20,300	39,500	37,800	200
.....	106,300	3,200	10,000	26,700	500
3,300	16,700	7,800	1,700	2,100	.....
\$2,247,500	\$5,359,300	\$308,000	\$11,396,000	\$5,006,100	\$11,500
2,265,900	6,501,300	335,900	10,053,000	5,199,100	53,300
\$18,400 Decrease.	\$1,142,000 Decrease.	\$27,900 Decrease.	\$1,343,000 Increase.	\$193,000 Decrease.	\$41,800 Decrease.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

EMBEZZLEMENTS—A COMMON DEFENSE.

Editor Rhodes' Journal of Banking:

SIR:—The recent defalcation of a Discount Clerk in Baltimore calls renewed attention to the necessity for organized action on the part of banks to protect themselves from such losses. As a mere matter of business (setting aside any moral considerations) it would seem to be more profitable for the banks to formulate some arrangement which, if it would not put a stop to, would greatly diminish defalcations and breaches of trust. You have often urged the necessity, in cases of this description, to leave no stone unturned to bring the defaulter to justice; but, as a matter of fact, a bank that has already lost a considerable sum of money feels but little inclined "to throw good money after bad," and is more likely to pocket its loss and let the criminal go free than to still further diminish its profit and loss account by expending money to catch him. A better way would be for the banks to all stand together, and to form in each city a pool for the express purpose of making embezzlers and swindlers feel the strong arm of the law. Banks should pay into this pool according to their respective capitals or lines of deposit, and place the management of the money in the hands of one or two competent men, who would see that it was not spent in vain.

BANK PRESIDENT.

ST. LOUIS, Mo., March 21, 1887.

STRANGERS' DRAFTS.

Editor Rhodes' Journal of Banking:

SIR:—In reply to Joe H. Borders in the February number of the JOURNAL, I would say that, when a stranger desires us to pay his own draft on a distant bank, we ask by telegram: "Will you honor," etc. I expect the bank will then at once charge the account of our "stranger" with the amount, assuming that it will be paid to him by us; and I would, of course, hold them (the bank) responsible for the prompt payment of the draft.

GEO. O. MOORE, *Cashier*.

WORTHINGTON, Minn., March 26, 1887.

A BASIS FOR CIRCULATION.

Editor Rhodes' Journal of Banking:

SIR:—By examining the compilation made by Mr. Robert Porter in a compendium to the United States Census of 1880, page 1,571, we find that at that time the State and Territorial debt was \$246,974,476; county debt, \$106,767,946; township debt, \$30,120,048; school district debt, \$9,886,242; city and town debt, \$723,853,534; making the total debt of \$1,117,585,546. This debt is secured by the tax bonds of the various States, Territories, etc., and is an obligation of the people, to be liquidated in the payment of taxes from year to year, and can be made the very best security for a National circulation. My plan would be to make all these bonds payable in equal annual amounts, covering a period from one to twenty years, drawing no interest. Let the General Government purchase the bonds, by issuing seventy-five per cent. (75 %) of their face value in a circulating medium having all the qualities of the present National bank currency, thus making a discount of twenty-five per cent. (25 %) from the face value of these non-interest bearing bonds, having an average period of about ten years to run, which would amount to very nearly a discount of two-and-one-half per cent. (2½ %) per annum, or about three and one-third per cent. (3⅓ %) simple interest. In this way the State, for example, would pay an equal amount each year for twenty years in liquidating its debt. The payment of the face value of these bonds to be made in bond bills, and when so paid, the seventy-five per cent (75 %) originally issued in the purchase of such bonds to be retired and destroyed, or reissued in the purchase of additional bonds. In this way it is plainly to be seen that the general Government would have

and receive an income of one-quarter of the amount of all the bonds so issued by the States, Territories, counties, towns, cities and school districts; and the various States, etc., would only be out for interest the low rate of about three and one-third per cent. ($3\frac{1}{3}\%$) simply for the average time of ten years. I would also provide for a penalty to be imposed in case such bonds were not paid promptly at maturity. The profit accruing to the general Government, after paying all the expenses pertaining to the business, would be considerable; but, as this is a "Government of the people, for the people and by the people," it would be much like taking the money out of one pocket and putting it into another, the locality issuing the bonds getting the benefit of the low rate of interest and the general public having the benefit of such interest. Of course I only suggest the rate of discount to illustrate my plan.

CITY SAVINGS BANK,
CHATTANOOGA, Tenn., March 10, 1887.

G. W. THOMPSON, *President*.

BANK CIRCULATION—PROFIT AND LOSS ACCOUNT—A BALANCE SHEET EXHIBIT ON THE BASIS OF 3's, 4's AND $4\frac{1}{2}$'s.

Editor Rhodes' Journal of Banking:

SIR:—In the articles on "Bank Circulation," published in the January and February numbers of the JOURNAL, in the department "Open Letters from Bankers," the figures have been given in so many different ways that no doubt some of your readers have been mystified. If you will allow me to present the case, by means of the balance sheet and profit and loss account, it may perhaps make the matter a little clearer.

The figures of a bank issuing circulation on \$100,000 3 per cent. bonds would be as follows:

BALANCE SHEET.	Dr.	Cr.
Capital stock		\$100,000 00
Circulation		90,000 00
United States bonds in Washington	\$100,000 00	
Five per cent. fund	4,500 00	
Cash	85,500 00	
	\$190,000 00	\$190,000 00

PROFIT AND LOSS ACCOUNT.	Dr.	Cr.
\$85,500 cash loaned at 6 per cent. earns		\$5,130 00
Interest on bonds		3,000 00
Semi-annual duty	\$900 00	
Redemption expenses	50 00	
Balance	7,180 00	
	\$8,130 00	\$8,130 00
Net income		7,180 00
\$100,000 capital loaned at 6 per cent. earns		6,000 00
Net profit on circulation		\$1,180 00

After surrendering the \$100,000 in 3 per cent. bonds and buying \$25,000 4 per cent. bonds at 120, the figures would be as follows:

BALANCE SHEET.	Dr.	Cr.
Capital stock		\$100,000 00
Circulation		22,500 00
United States bonds at par	\$25,000 00	
Redemption fund	1,125 00	
Premium account	7,250 00	
Cash	89,125 00	
	\$122,500 00	\$122,500 00

PROFIT AND LOSS ACCOUNT.	Dr.	Cr.
\$20,125 loaned at 6 per cent. earns.....		\$6,347 50
The interest on \$25,000 invested in United States bonds at 4 per cent. amounts to		1,000 00
Annual charge to retire premium account in 20 years.....	\$362 50	
Semi-annual duty	225 00	
Redemption expenses.....	25 00	
Balance	5,785 00	
	<u>\$6,347 50</u>	<u>\$6,347 50</u>
Net income		5,785 00
\$100,000 capital loaned at 6 per cent. earns		6,000 00
Loss on circulation.....		<u>\$285 00</u>

A bank making the change as above loses the profit on \$100,000 circulation with 8 per cent. bonds amounting to.....	\$1,180 00
And loses by issuing circulation on \$25,000 in 4 per cent. bonds.....	285 00
Total decrease of income.....	<u>\$1,445 00</u>

The figures of circulation based on \$25,000 of 4½ per cent. bonds at 100¼ are slightly more encouraging to banks:

BALANCE SHEET.	Dr.	Cr.
Capital stock.....		\$100,000 00
Circulation		22,500 00
United States 4½ per cent. bonds at par.....	\$25,000 00	
Five per cent. fund.....	1,125 00	
Premium account.....	2,812 50	
Cash	94,062 50	
	<u>\$122,500 00</u>	<u>\$122,500 00</u>

PROFIT AND LOSS ACCOUNT.	Dr.	Cr.
Interest on \$25,000 bonds at 4½ per cent.....		\$1,125 00
Interest on \$94,062.50 cash at 6 per cent.....		5,648 72
Duty	\$225 00	
Redemption expenses	25 00	
Annual charge to prem. acct.—bonds having 4½ years to run	512 88	
Balance.....	6,004 84	
	<u>\$6,768 72</u>	<u>\$6,768 72</u>
Balance—net income.....		6,004 84
\$100,000 capital at 6 per cent.....		6,000 00
Gain on circulation.....		<u>\$4 84</u>

The figures for redemption expenses are from the books of this bank, and are, of course, lower than those of the city banks, whose bills find their way more readily to Washington.

Yours truly,

H. D. BATES, *Cashier*.

MERCHANTS' NATIONAL BANK,
WATERVILLE, Me., March 21, 1887. }

INSURANCE A SECURITY FOR CIRCULATION.

Editor Rhodes' Journal of Banking:

SIR:—What shall be the future basis for the circulation of National banks is a vexed question which is being answered in a great many different ways. Let me suggest that the redemption of National bank notes be insured by *insurance* instead of by the deposit of United States bonds or other securities. We insure our houses and

barns and shops and stores and contents, our horses and cattle and our lives. Why not our circulation? Why not let the present tax on circulation be a fund set apart for the redemption of the notes of insolvent banks, this fund to pay the notes of suspended banks as fast as presented, and to become a creditor of the suspended bank to the amount of its outstanding circulation on the same footing as are its other creditors, but not a preferred creditor to the prejudice of depositors and others?

That this would be entirely practicable is apparent when we consider that the tax paid is not needed in other channels, considering the redundant and unnecessary revenues of the Government, and that under strict Civil Service rules for examination, which would put competent bankers rather than incompetent politicians in the field as Bank Examiners—men who would not only look for leaks, but stop them when found—it would require but a small per cent. of the fund so created under the present levy to pay such losses.

In evidence of this it will be noticed that "the proved claims against National banks from 1865 to 1884, inclusive, aggregate \$38,479,810; that the claims remaining unpaid in 1884 aggregate \$14,776,659. Assuming that the banks which have been in the hands of a Receiver as long as five years will pay nothing more, and those which have not been for this period in the hands of a Receiver will average as large a percentage of dividend to creditors as the failed banks for the fifteen years previous, we have approximately that the loss to creditors from the failure of National banks from 1865 to 1884 inclusive will be \$9,524,568." In the absence of preferred security for circulation it would be hardly fair to assume that one-half of this loss would fall on circulation. It certainly would not be more than one-half, and probably not more than one-third—say one-half—and we have a total loss to circulation from 1865 to 1884 inclusive of \$4,762,276, if unsecured; but, to off-set this, we have tax paid on circulation during this time of \$58,366,981, or more than eleven times the probable loss.

Why not so modify the National Banking Act that:

First—Circulating notes may be issued to a National bank to the amount of — per cent. of its paid-up capital without a deposit of United States bonds or other securities.

Second—That the amount collected from National banks on account of the semi-annual tax or duty on circulation shall be held and kept by the Treasurer of the United States as a separate and distinct fund to be used to redeem the circulation of suspended banks, the tax or semi-annual duty on circulation to be inoperative when this fund shall reach — dollars, and to remain so until it shall be reduced to — dollars; the United States Treasurer to have power to invest portions of this fund from time to time, as the condition of the fund may warrant, in United States interest-bearing bonds, the interest to be added to the fund.

Third—When the affairs of a National bank shall have been placed in the hands of a Receiver, a portion of this fund, sufficient to redeem its outstanding circulation, shall be at once set apart for this purpose, and the Comptroller of the Currency for the fund shall become a creditor of such suspended bank to the amount so set apart *pro rata* with its other creditors, etc.

I do not care to elaborate the plan at present, but only to offer it as a suggestion. If it is not a good one, in what is it weak?

You are aware that there is now a bill pending which proposes to make the tax on circulation a fund for the protection of depositors in National banks; but it seems to me much better that circulation should care for circulation; and, if depositors are to be protected by a special fund, the propriety of which seems somewhat doubtful, that the fund should be created from a duty or tax on deposits.

MYRON CAMPBELL.

SOUTH BEND, Ind., March 19, 1887.

"WORK AND WAGES."

Editor Rhodes' Journal of Banking:

SIR:—I would like to ask you, or the author of your "Notes and Comments on Banking Practice," a few questions which I believe to be of general interest in connection with the subject of "Work and Wages," commented on in your last issue.

Suppose a bank of twenty-five thousand dollars capital and sixty thousand dollars in deposits, earning 24 per cent. gross profits annually (the only bank in a manufacturing town of twenty-five hundred inhabitants) has its affairs supervised by a manager having another business who attends to none of the details of the bank. Aside from the person mentioned, how many officers or employees would such a bank be supposed to

have, and at about what salaries? In your opinion, would one man of average ability and experience be able to do justice to the work of such a bank and carry the usual responsibilities of a Cashier? If so, what yearly salary would you consider him fairly entitled to receive?

Is a bank Cashier generally supposed to be at his desk every business day in the year and never able to leave town, or is he given a vacation each year, without abatement of pay, besides being accorded considerable personal liberty to attend to public or private duties or privileges calling him away from his desk occasionally.

Are acting Cashiers and clerks usually prohibited from having any business interests or employments outside of the bank?

I hope to see a full and frank expression in answer to these questions in an early number of the JOURNAL.

A WESTERN SUBSCRIBER.

—, MICH., March 29, 1887.

DEAD-HEAD COLLECTIONS.

Editor Rhodes' Journal of Banking:

SIR:—I note what you say in the March number of the JOURNAL in regard to country collections. I understand there is a movement on foot among country bankers looking to concerted action to do away with at least some of the abuses which the author of "Notes and Comments on Banking Practice" points out. While I do not see exactly what practical shape such a movement would take, still I desire to add my voice to aid its success. When a merchant sends me a draft to be collected for him, and I present that draft to his customer, it certainly is not my affair whether the draft is honored or not, and it does not diminish my trouble in the matter because the drawee refuses to pay. It is very little more labor to collect the money and remit a check than to return the dishonored draft; and while, perhaps, a less charge might be made for returning an unpaid draft, it is only fair that I should be remunerated to some extent for my trouble. I, for one, have adopted the plan of refusing to do business for people who are unwilling to pay for it. I hope you will be successful in your efforts to reform this long-standing abuse.

CASHIER.

—, NEW YORK, March 26, 1887.

COLLECTION ABUSES.

Editor Rhodes' Journal of Banking:

SIR:—I have been looking for an article in the JOURNAL to aid the movement begun by country bankers against the present abuse of the collection system by city firms, who expect us to return unpaid items without charge whether the reason for non-payment or non-acceptance be "will write," "have paid," "refused," "not correct," or any other reasons that reflect in no way against the activity of the collecting bank, which, in returning these unpaid items, consumes time, stationery, return postage, book room, etc. Of course, we do not refer to collections from regular correspondents. Won't you stir up the matter?

MAGILL BROTHERS.

NORTH LA CROSSE, WIS., March 3, 1887.

NATIONAL BANKING—A REPLY.

Editor Rhodes' Journal of Banking:

SIR:—Not being able to agree in all points with the Open Letter published in the February JOURNAL under the head, "National Banking—A Thrice Told Tale," I venture to ask your indulgence for a brief examination of its main features. While it is quite true that the necessities of the Government acted as a potent influence in the passage of the National Bank Act, at the same time it must not be forgotten that the National system itself was, to a great extent, but a growth and a development of the banking system of the State of New York. It is not altogether impossible that, even without the pressure of war times, some National measure would have been enacted, for the people were becoming heartily weary of the State bank system which a few banks at the present time seem desirous of returning to.

The word "bank" itself is scarcely to be derived from the Italian *banco*. More probably it is, as has been suggested, the ordinary use of the word bank, meaning anything brought together into a mass—as a bank of sand, stones or money.

Passing over previous systems, let us come to the question under discussion—namely, the National banking system, as we know it to-day. Mr. Justice Strong

correctly defined the National Bank Act when he stated that its purpose was in part to provide a currency for the whole country and in part to create a market for the Government loans. So far from both these objects having been thoroughly subverted, the first ceases to be so the moment the National banks go out of existence, and, as to the second, he would be a bold prophet who would predict that the United States Government will not again be in the market as a borrower of money. I hope the day is far distant when this country shall again know the horrors of war. In January, 1861, there were few men who saw the gathering clouds, and fewer still who realized the awful magnitude of the storm that was even then about to burst. At present nothing seems more unlikely than a foreign war, and yet a year hence and the nation may be straining every nerve to preserve its existence.

"In time of peace prepare for war" is a maxim tried and true, and what better preparation for war could the nation have than a system of National banks scattered all over the country, each one doing its part to place at the disposal of the Government all the loanable funds of the people. For this reason alone the Government could well afford to pay a bounty to banks as an inducement to remain in the National system.

Surely your correspondent does not need to be told that the law does not require the reserve agents of National banks to be themselves National banks. That they are uniformly so is simply a usage of the Comptroller's office—a very proper and correct usage, designed, as it is, to strengthen the National system. Should every bank in the city of New York go out of the system, the reserve requirements of the law as to other banks would not be affected in the slightest degree, as the Comptroller would simply approve State banks as reserve agents.

In all the reserve cities, including New York, the National banks take out a large circulation. To say that the banks in these cities "nominally remain National by a minimum deposit of \$50,000 in United States bonds" is to make a statement which is applicable only to a comparatively few of the banks in question.

As to the tax on circulation, the advocates of the National system have for years been working for its repeal. The opponents of the system are the very persons who insist upon retaining this onerous burden of which your correspondent complains so bitterly.

That the admitted prestige of National banks is deserved is aptly shown by the fact that in the great panic in New York in May, 1884, "while many banks and private banking firms of excellent repute failed, but one association organized under the National-bank Act failed, and but one suspended." This branch of the question is fully and ably discussed in the report of the Comptroller of the Currency for 1884.

It may also be added that failed National banks pay their depositors on an average 70 per cent. of the proved claims, the note-holders receiving dollar for dollar.

To use an ordinary phrase: "Does your correspondent want the earth?"

The restrictions in the National-bank Act are only such as prudence and experience suggested. Has not the wisdom of them been amply justified by their fruits? The provisions as to examinations, reports, etc., follow as a necessary adjunct to the restrictions and requirements of the law. There is no other way of securing the enforcement of the law. If the Directors neglect their duty that is no fault of the law, and the remedy is to be found, not in amending the law, but in choosing Directors who will attend to their business.

It is a curious error to speak of the Government as an *indorser* of the National bank notes. The position of the Government is simply that of a *Trustee* holding certain securities pledged for the redemption of the notes.

Space would fail to discuss properly the doctrine of the relation of the Government to the corporations of various kinds which it has created; but to have a system of banks entirely free from Government supervision would be an experiment few would care to try.

When your correspondent talks about Huxley and Spencer and "administrative nihilism," I can only say, in all humility: "I do not follow the gentleman."

I have endeavored thus briefly to answer the points against the National system made by your correspondent, not only because his objections may seem to some persons reasonable in themselves, but because they acquire additional weight from the high standing of your correspondent in the banking community.

SUBSCRIBER.

—, MARCH 16, 1887.

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

MR. KNOX ON THE SURPLUS.

(From the *Utica (N. Y.) Herald* of March 8th.)

Of the many schemes for reducing the surplus in the Treasury, that of Hon. John Jay Knox, ex-Comptroller of the Currency, is not only sensible and feasible, but could easily be put into execution if Congress would pass a statute to authorize it. Mr. Knox proceeds on the assumption that what the country needs is something to reduce the surplus temporarily, say for about three years, while Congress is deliberating upon a plan for permanent reduction and perfecting the details of such a plan. This of itself would be a great relief to the country. All through the past winter, and, in fact, for several years past, Congress has felt that there was a necessity for some legislation to reduce the revenue of the government; but, although the pressure was strong, it seemed impossible for the members to agree upon any plan. A plan like that of Mr. Knox would give the country a breathing space, and perhaps enable some one to bring forward a scheme of permanent reduction that would receive the approval of a majority in Congress. Mr. Knox's proposition, to which we have already referred, is elaborated in the *Epoch* for the current week. It is exceedingly simple, and apparently need not create any strong animosity against it. It treads on the toes of no man who cherishes a particular theory of the tariff. It interferes with neither free trader nor protectionist. It appeals rather to the common sense of both of these parties, and can be adopted without partisanship by Republicans and Democrats alike. Its principal feature can be stated in a single sentence. He would exchange the 4 per cent. Government bonds now outstanding for $2\frac{1}{4}$ per cent. bonds of the same denomination, and pay the present holders the present cash value for the difference in interest. As these bonds have 20 years yet to run, and the amount of 4 per cents now is about \$738,000,000, it is estimated by the Government Actuary that the amount of interest thus forestalled would be \$173,810,000. Mr. Knox believes that this would be as great a sum as the Government could spare for three years at least. In order to give the new bonds greater desirability he would have the law that authorized their issue state, also, that none of them should be called for payment so long as any bonds bearing a higher rate of interest are outstanding. Those, also, which are issued first should be called last, and this provision, it is believed, would cause an immediate demand for them. The banks of the country hold about \$125,000,000 of the 4 per cents, and the one feature which the banks desire more than another is a long duration of time or permanency in the securities which they deposit with the Government. In order to make this still more pronounced it is suggested that the new $2\frac{1}{4}$'s, instead of being made to mature in 1907, should be made payable in amounts of eighty or one hundred millions per year, which would extend them over a period of 8 or 10 years further. Those who made the first exchanges would be entitled to the longest bonds, and there would be a strife to get them. Banks should also be allowed to issue their notes up to the par value of the $2\frac{1}{4}$ per cent. bonds which they would deposit. A bill containing these provisions was introduced in the Senate during the last session, but no action was taken upon it. It should be passed at the short session of the next Congress.

BI-METALLISM IN GERMANY.

(From the *London Economist*, March 5th.)

Among the papers issued by the Foreign Office this week is a report by Mr. G. Strachey about the discussions in Germany on the currency question, in which the arguments of German economists for and against the double standard are very clearly and impartially set forth. It can hardly be said, however, that much new light is thrown by it upon the bi-metallic controversy, and it is mainly valuable as showing the general drift of German opinion on the subject. On that point Mr. Strachey states that "the wish of the financial world of Germany is that the actual monetary system

may be retained intact. The assertion may sound sweeping, but I believe there are very few heads of important financial institutions or leading private bankers in Leipzig, Breslau, Cologne, Hamburg, Frankfurt, Augsburg, Munich, or any other large city, who are not decided adherents of gold. My own experience is that gentlemen so situated have a profound contempt for bi-metallism, and that they habitually speak of it in the tone which our own men of science would use in reference to astral presences or spooks. Of the Chambers of Commerce of the Empire it is sufficient to say that at the last Handelstag, held in March of the present year, seventy-one of those bodies declared for the adherence to the gold standard and four only for bi-metallism; these last were the Chambers of Dresden, Chemnitz, Munster and Bochum. German industry is specially represented by the great association known as the 'Industrieller Verein.' The Central Committee recently circulated a request to the branch unions, representing the various departments of industry, to report their views on the currency question. A solitary branch announced itself as bi-metallist, *sans phrase*; two branches were bi-metallist with limitations, all the remainder supporting the existing currency, except three, which were in favor of an absolute gold standard. Considering the affinities of bi-metallism and protection, this is a significant fact." The bi-metallists, however, he points out, have gained some strength through alliances with political parties, and, summing up the position, he writes: "On the whole, if the balance is struck between the various influences thus coming into play on each side of the controversy, intelligent German conviction must be described as militating in favor of the maintenance of the present currency system. But looking to the peculiarities of the local political constellations, and to the fact that any resistance to the double standard which might arise in the Federal Council would probably be of a passive character, the surmise seems justifiable that, if the Imperial Government were to ask for power to enable them to make the Empire a party to an international bi-metallist league, the Reichstag would grant the necessary authorization." There is, however, no probability of the Government changing in its attitude of firm opposition to the bi-metallist proposals.

THE TREASURY BANK AND THE NATIONAL BANKS.

[Wm. B. Greene in *A. S. Pratt & Sons' Bankers' Eclectic* for March.]

Under the present law the Government of the United States invests a certain part of its revenues in making a monthly addition to the silver circulating medium of the country. It has been apprehended that the result of this ceaseless increase of the standard silver dollar will be to change the standard of value from gold to silver: that the dollar which now means 25.8 grains of gold will shortly mean 412.5 grains of silver. The silver dollar is the satellite of the gold dollar, and shines as yet with reflected light within the influence of the gold standard.

The gold coin in the country on January 1, 1887, was estimated to be about \$559,000,000, and the silver dollars coined to the same date amounted to \$249,555,647. The gold coin was by this more than double the legal value of the silver. But it is not the proportionate amounts of the respective metals held in the country which control; it is the proportionate amounts of each metal in actual circulation. There is some indication of the proportion of circulating gold to circulating silver in the country in the proportions in which the two metals are held in the United States Treasury; and on February 1, 1887, it appears that the Treasury, including amounts held for certificates, had \$187,196,596 in gold and \$188,506,238 of silver. The gold reserve of the Treasury sustains a circulation of paper redeemable in gold of \$443,896,621, of which \$346,681,016 were legal-tender notes and \$97,215,605 were gold certificates. In addition, there were \$392,793,452 National bank notes, which, redeemable in lawful money, consisting of gold coin, silver dollars and legal-tender notes, were sustained at the gold standard by the fact that the preponderating amount of lawful money represented gold. Assuming that the gold coin in circulation in the country equals the amount of silver dollars coined, namely, \$250,000,000, and adding to it the legal-tender notes, there is, without including National bank notes, a possible gold circulation of \$596,681,216 as compared with a possible silver circulation of \$250,000,000. This would seem to assure the permanency of the gold standard, even in the face of the increase in silver dollars, which must now occur before another session of Congress.

The Treasury has, however, become a great Government bank, such as Jackson recommended in 1829, "founded upon the credit of the Government and its revenues."

It has three kinds of paper circulation—the legal-tender notes, sustained by a gold reserve of about 30 per cent.; gold certificates, with a gold reserve of 100 per cent.; and silver certificates, with a reserve of 100 per cent. The currency certificates may be considered a larger denomination of the legal-tender note. It receives deposits in gold coin, silver coin and legal-tender notes, for which it issues certificates of deposit. It acts as the redemption agent of the National banks, and gives them credit on its books for the amounts deposited by them for the redemption of their notes. In fact, it performs almost all of the functions of a bank, and through the Assistant Treasury at New York is a member of the Clearing-house. It employs the Assistant Treasuries and many of the National banks as its branches. This attitude of the Treasury of the United States invests it with greater control of the currency of the country, and with greater power to make or mar, than any institution ever known in the history of the United States. The only function of a bank which it does not possess is that of making loans and discounts. Its powers of gathering in currency are unlimited, but its power of redistributing and paying out the same is bounded by the expenditures of the Government. Like all banks which issue circulation, the Treasury seems to be impatient of rivals, and bound to sustain itself at whatever cost to its competitors.

For some time it has been struggling with the problem how to get into the hands of the public the silver dollars the law forces it to take without giving the impression that it pays silver in preference to gold, inasmuch as such an impression would tend to discredit the silver and cause a demand for the gold, which might make it exceedingly embarrassing to maintain a gold standard of payments. The National banks held a very large proportion of the redeemable public debt of the Government, and the high price of the unredeemable debt of the United States makes it more profitable for the banks to retire such portion of their circulation as is based on the called bonds. If the bonds were held by individuals the Treasury would have to pay them in gold; but, as it is, one-tenth only is paid in gold funds, and the proceeds of the remaining nine-tenths are placed on the Treasury books as a credit to the banks for redemption of circulation. The notes when presented are redeemed in silver, and the Treasury thus puts in circulation an equal amount of silver certificates in place of the National bank notes retired.

It is thus at first sight an advantage to the Treasury bank to have the retirement of National bank notes continue, as it affords an outlet for its most undesirable currency. This may explain why Mr. Jordan, the United States Treasurer, and Mr. Trenholm, the Comptroller of the Currency, in their interview with the Finance Committee of the Senate on January 26th, did not urge measures for stopping the retirement of National bank circulation. In taking this stand they were evidently carrying out the policy of the Administration.

Mr. Jordan was opposed to the removal or even diminution of any of the restrictions in regard to the deposit of bonds by National banks—that is, he wanted them to hold the largest amount possible under the present law, inasmuch as when called they could be paid chiefly in silver certificates. Moreover, the restrictions tend to cause the gradual withdrawal of banks from the system and a gradual retirement of circulation which will perhaps equal the current coinage of silver.

Mr. Jordan was also in favor of State banks without circulation, which he pronounced no better nor worse than National banks. He said: "The National bank circulation, which is now being retired, comes in at the rate of about \$180,000 a day, and is paid for principally in small silver notes. I expect to see silver certificates take the place of all the National bank circulation, provided you do nothing to stop its reduction here."

One would suppose that the Comptroller of the Currency would have given more substantial evidence of his interest in the preservation of the system. Not that he should be the mere spokesman or advocate of the banks, but that he should feel that the advantages which the country has already derived from the National system are sufficient reason for an effort to retain it. But he presented no measure that would serve to stop the retirement of circulation. He opposed the plan of issuing to within 10 per cent. of market value of the bonds, and even the proposition to issue to the par value of the bonds, as affording no relief to the banks in the latter case and dangerous in the former. He recommended, it is true, a reduction of the minimum of bonds required to be held and a reduction of the tax on circulation held on

minimum bonds, but both of these measures would cause a reduction of circulation, and so be in line with the Administration policy.

When asked as to the Aldrich bill, which the Treasurer very frankly said would serve the banks, Mr. Trenholm declared: "That is not in my province as Comptroller of the Currency; I am looking only to the interests of the public in the banks, and regard these matters only in connection with bank circulation." It would seem that the Comptroller need not have been so diffident, as it is fair to assume that the preservation of a system which has kept deposits safely and has raised the standard of banking in the country would be of public interest. To preserve the system it is, in Mr. Trenholm's view, necessary to preserve the power to issue circulation, inasmuch as in this interview he intimates that a National bank without circulation is unconstitutional; and evidently the reason the Committee asked him about the Aldrich bill was to get his opinion as to its effect upon National bank circulation. Yet the Comptroller declined to discuss the matter. In view of these facts, it would seem plain that the chief reliance of the Administration in maintaining the gold standard is the retirement of National bank notes.

It only remains to consider whether this policy is a sound one. If the gold standard can only be maintained by the sacrifice of National bank circulation, it would perhaps be wise to pay this price. But, if the sacrifice is to be made without permanent benefit either to the Treasury or the country, that result had better be known.

Nothing can entirely stop the approach of the silver standard but the repeal of the Act forcing the coinage of the silver dollar. But a free issue of National bank notes would much retard it, tending, as it would, to keep the amount of funds payable in gold in excess of funds payable in silver. The policy of the Treasury in favoring the retirement of bank notes to substitute silver notes is only a concealment. It effects no good, but does immense harm, not only to the National system but to the Treasury itself. The silver certificates are receivable for customs, from which source only can the Government derive its gold revenues. The more silver certificates in circulation the less gold will the Government receive. That this effect is already experienced is indicated by the fact that, although the Treasury has ostensibly relieved itself of silver to the extent of National bank notes retired, yet the proportion of its silver funds to its gold funds constantly increases. If it can be proved that the increase in the proportion of silver funds is greater during the period in which the Treasury has pursued the policy of forcing out silver than it should be from a computation founded upon an increase in silver funds equal to the silver dollars coined during the same period, then it is plain that the excess of increase is something that might have been avoided by proper management. The present policy may maintain the gold standard during the present Administration—perhaps it does not care to look beyond. While it might have been impossible to procure a repeal of the law forcing the coinage of silver, there is not much doubt but that proper representations to Congress might have secured the passage of a measure increasing National bank circulation.

WHERE LAND OWNERSHIP IS POPULAR.

[From the Toledo, O., *Commercial*.]

There is no place in this country where the laborers are so narrowly removed from pauperism as in New York city. The thousands of operatives in factories, shops and stores, and day laborers in the streets, go to their rest at night in the great tenement houses, where they are huddled together in order to co-operate in the payment of rent. Hence the political strength of Henry George in New York. The great would-be apostle of the down-trodden laboring classes took an active interest in the recent Mayoralty contest in Philadelphia, where there was a labor candidate for Mayor in the field. George went to Philadelphia and canvassed the city and made speeches and set forth his doctrine that the increased value of land in cities is an increment unearned by the owners, and that land should therefore be taxed according to its value in order that every one might get the benefit of the increased value. Now, it happens that the workmen of Philadelphia do not live huddled up in tenement houses, but many of them own their own homes, and building associations are offering facilities for more to do so all the time. Consequently, after thinking over Mr. George's doctrine, they cast just 1,664 votes for the labor candidate out of a total vote of 164,365!

NOTE.—The letter of Edward Atkinson, referred to on page 328, is crowded out. It will appear in the May number.—EDITOR.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National banks organized since our last report:
(Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.)

- 3642—Market National Bank, Cincinnati, Ohio. Capital, \$250,000.
3643—Cedar Rapids National Bank, Cedar Rapids, Iowa. Capital, \$100,000.
3644—First National Bank, Alvarado, Texas. Capital, \$50,000.
3645—Corsicana National Bank, Corsicana, Texas. Capital, \$100,000.
3646—Greenville National Bank, Greenville, Texas. Capital, \$100,000.
3647—Lincoln National Bank, Chicago, Illinois. Capital, \$200,000.
3648—First National Bank, Grass Valley, California. Capital, \$50,000.
3649—First National Bank, Pratt, Kansas. Capital, \$50,000.
3650—People's National Bank, Lancaster, Pennsylvania. Capital, \$200,000.
3651—First National Bank, Tyler, Texas. Capital, \$100,000.
3652—First National Bank, Ogallala, Nebraska. Capital, \$50,000.
3653—Sutton National Bank, Sutton, Nebraska. Capital, \$50,000.
3654—Farmers' National Bank, Canfield, Ohio. Capital, \$50,000.
3655—La Grande National Bank, La Grande, Oregon. Capital, \$60,000.
3656—First National Bank, Aberdeen, Mississippi. Capital, \$50,000.
3657—First National Bank, Russell, Kansas. Capital, \$50,000.

ALABAMA.

BIRMINGHAM.—Alabama National Bank; Geo. H. Waddell, Cashier, in place of John W. Read; Assistant Cashier, H. B. Urquhart. — Berney National Bank; H. F. De Bardeleben, Vice-President, in place of Robert Jenison; Assistant Cashier, W. P. G. Harding.

DADEVILLE.—Tallapoosa County Bank has been opened for business. Capital, \$50,000. President, Wm. Gray; Secretary, W. C. McIntosh.

MONTGOMERY.—Capital City Insurance Co.; E. B. Joseph, President, in place of Berry Tatum; Vice-Pres., Berry Tatum; S. A. Elsbery, Secretary, in place of E. B. Joseph.

ARIZONA.

PHOENIX.—Valley Bank; Andrew Crawford, President, in place of M. S. Sherman; Vice-President, E. H. Hiller; Assistant Cashier, E. J. Bennitt.

ARKANSAS.

PINE BLUFF.—Citizens' Bank is new bank here. Capital, \$100,000. President, J. T. W. Tillar; Cashier, Andrew J. Thompson.

CALIFORNIA.

GRASS VALLEY.—First National Bank has been authorized to commence business. Capital, \$50,000. President, David McKay, Jr.; Cashier, Horace D. Andrews.

INDEPENDENCE.—Harris & Rhine, succeeded by Nathan Rhine.

LOS ANGELES.—East Side Bank; President, Wm. Vickrey; Vice-President, Thomas Meredith; Cashier, Uri Embody. — Los Angeles County Bank; Geo. H. Stewart, Cashier, in place of H. L. Macneil. — University Bank is a new Bank here. Cashier, Geo. L. Arnold.

SAN FRANCISCO.—First National Bank; Jas. Moffitt, Vice-President, in place of Geo. A. Low. — French Savings & Loan Society; C. J. LeBreton, President, in place of P. Husson.

SIERRA VALLEY.—George Wood; discontinued banking business.

COLORADO.

BOULDER.—Boulder Nat. Bank; Geo. R. Williamson, Pres., in place of H. N. Bradley.
DELTA.—Delta County Bank; President, T. H. McGranahan; Cashier, E. L. Kellogg; Assistant Cashier, A. R. King.

DENVER.—State National Bank; Assistant Cashier, Wm. P. Vaile.

FORT COLLINS.—Stover, Sheldon & Co. (Poudre Valley Bank); Charles B. Andrews retires. Remaining partners continue under same style.

JULESBURG.—Citizens' Bank; C. L. Hoffman, President, in place of H. L. McWilliams.
LA JUNTA.—Bank of La Junta (Peyton, S. & James C. Jones); closed.

LONGMONT.—First National Bank; President, Geo. Wyman; Daniel Ransom, Vice-President, in place of C. H. Stickney; Eben White, Cashier, in place of Thomas Butler; no Assistant Cashier in place of Eben White.

RICE.—Davis, Matthews & Webb; E. L. Davis, Cashier, in place of A. H. Mundee; Assistant Cashier, A. A. Mundee.

TRINIDAD.—Trinidad National Bank; Caldwell Yeaman, Vice-President, in place of Frank G. Bloom.

CONNECTICUT.

HARTFORD.—First National Bank; J. H. Knight, President, in place of C. S. Gillette, deceased; Vice-President, W. W. Jacobs; C. D. Riley, Cashier, in place of J. H. Knight. — Connecticut River Banking Co.; H. W. Ewing, Cashier, in place of Miles W. Graves. — Connecticut Trust & Safe Deposit Co.; President, M. H. Whaples; John P. Wheeler, Treasurer, in place of M. H. Whaples.

NEW HAVEN.—Mercantile Safe Deposit Co. has recently commenced business. President, T. R. Trowbridge, Jr., Treasurer and Secretary, Chas. R. Trowbridge.
SOUTHINGTON.—Southington Savings Bank; Treasurer, L. B. Neal.

DAKOTA.

ABERDEEN.—Aberdeen National Bank; no Vice-President in place of Wm. F. Graves.
BATHGATE.—Citizens' Bank is new bank here; Cashier, Chas. L. Parker.
COLUMBIA.—First National Bank; Vice-President, W. H. Yerkes; Assistant Cashier, D. C. McKenzie.
DELL RAPIDS.—Dell Rapids Bank; G. H. Johnson, President, in place of C. E. McKinney; G. E. Bowerman, Cashier, in place of G. H. Johnson.
FARGO.—First National Bank; Massena B. Erskine, President, in place of E. C. Eddy; Assistant Cashier, C. W. Robbins.
GRAND FORKS.—Grand Forks National Bank; L. B. Richardson, Vice-President, in place of F. T. Walker.
HURON.—Nat'l Bank of Dakota; Vice-President, D. Stick; Asst. Cashier, W. B. Dolson.
KIMBALL.—Henry & Case; Cashier, A. C. Witbeck.
MADISON.—First National Bank; Chas. K. Ballard, Vice-President, in place of Frank E. Ballard.
MINTO.—Bank of Minto; H. L. Whithed, President, in place of John H. Merrifield.
RAPID CITY.—Black Hills National Bank; W. T. McGillicuddy, Vice-President, in place of James Haft; Assistant Cashier, W. E. Stephens.
VALLEY CITY.—First National Bank; John Anderson, Vice-President, in place of C. M. Hertig.
VALLEY SPRINGS.—Minnehaha County Bank; J. M. Bailey, Jr., President, in place of A. E. Hull.
WAHPETON.—Bank of Wahpeton; no Cashier in place of R. B. Carson, resigned.
WOONSOCKET.—Citizen's Bank opened March 1st. Same officers as American Bank and Trust Co.
YANKTON.—Mortgage Bank; President, Robert Burns; Cashier, E. A. Bruce.

DELAWARE.

DELAWARE CITY.—Delaware City National Bank; Chas. G. Ash, President, in place of Wm. D. Clark.

FLORIDA.

APOPKA.—Bank of Apopka; O. W. Prince, President, in place of E. R. Prince; E. R. Prince, Cashier, in place of Jos. L. Guernsey.

GEORGIA.

AMERICUS.—J. W. Wheatley & Co.; succeeded by Bank of South-Western Georgia. Capital, \$100,000. President, M. Speer; Vice-President, J. W. Wheatley; Cashier, W. H. C. Dudley; Assistant Cashier, A. W. Smith.
ATLANTA.—Neal Loan & Banking Co. has recently commenced business. Capital, \$100,000. President, T. B. Neal; Cashier, E. H. Thornton.
LAGRANGE.—First National Bank; J. W. Barnard, Vice-President, in place of William C. Yancey.
NEWNAN.—Newnan National Bank; Cashier, R. W. Andrews.
SAVANNAH.—Central Railroad Bank; E. P. Alexander, President, in place of William G. Raoul. — Savannah Bank and Trust Co.; President, Joseph D. Weed.

IDAHO.

MOSCOW.—First National Bank; Henry Dernham, Vice-President, in place of J. H. Maguire.

ILLINOIS.

ATHENS.—Chas. C. Scott; succeeded by Kincaid & Scott.
BEARDSTOWN.—First National Bank; Vice-President, John H. Hagener.
BUDA.—J. Berkstresser & Co.; succeeded by J. D. Reynolds.
BYRON.—D. H. Campbell (Byron Bank); succeeded by E. N. Smith.
CHICAGO.—Chicago National Bank; no Vice-President in place of J. M. Adsit. — Lincoln National Bank has been authorized to commence business. Capital, \$200,000. President, John L. Beveridge; Cashier, R. L. Dakin. — Rock Savings Bond Co.; title changed to Farmers' Trust Co. — H. G. Foreman & Brothers, dissolved. — Leopold Mayer; now Leopold Mayer & Son.
CLINTON.—DeWitt County National Bank; Assistant Cashier, Norman Nelson.
DECATUR.—Decatur National Bank; K. H. Roby, President, in place of A. T. Hill.
FAIRBURY.—First National Bank; no Assistant Cashier in place of E. E. McDowell.
FARMER CITY.—First National Bank; President, R. O. Crawford (not R. V. Crawford).
JOLIET.—Will County National Bank; W. S. Brooks, President, in place of Calvin Knowlton; G. L. Vance, Vice-President, in place of J. A. Henry; Assistant Cashier, C. H. Talcott.
MARSHALL.—Clark County Bank; D. H. Brown, Cashier, in place of Thomas W. Cole; no Assistant Cashier in place of A. P. Cole.
MASON CITY.—First National Bank; A. A. Blunt, President, in place of John Van Horn; J. H. Mathers, Vice-President, in place of A. A. Blunt.
OLNEY.—First National Bank; Charles F. Fokett, Vice-President, in place of David Scott.
PARIS.—Edgar County National Bank; no Vice-President in place of Joshua Davis.
SOUTH CHICAGO.—Calumet National Bank; J. W. Thorp, Vice-President, in place of C. F. Swan.
STREATOR.—Streator National Bank; M. J. Luther, President, in place of Ralph Plumb; E. H. Bailey, Cashier, in place of W. H. Miller.
WILMINGTON.—Commercial National Bank; E. W. Felton, President, in place of D. U. Cobb.

INDIANA.

MADISON.—National Branch Bank: Frank L. Powell, President, in place of W. H. Powell; Vice-President, Wm. H. Powell; no Assistant Cashier in place of F. L. Powell.

NEW ALBANY.—Merchants' National Bank; N. T. De Pauw, President, in place of John H. Butler.

RUSHVILLE.—Rushville National Bank: John Megn, Assistant Cashier, in place of B. F. Pitman.

WESTVILLE.—Smith & Reynolds (Collection Agents); succeeded by E. S. Smith.

IOWA.

BURLINGTON.—National State Safety Deposit Co.; President, E. D. Rand; Secretary, T. G. Foster.

CEDAR RAPIDS.—G. F. Van Vechten; succeeded by Cedar Rapids National Bank. Capital, \$100,000. President, Arthur T. Averill; Cashier, Ralph Van Vechten.

DAVENPORT.—First National Bank; Assistant Cashier, Geo. Hornu.

DES MOINES.—Merchants' National Bank; A. Howell, President, in place of F. M. Mills; M. Younker, Vice-President, in place of A. Howell. — New England Mortgage & Investment Co.; President, W. M. Stone; Treasurer, William H. McConaughy.

DUBUQUE.—Commercial National Bank; Vice-President, C. H. Booth. — Dubuque County Bank; C. A. Farwell, Cashier, instead of Acting Cashier. — German Trust & Savings Bank has been recently opened. Capital, \$50,000. President, John Bell; Vice-President, D. Rhombert; Cashier, Paul Traut.

EAGLE GROVE.—First Nat'l Bank; W. C. Smith, Vice-Pres., in place of D. L. Miller.

ESSEX.—Commercial Bank (B. M. Webster); Vice-President, W. S. Hor.

FAYETTE.—S. B. Zeigler & Co. (Bank of Fayette), succeeded by Lakin, Baker & Co.

HARTLEY.—Security State Bank is new bank here. Capital, \$25,000. President, Wm. S. Fuller; Cashier, Walter J. Lorshbough.

KNOXVILLE.—Marion County National Bank; L. O. Donley, Vice-President, in place of O. B. Ayres.

LE MAR.—Le Mar Nat'l Bank; James Turnay, Vice-President, in place of R. Morton.

LUCAS.—Farmers' & Miners' Bank; Cashier and sole owner, J. C. Baker.

MADRID.—Citizens' Bank; Frank Bogwill, President, in place of J. F. Hopkins.

MANILLA.—Bank of Manilla has been recently started. President, L. F. Smith;

Cashier, J. M. Roseberry.

MARENGO.—First National Bank; C. E. Bingham, Cashier, in place of Lewis Haas.

IOWA COUNTY LOAN & SAVINGS BANK; C. E. Bingham, Cashier, in place of Lewis Haas.

MASON CITY.—First National Bank; C. H. McNider, Cashier, in place of J. V. W. Montague.

MECHANICSVILLE.—Helmer & Gortner; G. W. Gortner, Cashier, in place of John S. Gortner, deceased.

MERIDEN.—Cherokee County Bank; G. W. Prescott, Cashier, in place of Theophilus E. Hills.

NORWAY.—Benton County Savings Bank; C. P. Christiansen, President, in place of T. H. Brown.

PERRY.—Northwestern Loan & Trust Co.; succeeded by Commercial Bank. President, S. C. Goff; Cashier, A. T. Pearson.

ROCK VALLEY.—H. H. Case; discontinued banking business.

SAC CITY.—Sac County Bank; now Sac County State Bank. Paid Capital, \$5,000.

President, A. D. Peck; Vice-President, Philip Schaller; Cashier, E. N. Bally;

Assistant Cashier, H. J. Grotewohl.

STUART.—First National Bank; H. Lawbaugh, Vice-President, in place of C. S. Fogg.

WASHINGTON.—First National Bank; Hugh Smith, Vice-President, in place of Wm. Blair.

WEBSTER CITY.—Farmers' National Bank; B. F. Miller, President, in place of J. W.

Mattice; no Vice-President in place of B. F. Miller; A. L. Denio, Cashier, in place

of W. F. Miller; no Assistant Cashier in place of A. L. Denio.

KANSAS.

ALTON.—State Bank; Evert Grover, President, in place of W. S. Search.

ANTHONY.—First National Bank; S. A. Darrrough, Vice-President, in place of George

D. Thompson; no Assistant Cashier in place of O. F. Casteen. — Harper County

National Bank; Chas. D. Organ, Cashier, in place of J. H. Anderson.

ARLINGTON.—Arlington State Bank. Authorized capital, \$50,000. President, A. B.

Crabbe; Cashier, Chas. E. Ford.

ATTICA.—Attica State Bank; C. S. Jones, Vice-President, in place of James A. Blair,

resigned.

BAXTER SPRINGS.—Drovers' & Farmers' Bank; Vice-President, C. G. Hornor; E. B.

Corse, Cashier, in place of C. G. Hornor; no Assistant Cashier in place of E. B.

Corse.

CAWKER CITY.—First National Bank; E. E. Parker, President, in place of H. P.

Churchill; H. P. Churchill, Vice-President, in place of H. P. Stimson; O. F. Page,

Cashier, in place of E. E. Parker.

CEDARVILLE.—Exchange Bank; F. Everest, President, in place of W. W. Hetherington.

CHAUTAUQUA.—D. Y. Kincaid is in business here. Style, Osage Exchange Bank.

CLAY CENTRE.—People's National Bank; L. McChesney, Vice-President, in place of

John Hanna.

CLEAR WATER.—F. L. Tillinghast (Clear Water Bank); now Tillinghast, Henry & Co.

EUSTIS.—Tomblin & Eustis (Sherman County Bank); succeeded by Tomblin & Son.

GARDEN CITY.—First National Bank; Vice-President, Jacob V. Carter; Assistant

Cashier, W. S. Bish.

GREENSBURG.—Greensburg State Bank has recently opened for business. Capital, \$100,000. President, C. P. Fullington; Vice-President, F. P. Neal; Secretary, H. H. Patten; Cashier, C. J. Neal. — Miller & Ryon are reported here.

HIAWATHA.—First National Bank; Assistant Cashier, A. F. Bechtel.

JAMESTOWN.—Exchange Bank; F. Everest, President, in place of W. W. Hetherington.

LARNED.—First National Bank; no Cashier in place of John C. Fry; T. E. Evans, Assistant Cashier, in place of F. A. Dewey. — Pawnee County Bank; H. Mathies, President, in place of Chas. R. Munger.

LAWRENCE.—National Bank of Lawrence; no Asst. Cashier in place of T. E. Newlin.

MADISON.—Madison Bank (A. F. Crowe); Cashier, Sumner Dow.

MCUNE.—McCune Bank (J. K. Vance & Co.); suspended.

MCPHERSON.—First National Bank; Theodore Boggs, Vice-President, in place of Edwin A. Bell.

MILTONVALE.—Miltonvale State Bank; Edward Weck, Cashier, in place of J. G. Cushman.

MOUND RIDGE.—Post-office changed from Christian to Mound Ridge.

MULLINVILLE.—Mullinville Bank; Cashier, E. K. Nevling; Assistant Cashier, Curtin Nevling.

NESCATUNGA.—Bank of Nescatunga; H. N. Cunningham, President, in place of J. M. Mercer.

NESS CITY.—State Bank of Ness City; Ross Calhoun, President, in place of B. F. Hermon; Vice-President, J. Nicholson.

NEWTON.—First National Bank; F. S. Stein-Kirchner, Vice-President, in place of E. B. Fowler; Assistant Cashier, C. W. Goss. — Citizens' Bank. Capital, \$50,000.

President, E. B. Fowler; Acting Cashier, C. A. Swenson.

OBERLIN.—Bank of Oberlin; S. A. Walker, President, in place of A. N. Schuster; William Browne, Cashier, in place of F. Browne.

OSWEGO.—First Nat'l Bank; F. C. Wheeler, Assistant Cashier, in place of C. F. Winton.

PITTSBURG.—First National Bank; A. E. Narr, Assistant Cashier, in place of William Babcock, Jr.

PLEASANTON.—Bank of Pleasanton is style of new bank here. Assistant Cashier, C. J. Simmons.

PRATT.—First National Bank has been authorized to commence business. Capital, \$50,000. President, H. W. Lewis; Cashier, Gust. Carlander.

RICHFIELD.—Craig brothers; not in the banking business.

RUSSELL.—Banking House of Blair and Haskett; succeeded by First National Bank.

Capital, \$80,000. President, William Blair; Cashier, Emery C. Haskett.

SALINA.—Salina Nat'l Bank; James G. Daniels, Vice-Pres., in place of T. A. Williams.

SPEARVILLE.—Soule & Munsell are reported here.

TOPEKA.—Topeka Savings Bank has recently been incorporated. Capital, \$45,000. President, A. W. Knowles; Vice-President, A. Washburn; Treasurer, L. G. Beal. — Topeka Clearing-House Association has recently been formed.

VOLTAIRE.—Bank of Voltaire; removed to Sherman Centre. Post-office: Gandy.

WA KEENEY.—Wa Keeney Bank; President, E. M. Murry; Cashier, R. C. Wilson.

WAMEGO.—First National Bank; no Vice-President in place of L. C. Prentz.

WASHINGTON.—First National Bank; J. M. Welch, Vice-President, in place of C. Leland, Jr.; O. S. Long, Cashier, in place of A. S. Race; J. O. Homing, Assistant Cashier, in place of O. S. Long.

WETMORE.—Wetmore State Bank is the only bank here.

WICHITA.—Kansas National Bank; Vice-President, A. C. Jobs; C. E. Frank, Cashier, in place of A. A. Hyde; no Assistant Cashier in place of C. E. Frank.

KENTUCKY.

COVINGTON.—German National Bank; Joseph Chambers, Vice-President, in place of H. Drexellins.

DANVILLE.—Citizens' National Bank; change in officers reported in March JOURNAL an error. Should have been First National Bank; in liquidation.

ELIZABETHTOWN.—Bank of Elizabethtown; C. Hotopp, President, in place A. B. Montgomery; W. C. Montgomery, Cashier, in place of W. F. Bell.

LANCASTER.—Citizens' National Bank; Assistant Cashier, B. F. Hudson. — National Bank of Lancaster; Assistant Cashier, Robert Kinnaird.

LOUISVILLE.—Third National Bank; change in officers reported in March JOURNAL was an error. Officers remain as reported in our "Banker's Directory," viz.: President, J. H. Wrampelmeier; Cashier, E. C. Bohné; Asst. Cashier, C. H. Wulkop.

NEWPORT.—German National Bank; Assistant Cashier, E. C. Remme.

OWENSBORO.—Owensboro Savings Bank; S. M. Dane, President, in place of T. S. Anderson.

LOUISIANA.

NEW ORLEANS.—Bank of Commerce; Acting Cashier, Jno. B. De Blanc. — Citizen's Bank; S. O. Thomas, President, in place of Henry W. Connor.

MAINE.

AUGUSTA.—Augusta National Bank; W. B. Nickels, Cashier, in place of S. B. Glasier. — First National Bank; change in Cashier reported in March JOURNAL an error.

BATH.—First National Bank; Vice-President, J. D. Robinson.

BIDDEFORD.—Biddeford Savings Bank; O. F. Page, Treasurer, resigned.

LIMERICK.—Limerick National Bank; Wm. W. Mason, Cashier, in place of J. C. Lane.

MARYLAND.

BALTIMORE.—Provident Savings Bank has recently opened here. President, James Carey; Treasurer, John R. Cary; Secretary, Isaac Brooks, Jr. — Morrison & Thomas; succeeded by E. N. Morrison & Co.

CHESTERTOWN.—Chestertown National Bank; George B. Wescott, President, deceased.

MASSACHUSETTS.

ABINGTON.—Abington National Bank has resumed business. Capital, \$75,000. President, Chas. N. Cobb; Cashier, G. R. Farrar.
 AYER.—North Middlesex Savings Bank; President, Benj. H. Hartwell; Treasurer, H. E. Spaulding.
 BOSTON.—Everett National Bank; Vice-President, Francis O. Winslow. — Massachusetts National Bank; Assistant Cashier, Edward S. Hayward, not Edward S. Hazard. — Bay State Trust Company has applied for incorporation. Capital, \$200,000. — Commonwealth Safe Deposit & Trust Co. has applied for incorporation. Capital, \$200,000.
 CAMBRIDGE.—Cambridgeport Savings Bank; Treasurer, Wm. Page. — East Cambridge Five-Cents Savings Bank; Samuel Slocumb, Treasurer, deceased.
 CONWAY.—Conway Savings Bank has been organized.
 FALL RIVER.—B. M. C. Durfee Safe Deposit Co. will shortly commence business.
 LYNN.—Lynn Loan & Trust Co. has made application for incorporation. Capital, \$100,000. — Lynn Safe Deposit & Trust Co. has applied for incorporation. Capital, \$100,000.
 NEWBURYPORT.—First National Bank; stockholders vote to reduce the capital from \$300,000 to \$150,000.
 ROCKLAND.—Rockland Savings Bank; E. I. Harvell, President, in place of Zenas Jenkins.
 TURNER'S FALLS.—Crocker National Bank; C. T. Crocker, Vice-President, in place of A. K. Warner.
 WEST NEWTON.—West Newton Savings Bank has been organized.

MICHIGAN.

BIG RAPIDS.—Northern National Bank; F. R. Fowler, Cashier, in place of L. S. Baker; no Assistant Cashier in place of F. R. Fowler.
 DETROIT.—Commercial National Bank; H. B. Ledyard, Vice-President, in place of Geo. H. Hammond. — State Savings Bank; T. S. Anderson, President, in place of D. Hamilton; Vice-President, J. K. Burnham.
 EAST SAGINAW.—Second National Bank; Sewell Avery, Vice-President, in place of J. F. Boynton.
 FENNIVILLE.—Raymond & Hutchinson are reported here. Style, Fennville City Bank.
 GRAND RAPIDS.—Grand Rapids National Bank; no Assistant Cashier in place of Edwin Hoyt, Jr.
 GREENVILLE.—First National Bank; E. Middleton, President, in place of Manning Rutan; E. Rutan, Vice-President, in place of E. Middleton.
 HASTINGS.—Hastings National Bank; no Assistant Cashier in place of W. J. Bowne.
 LAPER.—First National Bank; H. D. Rood, Vice-President, in place of B. F. Moore.
 MENDON.—Osgood, Fletcher & Co.; succeeded by Osgood Bros. Cashier, B. F. Osgood.
 SHEPHERD (P. O.; Salt River).—H. J. Ward has recently commenced business here.
 STURGIS.—National Bank of Sturgis; Wm. Allman, Vice-President, in place of I. F. Packard.

MINNESOTA.

ALBERT LEA.—First Nat'l Bank; W. W. Johnson, Vice-President, in place of J. F. Jones.
 BRAINERD.—First National Bank; no Vice-President in place of Adam Brown.
 LAKE CITY.—Merchants' Bank; Geo. H. Grannis, President, in place of Wm. F. Holmes; Wm. F. Holmes, Vice-President, in place of Geo. H. Grannis.
 LUVERNE.—First National Bank; Assistant Cashier, W. H. Halbert.
 MINNEAPOLIS.—National Bank of Commerce; Geo. H. Rush, Vice-President, in place of C. A. Pray. — Franklin State Bank will open May 5th. Paid capital, \$50,000. President, William James; Cashier, J. C. Fairweather.
 OWATONNA.—Farmers' National Bank; no Assistant Cashier in place of C. F. Backus.
 ST. CLOUD.—First National Bank; Assistant Cashier, E. E. Clark.
 ST. PAUL.—National German-American Bank; William Lindke, Vice-President, in place of B. C. Howes, deceased.
 WINNEBAGO CITY.—Faribault County Bank is new bank here. President, David Secor; Cashier, C. H. Patten.
 WINONA.—Second Nat'l Bank; Wm. H. Laird, Vice-President, in place of L. R. Brooks.

MISSISSIPPI.

ABERDEEN.—Jenkins Brothers' Bank; succeeded by First National Bank. Capital, \$50,000. President, Frank P. Jenkins; Cashier, Ben. C. Jenkins.
 JACKSON.—J. Green's Bank; Joshua Green, President, deceased.

MISSOURI.

APPLETON CITY.—First National Bank; no Vice-President in place of John C. Bram; Assistant Cashier, F. Egger, Jr.
 BUTLER.—Bates County National Bank; Vice-President, Jno. B. Newberry. — Butler National Bank; C. C. Duke, Vice-President, in place of J. R. Jenkins; J. R. Jenkins, Assistant Cashier, in place of C. C. Duke.
 CASSVILLE.—Barry County Bank has been recently opened. Capital, \$10,000. President, Wm. K. Bayless; Cashier, John M. Bayless.
 KANSAS CITY.—American National Bank; E. E. Parker, Vice-President, in place of W. P. Rice. — First National Bank; E. F. Swinney, Cashier, in place of C. H. V. Lewis; Assistant Cashier, G. W. Fishburn. — Union Investment Co. has been opened for business. Paid capital, \$300,000. President, W. P. Rice.
 LOUISIANA.—Mercantile National Bank; Robt. M. Rhea, Assistant Cashier, in place of R. H. Goodman.
 MARYVILLE.—First Nat'l Bank; H. W. Richmond, Cashier, in place of John C. Terhune.
 PARIS.—National Bank of Paris; Vice-President, J. M. Crutcher; Assistant Cashier, A. D. Buckner.

PLATTE CITY.—W. F. Norton & Co.; succeeded by Bank of Platte City. Capital, \$10,000. President, Norton B. Anderson; Cashier, Asa L. Smith.

ROCKFORD.—Citizens' Bank of Atchison Co.; James M. Scammon, President, in place of A. B. Durfee.

ST. JOSEPH.—National Bank of St. Joseph; 2d Vice-President, C. C. Burnes.

MONTANA.

BUTTE CITY.—Clark & Larable; no Cashier in place of J. R. Clark.

HELENA.—Merchants' National Bank; Assistant Cashier, I. Salhinger. — Second National Bank; C. K. Cole, Cashier, in place of C. F. Ellis.

MILES CITY.—First National Bank; W. B. Jordan, Vice-President, in place of Geo. M. Miles. — Stock Growers' National Bank; E. E. Batchelor, Assistant Cashier, in place of H. B. Wiley.

NEBRASKA.

AINSWORTH.—Farmers' & Merch. Bank; President, F. B. Tiffany; Cashier, C. G. Alton. **CRETE.**—First National Bank; Assistant Cashier, L. E. Fuller.

DAVID CITY.—Merchants' & Farmers' Bank; C. O. Crosthwaite, Cashier, in place of Edwin P. McCollom.

HICKMAN.—Hickman Bank is reported here.

LAURENCE.—Bank of Laurence; post office address: Laurence, Nuckolls County.

MCCOOK.—First National Bank; Vice-President, B. M. Frees.

MERNA.—A post office has been opened here.

OGALALA.—Bank of Ogallala; succeeded by First National Bank. Capital \$50,000.

President, Lee Love; Cashier, L. A. Brandhoefer.

RAVENNA.—Bank of Ravenna is new bank here. President, Edward E. Barton; Cashier, Leroy Hill.

SOUTH AUBURN.—Carson National Bank; Vice-President, F. E. Johnson.

ST. PAUL.—St. Paul Nat'l Bank; A. C. Howell, Assistant Cashier, in place of A. N. Dann.

SUTTON.—J. B. Dinsmore & Co.; succeeded by Sutton National Bank. Capital, \$50,000. President, John B. Dinsmore; Cashier, Fred. C. Matteson.

WABCO.—First National Bank; Chas. Berk, President, in place of A. Blakestad; A. Blakestad, Vice-President, in place of J. M. Chapman; no Assistant Cashier in place of Louis Blakestad.

WAKEFIELD.—Wakefield Bank (Culver & Manley); now incorporated under State laws. Authorized capital, \$50,000. President, James H. Culver; Vice-President, W. P. Manley; Cashier, Levi Kimball.

WILBER.—First National Bank; Assistant Cashier, V. A. Young.

NEW HAMPSHIRE.

CLAREMONT.—Claremont National Bank; Jno. L. Farwell, President, in place of Geo. N. Farwell, deceased; no Vice-President in place of Jno. L. Farwell.

FARMINGTON.—Farmington National Bank; Alonzo Nute, Vice-President, in place of J. F. Cloutman.

NEW JERSEY.

ALLENTOWN.—Farmers' National Bank; H. G. Norton, Vice-President in place of P. B. Pumyea.

FRENCHTOWN.—Union National Bank; H. E. Warford, President, in place of D. M. Mathews.

NEW YORK.

ALBANY.—National Exchange Bank; President, John Parsons, Jr.

AMSTERDAM.—Amsterdam Savings Bank; President, S. H. French; Vice-President, L. L. Dean.

BINGHAMTON.—Merchants' National Bank; 2d Vice-President, Chas. Davis.

CATTARAUGUS.—Bank of Cattaraugus; S. S. Laing, President, in place of Oscar F. Beach; S. E. Johnson, Cashier, in place of S. S. Laing.

DELEI.—Delaware Nat'l Bank; W. G. Edgerton, Cashier, in place of W. H. Griswold.

ELLENVILLE.—First National Bank; Eli Dubois, Cashier, in place of N. C. Elting; Assistant Cashier, P. Schultz Tice.

NEW YORK CITY.—United States National Bank; Vice-President, D. A. Lindley; no Assistant Cashier in place of Henry M. Hoyt, Jr. — Bank of the State of New York; stockholders vote to increase capital from \$800,000 to \$1,250,000. — Mount Morris Safe Deposit Co. is situated at 125th street & 4th avenue. Capital, \$150,000. President, Jos. M. De Veau; Secretary and Treasurer, Thomas W. Robinson. — Atterbury & Tillinghast; succeeded by John C. Atterbury and Henry W. Davis, under style of Atterbury & Davis. — S. L. Blood & Co.; dissolved. — E. St. John Hays & Co. dissolved. E. St. John Hays and Jos. Tate continue under same style. — J. H. Latham & Co.; succeeded by Frederick W. Perry. — Lockwood & Co.; dissolved. — Tasker H. Marvin; resumed. — Myers, Rutherford & Co.; Alfred G. Myers, deceased. — C. L. Rathborne & Co.; dissolved. New firm, under same style, formed by C. L. Rathborne and Henry M. Hume, with C. C. Baldwin as special partner. — J. A. Rutherford; admitted to Stock Exchange. — E. M. Ward; admitted to Stock Exchange. — Winslow, Lanier & Co.; John Howard Latham admitted.

NORWOOD.—State Bank of Norwood has been organized. President, C. P. Vedder; Vice-President, L. R. Ashley; Cashier, F. L. Smith.

PLATTSBURGH.—Iron National Bank; Jas. Shaw, Jr., Cashier, in place of George W. Watson.

PORT JERVIS.—Nat'l Bank of Port Jervis; Augustus P. Thompson, Cashier, deceased.

WAVERLY.—First National Bank; Nathan S. Johnson, Vice-President, in place of R. A. Elmer; Assistant Cashier, Percy L. Lang.

WHITEHALL.—Merchants' National Bank; L. J. N. Stark, Vice-President, in place of N. T. Jillson.

NORTH CAROLINA.

WILMINGTON.—First National Bank; George Chadbourn, Vice-President, in place of F. A. Woodard; H. M. Bowden, Cashier, in place of A. K. Walker; no Assistant Cashier in place of W. Larkins.

OHIO.

AKRON.—First Nat'l Bank; Edward Oviatt, Vice-President, in place of M. W. Henry.
 BRYAN.—Farmers' National Bank; R. D. Dole, Vice-President, in place of Charles A. Bowersox.

CALDWELL.—Noble County Nat'l Bank; no Vice-President in place of W. W. Collins.
 CANFIELD.—Farmers' National Bank has been authorized to commence business. Capital, \$50,000. President, Alexander Dickson; Cashier, H. A. Manchester.

CINCINNATI.—Market National Bank has been authorized to commence business. Capital, \$250,000. President, Edwin Stevens; Cashier, John G. Brotherton. — Union National Bank; in voluntary liquidation. — Second National Bank; Assistant Cashier, Wm. Albert.

DAYTON.—Merchants' National Bank; no assistant Cashier in place of John F. Beaver.
 GARRETSVILLE.—First National Bank; no Assistant Cashier in place of W. E. Agler.

GENEVA.—First National Bank; Salmon Seymour, President, in place of T. W. Tuttle.
 W. H. Munger, Vice-President, in place of R. B. Munger; D. S. Robertson, Cashier, in place of W. H. Munger; G. H. Cowdery, Asst. Cashier, in place of F. W. Tuttle.

HILLSBOROUGH.—Citizens' National Bank; Assistant Cashier, F. S. Glenn.
 KINGSTON.—Scioto Valley Bank; Lemuel Boggs, President, in place of James May.

MILLERSBURG.—J. & G. Adams; J. Adams, deceased.

Mt. GILEAD.—Morrow County Nat'l Bank; no Asst. Cashier in place of W. C. Pennock.
 NEW PHILADELPHIA.—Citizens' National Bank; B. P. Scott, Vice-President, in place of H. Kaldenbaugh.

PORTSMOUTH.—Citizens' Savings Bank; John W. Overturf, President in place of D. N. Murray; J. W. Fulton, Jr., Cashier, in place of J. W. Overturf.

SHELBY.—First National Bank; no Assistant Cashier in place of J. W. Williams.

WAYNESVILLE.—Waynesville National Bank; Vice-President, S. W. Rogers.

OREGON.

ISLAND CITY.—First National Bank; Charles H. Cresby, Cashier, in place of W. H. McDonald.

LAGRANDE.—LaGrande National Bank has been authorized to commence business. Capital, \$60,000. President, M. F. Homan; Cashier, W. H. McDonald.

MCMINNVILLE.—First National Bank; W. D. Fenton, Vice-President, in place of D. P. P. Thompson; Assistant Cashier, H. W. Beebe.

UNION.—First National Bank; R. M. Steel, Vice-President, in place of J. H. Smith.

PENNSYLVANIA.

BRADFORD.—First National Bank; J. M. Fuller, President, in place of S. G. Bayne; F. W. Davis, Vice-President, in place of J. M. Fuller.

BROWNSVILLE.—National Deposit Bank; Joseph S. Elliott, President, in place of Wm. H. Miller.

BURGETTSTOWN.—Burgettstown National Bank; A. H. Kerr, President, in place of W. L. Archer; W. L. Archer, Vice-President, in place of A. H. Kerr.

COALPORT.—Coalport Bank has recently commenced business. President, Samuel Hegerty; Cashier, F. G. Patton.

COLUMBIA.—Columbia National Bank; Joseph Janson, Cashier, in place of Simon C. May.

DERRY STATION.—A. O. Caven is in business here. Style, Derry Deposit Bank. Cashier, Jos. Killgore.

LANCASTER.—People's National Bank has been authorized to commence business. Capital, \$200,000. President, Samuel H. Reynolds; Cashier, Peter E. Slaymaker.

LITITZ.—Lititz National Bank; Assistant Cashier, H. B. Beckler.

LOCK HAVEN.—State Bank; Geo. W. Brown, Assistant Cashier, in place of H. O. Chadman.

MANHEIM.—Keystone National Bank; Vice-President, John B. Reist.

MEECH.—Farmers & Mechanics' National Bank; no Vice-President in place of McLane Thorn; Assistant Cashier, Henry Robinson.

MONTROSE.—First National Bank; W. D. Lusk, President, in place of G. B. Eldred; H. L. Beach, Vice-President, in place of W. D. Lusk.

PHILADELPHIA.—Eleventh National Bank has been recently organized. President, Charles Matthews; Vice-President, William Bardsley. — Market Street National Bank has been organized. — Tenth National Bank; B. J. Woodward, Vice-President, in place of W. S. Thomas.

PHOENIXVILLE.—Farmers & Mechanics' National Bank; John Detwiler, President, in place of A. H. Stover; C. K. Roberts, Cashier, in place of J. T. F. Hunter.

POTTSVILLE.—Government National Bank; Henry H. Huntzinger, President, deceased.

ROYERSFORD.—National Bank of Royersford; Vice-President, Ephraim P. Keeley.

SPRING CITY.—National Bank of Spring City; President, A. P. Fritz; D. B. Latshaw, Vice-President, in place of A. P. Fritz.

STROUDSBURG.—Stroudsburg National Bank; Vice-President, Jerome H. Fetherman.

SUSQUEHANNA.—City National Bank; Chas. Schlager, President, in place of Henry W. Brandt; S. S. Doolittle, Vice-President, in place of J. Schlager.

WARRAN.—Citizens' National Bank; D. L. Gerould, Cashier, in place of G. N. Parmlee; no Assistant Cashier in place of D. L. Gerould.

RHODE ISLAND.

NEWPORT.—National Bank of Rhode Island; William Audley Clarke, President, deceased.

SOUTH CAROLINA.

CHARLESTON.—Germania Savings Bank: Assistant Cashier, A. W. Litschgi.
 DARLINGTON C. H.—Darlington National Bank; in voluntary liquidation.
 GREENVILLE.—National Bank of Greenville; no Vice-President in place of A. McBee.

TENNESSEE.

BROWNSVILLE.—Brownsville Savings Bank; J. A. Wilder, President, in place of R. G. Thomas.
 CHATTANOOGA.—Third Nat'l Bank; W. H. Hart, Vice-President, in place of D. E. Rees.
 KNOXVILLE.—Third National Bank has been organized. Capital, \$300,000. President, R. N. Hood; Cashier, John A. McKeldin. — A new bank is being organized here. Capital, \$100,000. President, Rush Strong.
 NASHVILLE.—Mechanics' Savings Trust Co.; J. B. Richardson, President, in place of J. H. Yarbrough.

TEXAS.

ALVARADO.—First National Bank has been authorized to commence business. Capital, \$50,000. President, H. W. Trippet; Cashier, J. R. Posey. — Alvarado Bank (Cotter, Trulove & Co.); W. C. Glasgow, Cashier, in place of J. R. Posey.
 BALLINGER.—First National Bank; Vice-President, T. S. Hill.
 COMANCHE.—First National Bank; Vice-President, M. N. Rosenthal; Assistant Cashier, C. B. Mason.
 CORSICANA.—Jester Brothers; succeeded by Corsicana National Bank. Capital, \$100,000. President, George T. Jester; Cashier, L. L. Jester.
 GREENVILLE.—Greenville National Bank has been authorized to commence business. Capital, \$100,000. President, S. D. Rainey, Jr.; Cashier, W. A. Williams.
 HONEY GROVE.—W. D. Wilkins & Co.; succeeded by Wilkins & Baker. Style, Exchange Bank of Honey Grove.
 PARIS.—First National Bank; Vice-President, R. F. Scott.
 SHERMAN.—Merchants' & Planters' National Bank; C. B. Dorchester, Cashier, instead of Acting Cashier; no Assistant Cashier in place of C. B. Dorchester.
 TEXARKANA.—First National Bank; J. H. Smelser, Vice-President, in place of L. C. DeMorse.
 TYLER.—First National Bank has been authorized to commence business. Capital, \$100,000. President, H. H. Rowland; Cashier, J. D. Moody.
 WACO.—Citizens' National Bank; J. S. McLendon, Vice-President, in place of S. W. Slayden; Assistant Cashier, J. T. Davis.
 WAXAHACHIE.—First National Bank; C. W. Gibson, Cashier, in place of N. A. McMillan; Assistant Cashier, J. P. Burrough.

VERMONT.

BURLINGTON.—Howard National Bank; F. H. Fisher, Cashier, in place of Curtis Wells; T. M. Kendall, Assistant Cashier, in place of F. H. Fisher.
 SWANTON.—C. S. L. Leach; succeeded by A. J. Ferris.
 WEST RANDOLPH.—Randolph National Bank; F. E. DuBois, Assistant Cashier, in place of Willard Gay.

VIRGINIA.

LURAY.—Kagey, Rosenberger & Co.; succeeded by D. F. Kagey & Co.

WASHINGTON TERRITORY.

SPOKANE FALLS.—Traders' National Bank; D. M. Drumbeller, Vice-President, in place of R. W. Forrest.

WEST VIRGINIA.

PIEDMONT.—First National Bank; Vice-President, John Sheridan; W. T. Blackiston, Cashier, in place of John Daily.

WISCONSIN.

MAUSTON.—P. R. Briggs (Bank of Mauston); succeeded by Jeff. T. Heath & Co.
 MILWAUKEE.—Plankinton Bank is new bank here. President, John Plankinton; Vice-President, Frederick T. Day; Cashier, J. P. Murphy.
 RACINE.—Union National Bank; no Vice-President in place of Chas. Herrick; Assistant Cashier, C. R. Carpenter.
 SHEBOYGAN FALLS.—Falls Bank; Walter C. Bode, Cashier, in place of J. C. Fairweather.
 STEVENS' POINT.—First National Bank; Vice-President, E. G. Newhall.
 WAUPUN.—First National Bank; Assistant Cashier, L. D. Hinkley.

ONTARIO.

HAMILTON.—Merchants' Bank of Canada; John Pottinger, Manager, in place of J. S. Meredith.
 STRATHROY.—Canadian Bank of Commerce; L. H. Dampier, Manager, in place of J. S. Small.

QUEBEC.

MONTREAL.—Banque du Peuple; J. S. Bousquet, Cashier, in place of A. A. Trottier, resigned.

NEW BRUNSWICK.

ST. JOHN.—Maritime Bank; failed. — Maclellan & Co.; succeeded by A. C. Blair.
 WOODSTOCK.—Merchants' Bank of Halifax has opened an agency here. Agent, E. C. Jarvis.

NOVA SCOTIA.

STELLARTON.—Bank of Nova Scotia has opened an agency here.
 BADDECK.—Merchants' Bank of Halifax; no agency here now.

VANCOUVER'S ISLAND.

VICTORIA.—Bewicke & Wulfsohn are reported here.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, April 2, 1887.

THE LATEST REPORTS relating to the condition of general trade throughout the country show large movements of merchandise by rail in anticipation of increased freight rates, beginning on the 5th instant, when the Inter-State Commerce law takes effect. Considerable doubt has been expressed whether the Inter-State law would defer many projects for railroad extensions. There has been great activity in this direction so far this year. The track reported laid on new lines from January 1st to April 1st is 664 miles against 316 miles at the corresponding date in 1886; 169 miles in 1885; 386 miles in 1884, and 705 miles in 1883. The law has had more effect upon business and speculation than anything of a similar character, and this before a practical application of its provisions has been made. Public opinion regarding it has undergone extraordinary changes since it was first opposed as a bill, but it is reasonable to expect that it will be a benefit to the railroads and not injurious to other interests. People who formerly rode free will now have to pay their fare, and many concerns that have had special rates will be placed on an equality with their neighbors; but these evils are not to be dreaded. The long and short haul clause, which will be decided first by the Railroad Commission, is important. Southern railroads have already called for a ruling on the question whether they may not, in order to retain their traffic, allow through competitive rates to remain regardless of local rates; and it is intimated that certain Western roads will make a similar claim. It is an open question whether the railroads have not a right, under the law, to do this without permission from the Commission so long as their rates are just and reasonable; but it is certain that the Commission is allowed to give the permission if it sees fit. The Commission is composed of men of high character and large experience, and no doubt justice will be done to all parties.

Business in real estate is flourishing in the cities of the west. The iron trade is fairly active on a very large output, and, while prices are not advancing, they are firm. The cotton goods trade is in almost the same condition.

A fair idea of the condition of business may be gained as well from the state of the coal trade as from any other indication. The total output of the anthracite coal companies for January and February was 4,794,316 tons against 4,723,299 in the corresponding months of 1886 and 3,409,510 tons in 1885. The consumption for the two months was as follows: 1887, 4,695,939 tons; 1886, 4,480,898 tons; 1885, 3,618,626 tons. This shows a marked increase over that of two years ago.

FOREIGN EXCHANGE has fluctuated considerably of late, rates being affected to some extent by loan bills. For some time they have not approached the point calling for either an importation or an export of gold. Following are the posted and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.85½@4.86; sight, nominal, \$4.87½@4.88; 60 days, actual, \$4.84½@4.84¾; sight, actual, \$4.86¼@4.86¾; Cable transfers, \$4.86½@4.87; Prime commercial sterling, long, \$4.83½@4.83¾; Documentary sterling, 60 days, \$4.83@4.83¾; Paris, bankers', 60 days, 5.22½@5.21½; sight, 5.20@5.19½; Paris, commercial, 60 days, 5.24½@5.23½; sight, 5.21½@5.20½; Antwerp, commercial, 60 days, 5.25@5.24½; Swiss, bankers', 60 days, 5.22½@5.21½; sight, 5.20@5.19½; Reichsmarks (4), bankers', 60 days, 95½@95¼; sight, 95½@95¼; Reichsmarks (4), commercial, 60 days, 94½@94¼; sight, 95¼@95½; Guilders, bankers', 60 days, 40@40 1-16; sight, 40 3-16@40¼; Guilders, commercial, 60 days, 39½@39 15-16; sight, 40 1-16@40¼; Copenhagen, Stockholm and Christiania, krona, 60 days,

26 $\frac{3}{4}$ @26 13-16; sight, 27@27 1-16; Paris dispatches quote exchange on London 25f. 3: $\frac{1}{2}$ c.

The following shows the posted rates for prime bankers' sterling bills on London at 60 days, and sight, cable transfers and prime commercial sterling, together with exchange on Paris on March 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of February and March:

Feb.	BANKERS		Cable Transfers.	Commercial.	PARIS	
	60 days.	Sight.			60 days.	Sight.
Highest...	4.86 $\frac{1}{4}$	4.89 $\frac{1}{4}$	4.89 $\frac{1}{4}$	4.84 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.19 $\frac{1}{4}$
Lowest...	4.85 $\frac{1}{4}$	4.89	4.88 $\frac{1}{4}$	4.84	5.21 $\frac{1}{4}$	5.19 $\frac{1}{4}$
March 1....	4.85 $\frac{1}{4}$	4.88 $\frac{1}{4}$	4.88	4.83 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.20 $\frac{3}{4}$
" 2.....	4.85 $\frac{1}{4}$	4.88 $\frac{1}{4}$	4.87 $\frac{3}{4}$	4.83 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.20 $\frac{3}{4}$
" 3.....	4.85 $\frac{1}{4}$	4.88 $\frac{1}{4}$	4.88	4.83 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.20 $\frac{3}{4}$
" 4.....	4.85 $\frac{1}{4}$	4.88 $\frac{1}{4}$	4.88 $\frac{1}{4}$	4.83 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.20 $\frac{3}{4}$
" 9.....	4.85 $\frac{1}{4}$	4.88 $\frac{1}{4}$	4.88 $\frac{1}{4}$	4.83 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.20 $\frac{3}{4}$
" 10.....	4.85 $\frac{1}{4}$	4.88	4.88 $\frac{1}{4}$	4.83 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.20 $\frac{3}{4}$
" 11.....	4.85 $\frac{1}{4}$	4.88	4.87 $\frac{3}{4}$	4.83 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.20 $\frac{3}{4}$
" 14.....	4.85 $\frac{1}{4}$	4.88	4.87 $\frac{3}{4}$	4.83 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.21
" 15.....	4.85	4.87 $\frac{1}{2}$	4.87	4.82 $\frac{3}{4}$	5.23 $\frac{1}{4}$	5.21 $\frac{1}{2}$
" 16.....	4.84 $\frac{1}{4}$	4.87	4.86 $\frac{1}{4}$	4.82 $\frac{3}{4}$	5.23 $\frac{1}{4}$	5.21 $\frac{1}{2}$
" 18.....	4.84 $\frac{1}{4}$	4.87	4.86 $\frac{1}{4}$	4.82 $\frac{3}{4}$	5.23 $\frac{1}{4}$	5.21 $\frac{1}{2}$
" 21.....	4.84 $\frac{1}{4}$	4.87 $\frac{1}{4}$	4.87	4.83 $\frac{1}{4}$	5.23 $\frac{1}{4}$	5.21 $\frac{1}{2}$
" 22.....	4.85	4.88	4.87 $\frac{1}{4}$	4.83 $\frac{1}{4}$	5.23 $\frac{1}{4}$	5.21
" 23.....	4.85 $\frac{1}{4}$	4.88	4.87 $\frac{1}{4}$	4.83 $\frac{1}{4}$	5.22 $\frac{3}{4}$	5.20 $\frac{3}{4}$
" 24.....	4.86	4.88 $\frac{1}{4}$	4.87 $\frac{3}{4}$	4.84	5.22 $\frac{1}{4}$	5.19 $\frac{1}{4}$
" 25.....	4.86	4.88 $\frac{1}{2}$	4.87 $\frac{3}{4}$	4.84	5.21 $\frac{1}{2}$	5.19 $\frac{1}{4}$
" 28.....	4.85 $\frac{1}{4}$	4.88	4.87 $\frac{3}{4}$	4.83 $\frac{1}{4}$	5.21 $\frac{1}{2}$	5.19 $\frac{1}{4}$
" 29.....	4.85 $\frac{1}{4}$	4.88	5.87 $\frac{3}{4}$	4.83 $\frac{1}{4}$	5.22 $\frac{1}{4}$	5.19 $\frac{1}{4}$
Highest....	4.86	4.88 $\frac{1}{4}$	4.88 $\frac{1}{4}$	4.84	5.23 $\frac{1}{4}$	5.21 $\frac{1}{2}$
Lowest.....	4.84 $\frac{1}{4}$	4.87	4.86 $\frac{1}{4}$	4.82 $\frac{3}{4}$	5.21 $\frac{1}{2}$	5.19 $\frac{1}{4}$

COINS AND BULLION.—Bar silver is quoted in London at 44d. per ounce. At this quotation for silver the bullion value of the standard dollar is 74.60 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars... ..	\$ 99 @ \$ 1 00	Twenty marks	4 74 @ 4 60
New (412 $\frac{1}{2}$ grains) dollars	99 $\frac{1}{4}$ @ 1 00	Spanish doubloons.....	15 60 @ 15 75
American silver $\frac{1}{16}$ s & $\frac{1}{8}$ s.	99 $\frac{1}{4}$ @ 1 00	Spanish 25 pesetas.....	4 78 @ 4 83
American dimes	99 $\frac{1}{4}$ @ 1 00	Mexican doubloons.....	15 55 @ 15 65
Mexican dollars	75 @ ..	Mexican 20-pesos.....	19 50 @ 19 60
Peru soles & Chilean pesos	73 @ ..	Ten guilders	3 96 @ 4 00
English silver.....	4 75 @ 4 80	Com'l silver bars, per oz.	95 @ ..
Five francs.....	92 @ 95	U. S. Assay silver bars. .	96 @ 97 $\frac{3}{4}$
Victoria sovereigns.....	\$4 85 @ \$4 89	Fine gold bars par @ $\frac{1}{4}$ % premium on the	
Twenty francs	3 85 @ 3 90	Mint value.	

MONEY AND DOMESTIC EXCHANGE.—The rates for call money have ranged between 3 and 9 per cent. within a week or two past, the usual rate being 5 or 6 per cent. The rate of discount on prime commercial paper is 5 or 6 per cent., other grades reaching as high as 8 per cent. per annum. The reserve of the banks has been reduced from \$118,000,000 at the end of January to \$97,000,000 at the present time. Only a small portion of the difference was shipped abroad or drawn into the Treasury, the rest having gone to interior points. The amount is unusually large for this season of the year, and indicates a greater demand for money throughout the country than has existed in a number of years past. Following are the rates of domestic exchange on New York: Savannah, $\frac{1}{8}$ % discount; selling $\frac{1}{4}$ % premium. Charleston, buying par@1-16; selling $\frac{1}{8}$ @ $\frac{1}{4}$ % premium. New Orleans commercial, 25@50c. per \$1,000 discount; bank, \$1 per \$1,000 premium. St. Louis, 50@75c. per \$1,000 discount. Chicago, 50c. per \$1,000 discount.

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of March and the highest and lowest during the month. Actual sales marked * :

MAR.	4½% '91, coup.	4s, 1907, coup.	3 per cents.	C'y 6s, 1895.	C'y 6s, 1899.	MAR.	4½% '91, coup.	4s, 1907, coup.	3 per cents.	C'y 6s, 1895.	C'y 6s, 1899.
1	** 109	128½	100%	126½	* 187	17	108¾	128½	100¾	126¼	136½
2	* 109	* 128	100½	126½	136¼	18	108¾	128½	100¾	126¼	136½
3	109	128½	100½	126½	136¼	19	108¾	128½	100¾	126¼	136¼
4	108¾	128½	100½	126½	136¼	21	108¾	128½	100¾	126¼	136¼
5	* 109	* 128½	100½	126½	136¼	22	* 109	128¾	100½	126¼	136¾
7	* 109½	* 128½	100½	126½	136¼	23	* 109	* 128¾	100½	126¼	136¾
8	* 109	* 128¾	100½	126½	* 136¾	24	109	128¾	100¾	126½	136¼
9	109½	* 128¾	100¾	128½	136¾	25	109½	128¾	100¾	126¼	136¾
10	109½	128¾	100¾	128½	136¾	26	109½	* 128¾	100¾	126¼	136¾
11	* 109½	128¾	100¾	128½	136¼	28	109½	129%	100¾	126¼	* 136¾
12	109½	128¾	100¾	128½	136¼	29	109½	* 129%	100¾	126¼	136¾
14	109½	128¾	100¾	128½	* 136¼	30	109½	* 129%	100¾	126¼	136¾
15	109	* 128¾	100¾	128½	* 136¼	31	109½	129%	100¾	126¼	137
16	109	128¾	100¾	128½	136¼	High	109½	129%	100¾	126¼	137
						Low	108¾	* 128	100¾	126¼	136¼

+ Ex-interest.

NATIONAL DEBT REDUCTION.—The public debt statement issued April 1st shows a decrease in the debt for March of \$12,808,467, and total cash in the Treasury amounting to \$453,117,086. The debt now consists of \$1,114,284,253 interest-bearing debt, \$7,124,992 debt on which interest has ceased since maturity, and \$586,798,257 of debt bearing no interest. The total debt is \$1,708,207,513; or, deducting \$368,123,971 cash items in the Treasury and \$21,859,988 net cash in the Treasury, it amounts to \$1,331,032,026.

THE TREASURY.—The following table will show the condition of the Treasury, as regards the amount of gold and silver held, on the 1st of April, 1887, and, for comparison, on the 1st of March and February, 1887, with the amounts of certificates outstanding and the balances of coin owned by the Treasury :

	Apr. 1, 1887.	Mar. 1, 1887.	Feb. 1, 1887.
Gold coin and bullion.....	\$275,985,862	\$275,068,626	\$274,140,469
Gold certificates outstanding.....	94,046,015	99,968,365	106,665,107
Gold owned by Treasury.....	\$181,939,847	\$175,130,261	\$168,475,362
Silver dollars and bullion.....	\$206,452,230	\$202,812,943	\$198,840,822
Silver certificates outstanding.....	181,930,489	121,130,755	118,315,714
Silver owned by Treasury.....	\$74,521,741	\$81,682,188	\$80,525,108

The gold reserve is well sustained, while accumulating silver has been paid out in the form of certificates in answer to the demand for small bills. On March 23d the Acting Secretary of the Treasury issued the one hundred and forty-eighth call for the redemption of bonds. The call is for \$10,000,000 of the 3 per cent. loan of 1882, and the principal and accrued interest of the bonds designated will be paid at the Treasury on May 1st, interest on said bonds to cease on that day, viz.: Three per cent. bonds issued under the Act of Congress approved July 12, 1882, and numbered as follows: \$50, original number 17 to original number 23; \$100, original number 157 to original number 351; \$500, original number 66 to original number 148; \$1,000, original number 787 to original number 1,221, and original number 23,778 to original number 23,797; \$10,000, original number 1,912 to original number 2,485, all inclusive; total, \$10,000,000. The three months' interest due May 1st on the above described bonds will not be paid by checks forwarded to the

holders of the bonds, but will be paid with the principal to the holders at the time of presentation. Parties holding bonds called as above can obtain immediate payment, with interest to date of presentation, by requesting the same in the letter forwarding the bonds for redemption.

FAILURES FOR THE FIRST QUARTER OF 1887.—The report of mercantile failures, compiled by Bradstreet's agency, occurring throughout the United States and Canada during the first quarter of 1887 and 1886 is as follows :

STATES.	Number of failures.		Actual assets.		Liabilities.	
	1887.	1886.	1887.	1886.	1887.	1886.
Eastern.....	432	385	\$1,364,011	\$2,225,122	\$3,579,097	\$4,703,747
Middle.....	728	729	5,040,039	2,961,462	9,966,462	6,590,949
Southern.....	719	829	3,484,371	4,070,366	6,220,013	7,817,608
Western.....	953	1,033	4,334,946	4,884,479	8,323,070	8,617,746
Pacific.....	219	239	805,940	738,206	1,064,261	1,543,658
Territories.....	77	87	223,799	380,994	430,066	722,732
Totals.....	3,128	3,302	\$15,063,106	\$15,280,630	\$29,591,989	\$29,996,440
New York city.....	113	181	1,370,704	889,363	2,654,264	2,213,121
Canada and provinces.....	369	365	2,120,865	2,758,596	5,538,896	4,825,193

NEW YORK BANKS.—Loans have decreased to a comparatively small extent since last month, and deposits are considerably less. Money has been leaving this centre, so that the surplus over 25 per cent. of the net deposits is only \$4,379,825 against \$11,991,400 a year ago and \$47,125,850 at this time in 1885.

The following shows the condition of the New York Clearing-House banks for a number of weeks past as well as about this time in 1886 and 1885 :

1887.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
Apr. 2	\$365,659,700	\$77,996,100	\$19,487,400	\$372,414,700	\$7,960,500	\$4,379,825
Mar. 26....	365,403,000	79,602,700	20,259,700	374,702,200	7,647,800	6,186,650
Mar. 19....	368,811,500	82,852,600	20,018,900	382,144,600	7,658,900	7,535,260
Mar. 12....	369,501,000	84,100,700	19,942,900	384,181,000	7,667,800	7,998,350
Mar. 5....	369,487,600	85,278,200	20,141,300	385,325,900	7,617,700	9,068,060
1886.						
Apr. 3.....	349,806,600	78,459,800	26,241,100	370,838,000	7,974,100	11,991,400
1885.						
Apr. 4.....	302,757,100	104,484,400	30,812,500	352,684,200	10,953,800	47,125,850

THE NATIONAL BANK CIRCULATION was decreased \$1,914,186 during the past month, leaving the total now outstanding \$286,854,496. The decrease since April 1, 1886, is \$29,036,982. The amount of legal-tender money on deposit with the Treasurer to redeem National bank notes is \$101,844,945, an increase of \$4,080,989 during the last month and \$45,358,767 during the past 12 months.

The following will show the amount of each description of bonds held by the Treasurer to secure National bank circulation on or about the dates indicated :

	Apr. 1, 1887.	Mar. 1, 1887.	Feb. 1, 1887.	Jan. 1, 1887.
Currency 6 per cents.....	\$3,241,000	\$3,241,000	\$3,201,000	\$3,680,000
4½ per cents.....	62,045,800	60,468,400	60,054,400	59,636,200
4 per cents.....	113,651,300	112,755,450	113,300,000	113,903,200
3 per cents.....	27,659,900	29,299,300	48,483,100	52,218,950
Total.....	\$206,598,000	\$215,764,150	\$225,038,500	\$229,438,350

RAILROAD AND MISCELLANEOUS STOCKS.—The dealings at the Stock Exchange appear to be working out of the rut in which they have been dragging for a long time past. The railroad earnings are satisfactory, the aggregate earnings of 63 railroads for the third week of March showing an increase of 16½ per cent. over the corresponding week of last year. No special event has occurred to excite the market, the Baltimore & Ohio deal being pretty nearly forgotten ; but, while fears of tight money have tended to check any decided advance thus far, the prevailing feeling is very confident.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of March, the highest and lowest since January 1, 1887, and also during the year 1886:

	MARCH, 1887.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Atlantic & Pac.	13½	11½	12½	13½—Mar. 25	10½—Feb. 1	..	..
Canadian Pacific. ...	62½	59½	62½	68½—Jan. 13	59½—Mar. 5	73	61
Canada Southern....	62½	56½	62½	63½—Jan. 3	52½—Feb. 1	71½	34½
Central of N. J.	73	67	72½	73—Mar. 8	55½—Jan. 3	64	42½
Central Pacific.	40½	35½	39½	43½—Jan. 3	33—Feb. 8	51	38
Chic., Burl. & Quincy	140	137½	....	140½—Feb. 16	136½—Jan. 18	141	128½
Chic., Mil. & St. Paul.	92½	89½	92½	92½—Feb. 10	85½—Feb. 1	99	82½
do preferred..	122	118½	122	122—Mar. 19	117½—Jan. 8	125½	116
Chic. & Northwest'n.	121½	114½	120½	121½—Mar. 28	110—Feb. 1	120½	104½
do preferred..	149½	140½	146	149½—Mar. 26	139—Jan. 12	144	135
Chic., Rock I. & Pac..	127	124½	126	127—Mar. 28	124½—Mar. 18	181	120½
Chic., St. P., M. & O..	51½	48	51½	51½—Mar. 28	45½—Feb. 1	55	35½
do preferred..	112½	108	112½	112½—Mar. 31	106—Feb. 1	116½	97
Clev., Col., Cin. & Ind	65½	62	65½	65½—Mar. 30	59—Feb. 1	75½	43½
Col. H. Val. & Tol...	39½	28½	32	39½—Jan. 11	28½—Mar. 14	..	..
Del., Lack. & West'n	136½	132½	134½	138—Jan. 3	131½—Feb. 1	144	115
Den. & R. Grande a p	30½	24½	30½	30½—Mar. 29	21½—Feb. 8	35½	21½
E. Tenn., Va. & Ga..	13½	12½	13½	17—Jan. 3	12½—Mar. 14	6½	½
do 1st preferred	76½	73½	....	82½—Jan. 13	71½—Feb. 1	111½	2½
Illinois Central.....	132	129	129	135—Jan. 28	128½—Feb. 24	143½	131
Ind., Bloom. & W'n*.	27	22½	27	27—Mar. 31	17½—Feb. 4	28½	12
Lake Shore.....	96½	93½	95½	96½—Jan. 14	90—Feb. 1	100½	76½
Long Island.....	97½	95	97	98—Feb. 8	93—Jan. 15	100	80
Louisville & Nash'v	66½	60½	66½	67½—Jan. 3	57—Feb. 3	69	35½
Manhattan consol....	157½	155	155½	158½—Jan. 8	154—Jan. 5	175	120
Michigan Central....	93½	88½	93½	93½—Jan. 3	86—Jan. 27	96½	61½
Mineap's & St. Louis.	19½	17½	19½	19½—Mar. 29	17½—Feb. 1	23½	16½
do preferred..	44½	42	44½	45½—Jan. 13	40½—Feb. 1	52½	40½
Mo., Kan. & Texas...	32½	30	32½	33½—Jan. 3	26½—Feb. 1	38½	21
Missouri Pacific.....	109½	106½	108½	110½—Feb. 25	104½—Feb. 1	119	100½
Nash., Chat. & St. L.	85	83	85	88½—Jan. 3	79½—Feb. 1	105½	43½
N. Y. Cent. & H. R..	113½	111½	112½	114½—Jan. 17	110—Feb. 1	117½	96½
N. Y., Chic. & St. Louis	20	16½	19½	20—Mar. 31	6½—Feb. 28	17½	4½
do preferred..	82½	27	82½	82½—Mar. 31	18½—Feb. 21	31	11
N. Y., Lake E. & West'n	34½	33½	34½	34½—Feb. 25	29½—Feb. 1	38½	22½
do preferred..	73½	70½	73	74½—Feb. 25	65½—Jan. 29	81½	50½
N. Y. & New Eng....	66	59½	65½	66—Mar. 29	51—Jan. 12	68½	30½
N. Y., Ont. & West'n.	18½	17½	18½	20½—Jan. 3	15½—Feb. 4	22½	15
N. Y., Susq. & West'n	13½	12½	13½	14—Feb. 14	11—Feb. 1	12½	6
do preferred..	37½	34½	34½	38½—Feb. 14	31—Feb. 1	33½	17½
Norfolk & Western..	22	19½	21½	23½—Jan. 3	17½—Feb. 8	27½	8½
do preferred..	51	47½	50½	54—Jan. 18	42½—Feb. 8	56½	25
Northern Pacific....	23½	21½	22½	28½—Feb. 25	26½—Feb. 1	31½	22
do preferred..	60½	58½	60½	61½—Jan. 3	56½—Feb. 1	66½	53½
Ohio & Mississippi..	31½	27	31½	31½—Mar. 31	22½—Feb. 1	35½	19½
Oregon & Transc....	33½	30½	33½	34½—Jan. 3	29½—Jan. 24	38	25
Peoria, Dec. & Ev'n.	35½	32½	34½	36½—Feb. 10	30½—Jan. 8	34½	16
Phila. & Reading....	39½	36½	39½	42½—Jan. 20	34—Feb. 1	53½	18½
Richm'd & W. Point.	47½	47½	47½	53—Jan. 17	37½—Mar. 15	77½	27½
St. L. & San F. pref.	70½	65½	68½	70½—Mar. 30	61½—Feb. 2	72½	37½
do 1st pref....	116½	113	....	117½—Jan. 8	112—Jan. 28	118½	97½
St. Paul & Duluth....	62½	59½	62	63½—Feb. 25	55½—Jan. 7	..	..
do Minn. & Man	118½	115	....	119½—Feb. 19	113—Feb. 1	124½	106½
Texas & Pacific.....	30½	26	30½	30½—Mar. 30	23½—Feb. 17	25	7½
Union Pacific.....	61½	55½	61½	62—Jan. 3	53½—Feb. 4	68½	44½
Wabash, St. L. & Pac.	19½	16½	19½	19½—Mar. 31	12½—Feb. 1	12½	6
do preferred..	34	29	33½	35—Jan. 3	23½—Feb. 1	22½	14
Col. Coal & Iron Co.	42	37	41½	42—Mar. 31	35½—Feb. 1	..	..
Del. & Hudson Canal	102	100½	101½	104½—Jan. 15	100½—Mar. 14	108½	88½
Oregon R. & Nav. Co.	103	96½	10½	104½—Jan. 3	97½—Jan. 22	108½	93
Pacific Mail.....	56½	53½	55½	57½—Feb. 10	48½—Jan. 8	67	45½
Western Union Tel..	73½	70½	77½	78½—Mar. 9	70½—Feb. 1	80½	60½

* 1st assessm't paid.
+ 2d assessm't paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange. The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887.	
				High.	Low.	Bid.	Asked.
Alabama Class A 8 to 5.....	1906	6,728,800	J & J	108	97	108½	109½
do do Small.....				105	97	107	
do Class B 5's.....	1906	539,000	J & J	110	105	112½	115
do Class C 4's.....	1906	959,000	J & J	103½	95		105½
do 6's, 10-20.....	1900	960,000	J & J	107½	104	104	
Arkansas 6's, funded.....	1899, 1900	3,000,000	J & J	111½	5	10	11
do 7's, Little Rock & Fort Smith...		1,000,000	A & O	28	12	25	
do 7's, Memphis & Little Rock...		1,200,000	A & O	27	13		30
do 7's, L. R., Pine Bluff & N. O.....		1,200,000	A & O	27½	12½	25	29
do 7's, Miss., Ouachita & Red River		600,000	A & O	20½	12	25	
do 7's, Arkansas Central R. R.....		1,350,000	A & O	8	5	7½	
Georgia 7's, gold bonds.....	1890	2,000,000	Q J	114	108½	108½	110
Louisiana 7's, consolidated.....	1914		J & J	94	84	100	
do 7's, do stamped 4's...		12,039,000		82½	67	90	91
do 7's, do small bonds...				78	67	90	
Michigan 7's.....	1890	857,000	M & N	112	108	107	
Missouri 6's.....	1887	3,242,000	J & J	104½	102	101	
do 6's.....	1888	3,251,000	J & J	106½	103½	108	
do 6's.....	1899 or 1890	1,105,000	J & J	110	107	107½	
do Asylum or University.....	1892	401,000	J & J	113	110	112	
do Funding bonds.....	1894, 1895	1,000,000	J & J	119	115	115	
do Hannibal & St. Joseph.....	1887	1,000,000	J & J	104	101	118	
New York 6's, gold, registered.....	1887	942,000	J & J	104	102	102	
do 6's, coupon.....	1887	643,200	J & J	104	102	102	
do 6's, loan.....	1891	4,302,600	J & J	115	110	112	
do 6's, loan.....	1892	2,000,000	A & O	120	112	115	
do 6's, loan.....	1893	473,000	A & O	122	115	118	
North Carolina 6's, old.....	1846-98	4,738,000	J & J	80½	80	85	
do April & October.....		8,639,400		86½	80	85	
do to N. C. R. R.....	1883-4-5		J & J	175	165	170	
do do 7's, coupon off.....				175	165	140	
do do April & October.....		8,000,000	J & J	145	135	170	
do do 7's, coupon off.....				145	135	140	
do Funding Act.....	1896-1900	2,417,000	J & J	131½	10	12	
do do.....	1898-1899	1,721,400	A & O	18½	10	12	
do new bonds, J. & J.....	1892-1898	2,483,000	J & J	23	20	22	
do do A. & O.....		495,000		23	20	22	
do Chatham Railroad.....		1,300,000	A & O	18	5	12	
do special tax, Class 1.....			A & O	14½	8	12½	12½
do do Class 2.....			A & O	10½	10	14½	14½
do do to W'n N. C. R.....			A & O				
do do to West'n R. R.....			A & O				
do do to W'il. C. & R'n R. R.....			A & O				
do do to W'n & Tar R. R.....			A & O				
do consolidated 4's.....	1910	8,620,511	J & J	100½	89½		90½
do do small bonds.....	1919		J & J	95	87	95	
do do 6's.....		2,553,000	A & O	129	115	125½	127
Rhode Island 6's, coupon.....	1893-4	1,372,000	J & J	124	118	116	
South Carolina 6's, Act March 23, 1899, non-fundable.....	1888, 1	5,965,000		7½	5	6½	7½
South Carolina, Brown consolid'n 6's.....	1893	4,280,000	J & J	110½	104	109½	111
Tennessee 6's, old.....	1890-2-8			65½	53	64½	66
do 6's, new bonds.....	1892-8-1900	4,397,000		65½	53	64½	66
do 6's, new series.....	1914			65½	53	64½	66
do compromise 3-4-5-6's.....	1912	2,014,000	J & J	75½	62	74½	76
do new settlement 6's.....	1913	783,000	J & J	109	103	108½	
do do small bonds...		49,400	J & J			108	
do do 5's.....	1918	347,000	J & J	102	100	108	
do do small bonds...		10,100	J & J				
do do 8's.....	1913	10,433,000	J & J	90	71½	78	79½
do do small bonds...		367,300	J & J			*76	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

A * indicates no quotation for past month, the last previous quotation being given.
 ‡ A part of this reserved to cover previous issues, etc. † Amount authorized.

STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887.	
				High.	Low.	Bid.	Ask'd
Virginia 6's, old.....		9,427,000		47	42	48	.....
do 6's, new bonds.....	1866	700,000		47	42	48	.....
do 6's, do.....	1867	466,000		49	42	48	.....
do 6's, consolidated bonds.....		20,239,000		160	80	90	.....
do 6's, ex-matured coupons.....				60	50	52	55
do 6's, consolidated, 2d series.....		2,442,784		69	60	65	.....
do 6's, deferred bonds.....				13¾	9	10	12½
do Trust receipts.....		12,691,531		13¾	9	12¼	12¾
District of Columbia 3-65's.....	1924		F & A	120	116	120½	.....
do small bonds.....		13,743,250	F & A				.....
do registered.....			F & A				.....
do funding 5's.....	1899		J & J	112½	110	107½	.....
do small.....		1,092,300	J & J				.....
do do regist'd.....			J & J				.....
FOR. GOV. SECURITIES.—Quebec 5's.....	1908	3,000,000	M & N			109	112

CITY AND COUNTY.

Brooklyn 6's.....			J & J			120	.....
do 6's, Water Loan.....		9,706,000	J & J			130	.....
do 6's, Improvement Stock.....		730,000	J & J			130	.....
do 7's, do.....		6,084,000	J & J			140	.....
do 6's, Public Park Loan.....		1,217,000	J & J			135	.....
do 7's, do.....		8,016,000	J & J			140	.....
Jersey City 6's, Water Loan.....		1,163,000	J & J			108	.....
do 7's, do.....		3,109,800	J & J			115	.....
do 7's, improvement.....		3,669,000	J & J			110	.....
Kings County 6's.....							.....
New York City 6's, 20, 50.....	1877					130	.....
do 6's.....	1878					132	.....
do 6's.....	1887	3,066,000	F. M. A. N.			*103	.....
do gold 6's, consolidated.....	1896		M & N			125	.....
do do 6's.....	1902	14,702,000	J & J			133½	.....
do do 6's, Dock bonds.....		3,976,000				130	.....
do do 6's, County bonds.....						130	.....
do do 6's, C's, Park.....	1894-6	10,343,000	J & D			115	.....
do 6's.....	1896					123	.....
do 5's.....	1898	674,000	Q J			119	.....

MISCELLANEOUS.

Bankers & Merchants' Telegraph.....	PAR. 100	3,000,000		3½	2½	*2½	.....
Boston Land Co.....	10	800,000					.....
Canton Co., Baltimore.....	100	4,500,000		65	53		.....
Cent. New Jersey Land Improvement.....	100	2,420,300				*24	28
Consolidated Gas Co.....	100	35,430,000		111	74½	85¼	85¼
Delaware & Hudson Canal.....	100	24,500,000	Q M	108½	87¼	101¾	102
Equitable Gas Light Co.....	100	3,000,000				125	130
Iron Steamboat Company.....	100	2,000,000					.....
Philadelphia Company.....	50	6,500,000	Mthy			106	107½
Pullman's Palace Car Co.....	100	15,927,200	Q F	147½	128	152	152½
Southern & Atlantic Telegraph.....	25	948,875	A & O			*142	.....
Sutro Tunnel Co.....	10	20,000,000					.....
Western Union Telegraph.....	100	80,000,000	Q F	80¼	60½	77½	77¾
North-Western Telegraph.....	50	2,500,000					.....
Central & So. American Telegraph.....	100	4,006,600	Q J				.....
Commercial Telegram Co.....	100	1,800,000				*35	40
do do preferred.....	100	200,000		105	103¼	102	103
Mexican Telegraph Co.....	100	1,500,000	Q J	122¼	110	127	.....
Joliet Steel Co.....	100	2,666,000		131	105	135	145

GOVERNMENT SECURITIES.

United States 4½ registered.....	1891		M. J. S. & D.			109¾	110
do 4½ coupons.....	1891	250,000,000	M. J. S. & D.	114	109¾	109¾	110
do 4's registered.....	1907		J. A. J. & O.			128½	128¾
do 4's coupons.....	1907	737,789,100	J. A. J. & O.	129½	123	129½	129¾
do 3's reg'd option U. S.		52,654,200	F. M. A. N.	102½	100	100½	.....
do 6's, currency.....	1895	3,002,000	J & J			126½	.....
do 6's, do.....	1896	8,000,000	J & J			129¼	.....
do 6's, do.....	1897	9,712,000	J & J			132	133½
do 6's, do.....	1898	29,904,952	J & J	136¼	133	134¾	.....
do 6's, do.....	1899	14,004,560	J & J			137	138

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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 † A part of this reserved to cover previous issues, etc. ‡ Amount authorized.

RAILROAD STOCKS.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887.	
				High.	Low.	Bid.	Ask d
Albany & Susquehanna.....	100	3,500,000	J & J	148	136	*140	150
Atchafson, Topeka & Santa Fe.....	100	68,000,000	Q F	90 3/4	84 3/4	*97	97 1/4
Atlantic & Pacific.....	100	25,000,000		13 3/4	7	12 3/4	13
Burlington, Cedar Rapids & Northern.....	100	5,500,000		75	45	*50	
Buffalo, Rochester & Pittsburgh.....	100	4,800,000		35 1/4	22 1/4	63	65
Canada Southern.....	100	15,000,000	F & A	71 1/4	84 3/4	61 1/4	61 3/4
Canadian Pacific.....	100	65,000,000	F & A	73	61	62 1/4	62 3/4
Central of New Jersey.....	100	18,563,200	Q	64	42 1/4	72 1/4	72 3/4
Central Iowa.....	100	9,100,000		22 1/4	12	10 1/4	11
do 1st preferred.....	100	907,000				*17	
do 2d preferred.....	100	1,187,800				*10	
Central Pacific.....	100	62,608,800	F & A	51	38	39 1/4	39 1/4
Charlotte, Columbia & Augusta.....	100	2,573,000		50	30		
Chesapeake & Ohio.....	100	15,908,138		18 1/4	7	7 3/4	8 3/4
do do 1st preferred.....	100	10,986,740		21 1/4	13	15	15 1/4
do do 2d preferred.....	100	10,379,350		15 1/4	8 1/4	10	10 1/4
Chicago & Alton.....	100	14,256,000	Q M	146	138	*148	144
do do preferred.....	100	3,479,500	Q M	162	150	*155	160
Chicago & Northwestern.....	100	41,257,700	J & D	120 3/4	104 1/4	120 1/4	120 3/4
do do preferred.....	100	22,208,300	Q M	144	135	146	148
Chic., St. Paul, Minneapolis & Omaha.....	100	22,087,700		55	35 1/4	50 3/4	51 1/4
do do preferred.....	100	13,283,500	J & J	116 1/4	97		112 1/4
Chicago, Rock Island & Pacific.....	100	*50,000,000	Q F	181	120 1/4	125	127
Chicago, Burlington & Quincy.....	100	76,540,500	Q M	141	123 3/4	138 1/4	139
Chicago, Milwaukee & St. Paul.....	100	30,904,281	A & O	99	82 3/4	91 1/4	91 3/4
do do do preferred.....	100	21,555,900	A & O	125 3/4	116	120	121
Chicago & Eastern Illinois.....	100	8,000,000					
Chicago, St. Louis & Pittsburgh.....	100	10,000,000		19 1/4	9 1/4	18 3/4	19
do do do preferred.....	100	20,000,000		43 3/4	26 1/4	44	44 3/4
Cin., New Orleans & Texas Pacific.....	100	3,000,000					
Cleveland & Pittsburgh guaranteed.....	50	11,243,736	Q M	153	146 1/4	*56	56 3/4
Cleve., Columbus, Cin. & Indianapolis.....	100	14,961,800	F & A	75 1/4	43 3/4	65	65 1/4
Columbia & Greenville.....	100	1,000,000					
do do preferred.....	100	1,000,000		60	42		
Columbus, Hooking Valley & Toledo.....	100	11,700,000		45 1/4	25 3/4	31 1/4	31 1/4
Delaware, Lackawanna & Western.....	50	29,200,000	Q J	144	115	134	134 3/4
do Morris & Essex.....	50	15,000,000	J & J	144	132 1/4	137	138 1/4
do N.Y., Lackawanna & Western.....	100	10,000,000	Q J	109	100 1/4	105 1/4	*107
Dubuque & Sioux City.....	100	5,000,000	A & O	101	60 1/4	*68	72
Denver & Rio Grande R. R.....	100	38,000,000		35 3/4	21 1/4	29 3/4	30
do do do preferred.....	100	23,650,000		55 3/4	53 3/4	64	64 1/4
Denver & Rio Grande Western.....	100	7,500,000				17	19 1/4
Denver, South Park & Pacific.....	100	3,500,000					
Detroit, Mackinac & Marquette.....	100	6,250,000					
East Tennessee, Virginia & Georgia.....	100	27,500,000		18 3/4	11	13 1/4	13 3/4
do do do 1st preferred.....	100	11,000,000		33 3/4	67	75	76
do do do 2d preferred.....	100	18,500,000		35 3/4	24	25	25 3/4
Elizabeth'n, Lexington & Big Sandy.....	100	5,000,000		22	15	15	
Evansville & Terre Haute.....	50	3,000,000		91 3/4	67 3/4	85 3/4	86
Flint & Pere Marquette preferred.....	100	6,500,000				*14	
Green Bay, Winona & St. Paul.....	100	8,000,000		14 3/4	8	15 1/4	15 3/4
do do preferred.....	100	2,000,000					
Harlem.....	50	8,518,100	J & J	240	213 1/4	216	225
do preferred.....	50	1,481,900	J & J				
Houston & Texas Central.....	100	10,000,000		44 1/4	25	35	35
Illinois Central.....	100	30,000,000	M & S	143 1/4	130	130 3/4	131 3/4
do leased line 4 per cent. stock.....	100	10,000,000	J & J	100 1/4	93	*15 1/4	17
Indiana, Bloomington & Western.....	100			28 3/4	12	17 1/4	19
do assented, first instalment paid.....	100	10,000,000				23	24
do do full assessment paid.....	100					27	27 1/4
Joliet & Chicago.....	100	1,500,000	Q J	150 3/4	150		
Kentucky Central.....	100	5,500,000					
Kingston & Pembroke.....	50	4,500,000				42 3/4	42 1/4
Lake Shore & Michigan Southern.....	100	48,486,500	F & A	100 3/4	78 1/4	95 3/4	95 3/4
Long Island.....	50	10,000,000	Q F	100	80	94 3/4	95
Louisville & Nashville.....	100	30,000,000	F & A	69	33 3/4	65 3/4	65 3/4
Louisville, New Albany & Chicago.....	100	5,000,000		71	32	62 3/4	62 3/4
Mexican Central (limited).....	100	33,170,000				15 1/4	16
Milwaukee, Lake Shore & Western.....	100	2,000,000		71 1/4	22	87 1/4	89
do do preferred.....	100	5,000,000		103	50 3/4	110	111
Milwaukee & Northern.....	100	2,155,000		42 1/4	40	*35	40

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAY- BLE.	YEAR 1886.		APR. 1, 1887.	
				High.	Low.	Bid.	Askd.
Manhattan Beach Company.....	100	5,000,000	.....	21½	13½	*14	16
Michigan Central.....	100	18,738,204	.....	98½	61½	93	98½
Missouri Pacific.....	100	40,000,000	Q J	119	100½	108½	108½
Missouri, Kansas & Texas.....	100	46,405,000	.....	88½	21	31½	32
Mobile & Ohio assented.....	100	5,320,600	.....	21½	11	16	17
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100	.....	.....	.....	.....	.....
Minneapolis & St. Louis.....	100	6,000,000	.....	23½	16½	19	20
do do preferred.....	100	4,000,000	.....	52½	40	43	44
Manhattan consolidated.....	100	23,895,630	Q J	175	120	155	155½
New York Central & Hudson River.....	100	89,428,300	Q J	117½	98½	112½	112½
New York, New Haven & Hartford.....	100	15,500,000	J & J	223	204½	*210	.....
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000	.....	102	96	99	101
New York, Lake Erie & Western.....	100	78,000,000	.....	38½	22½	33½	33½
do do preferred.....	100	8,536,900	Q	81½	50½	72½	73
New York, Ontario & Western.....	100	58,113,982	.....	22½	15	18½	18½
New York & New England.....	100	20,000,000	.....	65½	30½	65½	65½
New York, Chicago & St. Louis.....	100	28,000,000	.....	17½	4½	.....	.....
do do do assented.....	100	22,000,000	.....	31	11	19	19½
do do do preferred.....	100	22,000,000	.....	.....	.....	31½	31½
New York, Susquehanna & Western.....	100	18,000,000	.....	12½	6	18	18½
do do do preferred.....	100	8,000,000	.....	38½	17½	38½	37
Northern Pacific.....	100	49,000,000	.....	31½	22	28½	28½
do do preferred.....	100	38,392,783	.....	66½	53½	59½	60½
Nashville, Chattanooga & St. Louis.....	25	6,688,375	.....	105½	43½	84½	85
Norfolk & Western.....	100	7,000,000	.....	27½	8	21½	21½
do do preferred.....	100	18,000,000	.....	59½	25	50	50½
Norfolk Southern.....	100	1,000,000	.....	.....	.....	.....	.....
Ohio & Mississippi.....	100	20,000,000	.....	35½	19½	31½	31½
do do preferred.....	100	4,030,000	.....	91	79	*90½	92½
Ohio Southern.....	100	3,840,000	.....	22½	13½	20	21
Oregon & California.....	100	7,000,000	.....	.....	.....	.....	.....
do do preferred.....	100	12,000,000	.....	38	25	33½	33½
Oregon & Trans-Continental.....	100	40,000,000	.....	38	19½	28	29
Oregon Short Line.....	100	15,285,000	.....	51	16	*47	.....
Oregon Improvement Co.....	100	7,000,000	.....	109½	93	*100	.....
Oregon Railway & Navigation Co.....	100	24,000,000	Q J	53½	18½	36½	37
Philadelphia & Reading.....	50	34,702,000	.....	.....	.....	39	39½
do do do assented.....	100	1,286,800	.....	.....	.....	.....	.....
do do do preferred.....	100	1,286,800	.....	.....	.....	.....	.....
do do do assented.....	100	1,286,800	.....	.....	.....	.....	.....
Pittsburgh, Ft. Wayne & Chic. guar'd.....	100	19,714,285	Q J	150	141	*148	150
do do do special.....	100	10,776,800	.....	140	132½	.....	.....
Pitts., McK'sport & Youghiogheny con.....	100	3,000,000	.....	.....	.....	*34½	34½
Peoria, Decatur & Evansville.....	100	8,400,000	.....	34½	16	34½	35
Rochester & Pittsburgh.....	100	1,682,500	.....	7½	3½	*34	.....
Richmond & Allegheny reorganiz'n cert.....	100	5,000,000	.....	15½	2	*14	14½
Richmond & Danville.....	100	5,000,000	Q F	200	75	*180	.....
Richmond & West Point R. & W. Co.....	100	40,000,000	.....	77½	27½	40½	41
do do do preferred.....	100	5,000,000	J & J	98	25	84	87
Rome, Watertown & Ogdensburg.....	100	5,293,900	.....	125	117½	*120	.....
Utica & Black River guaranteed.....	100	2,223,000	.....	24	10½	12	14
South Carolina.....	100	4,204,180	.....	41½	30½	34	35
Southern Pacific.....	100	88,076,200	.....	48	27	33	34
St. Louis, Alton & Terre Haute.....	100	2,300,000	.....	95	80	.....	80
do do do preferred.....	100	2,468,400	May	.....	.....	.....	.....
Belleville & Southern Illinois pref.....	100	1,275,000	M & N	36½	17	33½	34½
St. Louis & San Francisco.....	100	11,964,300	.....	72½	37½	69½	70
do do do preferred.....	100	10,000,000	.....	18½	97	114½	115½
do do do 1st preferred.....	100	4,500,000	F & A	.....	.....	.....	.....
St. Louis, Arkansas & Texas.....	100	9,555,000	.....	67	37	61	61½
St. Paul & Duluth.....	100	4,055,400	.....	114	99½	108½	109½
do do do preferred.....	100	5,377,063	J & J	37	25	*34	.....
St. Joseph & Grand Island.....	100	4,500,000	.....	124½	108½	117	118
St. Paul, Minneapolis & Manitoba.....	100	20,000,000	Q F	25	7½	*10½	20½
Texas & Pacific.....	100	.....	.....	28½	17½	*23	23½
do do Trust Co. certificates.....	100	32,188,700	.....	.....	.....	*21	29½
do do 1st Assessment paid.....	100	.....	.....	.....	.....	29½	33
do do 2d do.....	100	.....	.....	.....	.....	29	33
Toledo & Ohio Central.....	100	1,592,000	.....	38½	28	46½	58
do do do preferred.....	100	3,108,000
United New Jersey R. & Canal Co.'s.....	100	21,240,400	Q J

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RAILROAD STOCKS.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1896.		APR. 1, 1897.	
				High.	Low.	Bid.	Ask'd
Union Pacific.....	100	61,000,000	J & D	68½	44½	60½	60½
Utah Central.....	100	4,250,000	J & J	18	11	*40	43
Virginia Midland.....	100	6,000,000	J & J	51½	15	*40	43
Wabash, St. Louis & Pacific.....	100	23,419,500	Q	13	6	*54	7
do do full-paid p. c. cert.	100			24½	12	19	19½
do do preferred.....	100	24,223,200		27	14	*17	19½
do do full-paid p. c. cert.	100			41½	23½	33	33½
Wheeling & Lake Erie Railway.....	100	3,600,000					

RAILROAD BONDS.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Atchison, Topeka & Santa Fe 4½'s.....	1820	5,150,000	A & O				
do do sinking fund 6's.....	1911	12,348,000	J & D				*115½
do do guar'd 1st gold 4's.....	1837	17,610,000	J & J				88½
Balt. & Ohio 1st 6's (Parkersb'g brch.).....	1919	3,000,000	A & O	128½	120	125½	126½
do do 5's, gold.....	1835-1925	10,000,000	F & A	114	108½	110½	110½
do do registered.....			F & A	113½	109½	111	111
Boston, Hoosac Tunnel & W'n deb. 5's.....	1913	2,000,000	M & S	93½	92½	92½	92½
Bur., Cedar Rapids & Northern 1st 5's.....	1906	6,500,000	J & D	111	106	108½	110
do do con. 1st & col. tr. 5's.....	1934	5,000,000	A & O	110	98	100½	102½
do do registered.....			A & O			x	
Minneapolis & St. L. 1st 7's, gold.....	1927	150,000	J & D	139	128	140	
Iowa City & Western 1st 7's.....	1909	454,000	M & S	114½	109½	*109	
Cedar Rapids, Iowa Falls & N. 1st 6's.....	1920	825,000	A & O	111	110½	105	110
do do do 1st 5's.....	1921	1,905,000	A & O	106½	100	100	
Buffalo, N. Y. & Phila. con. 1st 6's.....	1921	11,000,000	J & J	51	37		*57½
do do trust certificates.....						40	45½
do do general 6's.....	1924	3,700,000	M & S				*45
do do trust certificates.....							50
Canada Southern 1st int. gold 5's.....	1908	14,000,000	J & J	108½	108½	105½	105½
do do 2d mortgage 5's.....	1913	6,000,000	M & S	95	84	92½	92½
do do registered.....			M & S			91	92½
Central Iowa 1st mortgage 7's.....	1899	3,700,000	J & J 15	111	84	*112	91½
do do coupons off.....			A & O	75	68		70
do (Eastern division) 1st 6's.....	1912	1,515,000	A & O	70	68		*75
do (Illinois division) 1st 6's.....	1912	1,530,000	A & O	117	111½		115
Chesapeake & Ohio pur. money fund.....	1898	2,300,000	J & J	117	111½		109½
do do 6's, gold, Series A.....	1908	2,000,000	A & O	114	103½		
do do 6's, gold, Series B.....	1908		M & N			*88½	
do do coupons off.....			M & N	84	60	77½	77½
do small bonds.....	1908	15,000,000	M & N			*74	
do do coupons off.....			M & N			76	
do extension coupon 4's.....	1886						73
do do reg'd 4's.....	1886						73½
do 6's, currency.....	1918	10,122,500	J & J	41½	25	27½	27½
do small bonds.....	1918		J & J			28	
do mortgage 6's.....	1911	2,000,000	A & O	103	94½	98	100
Ches., Ohio & S.-W. mortgage 5-6's.....	1911	6,676,000	F & A	104	88½	106	
do do 2d mortgage 6's.....	1911	2,787,000	F & A			65	
Chicago & Alton 1st mortgage 7's.....	1893	2,383,000	J & J	121½	117	116	
do do sinking fund 6's.....	1903	2,655,000	M & N	125	121	124½	
Louisiana & Missouri River 1st 7's.....	1900	1,785,000	F & A	124	120	121½	
do do 2d 7's.....	1900	300,000	M & N	116½	118	121	
St. Louis, Jacksonville & Chic. 1st 7's.....	1894	2,385,000	A & O	122	116½	118½	
do 1st guarantee (584) 7's.....	1894	564,000	A & O			118½	121½
do 2d mortgage (380) 7's.....	1898	61,000	J & J			117	
do 2d guarantee (188) 7's.....	1898	188,000	J & J			117	
Mississippi River Bridge 1st s. f'd 6's.....	1912	684,000	A & O	107	105	108½	
Chicago, Burlington & Quincy cons. 7's.....	1913	330,000,000	J & J	138	132½	130½	131
do 5's, sinking fund.....	1901	2,500,000	A & O			*114	
do 5's, debentures.....	1913	9,000,000	M & N	110½	105	107½	107½
do (Iowa div.) sinking f'd 5's.....	1919	3,000,000	A & O	113½	112½	115	
do do do 4's.....	1919	10,591,000	A & O	103	99½	99½	
do Denver division 4's.....	1922	7,988,000	F & A	101½	97½	98½	
do do 4's.....	1921	4,300,000	M & S	101½	92½	*97	
Chic. Burlington & Northern 1st 5's.....	1923	9,000,000	A & O	104½	102½	106½	
do do debentures 6's.....	1896	2,250,000	J & D				
Chic., Rock Island & Pacific 6's, coup.....	1917	+12,500,000	J & J	140	132½	133	138
do 6's, registered.....	1917		J & J	140	130	131½	133½
do extension & col. 5's.....	1934		J & J	113	109	108½	108½
do do registered.....		4,860,000	J & J				110

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1888.		APR. 1, 1887.	
				High.	Low.	Bid.	Ask d
Keokuk & Des Moines 1st mort. 5's. 1923		2,750,000	A & O	113	108	110	111
do do small bonds. 1923			A & O			107	
Central Railroad of N. J. 1st 7's. 1890		5,000,000	F & A	114½	107	107	
do do 1st consolidated 7's. 1899		25,000,000	Q J	118	106	112½	118½
do do assented. 1902						108	
do do convertible 7's. 1902		5,000,000	M & N			108	
do do assented. 1903		5,550,000	M & N	120	106	112½	113
do do adjustment 7's. 1903		5,550,000	M & N	112	108½	106	106½
do do convertible deb. 6's. 1908		5,000,000	M & N	92½	63		89
Lehigh & Wilkes-Barre con. gold. 1900		11,500,000	Q M				
do do assented. 1900				114½	108	113½	114
{\$6,116,000 held by Central R. R. of N. J. unassented: \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's. 1921		5,000,000	J & J	103	89	102½	108
Mil. & St. Paul 1st m. 8's Pra. du Chn. 1898		3,674,000	F & A	136½	132	131½	132
do do 2d 7-10 Pra. du Chn. 1898		1,241,000	F & A	129	125		124
do do 1st 7's 3 gold, Riv. division. 1902		3,804,500	J & J	134½	130	128½	128½
do do 1st 7's 2 do. 1902			J & J				126
do do 1st m. La Crosse div. 7's. 1893		5,264,000	J & J	125	120	119½	121
do do 1st m. Iowa & Minn. 7's. 1897		3,196,000	J & J	127½	122½	122	
do do 1st m. Iowa & Dakota 7's. 1899		541,000	J & J	132	124½	124½	
do do 1st m. Chicago & Milw. 7's. 1903		2,393,000	J & J	184	130	123½	133
do do consolidated 7's. 1905		35,000,000	J & J	136	129½	129½	132
do do 1st 5's, Iowa & Dak. exten. 1908		3,505,000	J & J	184½	125½	129½	132
do do 1st 5's, Southwest'n div'n. 1909		4,000,000	J & J	121	115½	117½	119
do do 1st 5's, LaCrosse & Dav. 1919		3,000,000	J & J	109½	105	105½	108
do do 1st So. Minnesota div. 6's. 1910		7,432,000	J & J	121	114½	116½	
do do 1st Hastings & Dak. div. 7's. 1910		5,680,000	J & J	131	124	125½	126
do do do 5's. 1910		585,000	J & J				
do do Chic. & Pacific div. 6's. 1910		2,500,000	J & J	124½	119	118½	121
do do 1st Chicago & Pac. W. 5's. 1921		21,100,000	J & J	111	103	107½	108
do do Chic. & Mo. R. div. 5's. 1926		2,049,000	J & J				
do do Mineral Point div. 5's. 1910		2,840,000	J & J	108½	102	104	107½
do do Chic. & L. Sup'r div. 5's. 1921		1,390,000	J & J			104½	106
do do Wis. & Min. div. 5's. 1921		4,755,000	J & J	108½	102	105½	108½
do do terminal 5's. 1914		4,303,000	J & J	108½	101½	103½	117
do do Far. & So. 6's assu. 1924		1,250,000	J & J	119	114½	1	
do do inc. conv. sink'g fund 5's. 1916		2,000,000	J & J				
Dakota & Gt. Southern 5's. 1916		1,000,000					
Chic. & Northw'n consol. bonds, 7's. 1915		12,900,000					
do do coupon gold 7's. 1902							
do do registered gold 7's. 1902		148,000,000					
do do sink'g fund 6's. 1879-1929		6,305,000					
do do do registered. 1879-1929							
do do do 5's. 1879-1929		8,155,000				110½	112
do do do registered. 1933				111½	107		108
do do debenture 5's. 1933		10,000,000	M & N	110½	105	110½	
do do do registered. 1909			M & N	110½	105		109
do do 25 year debenture 5's. 1909		4,000,000	M & N	109	104½	107½	107½
do do do registered. 1888-1939		4,385,000	F & A 15	101½	101½	96½	96½
do do extension. 1888-1939		720,000	J & J	115½	115	116½	117½
Escanaba & Lake Superior 1st 6's. 1901		800,000	F & A				131
Des Moines & Minneapolis 1st 7's. 1907		1,350,000	A & O	137	134	134	
Iowa Midland 1st mortgage 8's. 1900		152,000	M & S			121½	
Peninsula 1st convertible 7's. 1898		1,700,000	J & J	183	124	122½	124½
Chicago & Milwaukee 1st mortg. 7's. 1898		1,592,000	M & N			130	
Winona & St. Peter 2d 7's. 1907		1,800,000	M & S	117½	116½	115	
Milwaukee & Madison 1st 6's. 1906		1,800,000	M & S	111	108	107	108½
Ottumwa, C. F. & St. P. 1st 5's. 1909		1,500,000	M & S	110½	108	107	
Northern Illinois 1st 5's. 1910			Q F				99
Gen. Ind., St. L. & Chic. 1st guar. 4's. 1936		1,255,000	Q F				
do do do registered. 1899		3,000,000	M & N	128	123	122	
C., C. & Ind'polis 1st 7's sink. fund. 1914		7,500,000	J & D	134	123½	130	130½
do do sinking fund 7's. 1914			J & D	128	124	123	
do do gen'l consol. 6's. 1984		3,500,000	J & J	110½	100	110	
do do do registered. 1914			J & J			110½	
Chic., St. P., Min's & Omaha con. 6's. 1930		22,839,000	J & D	128½	118½	122½	123
Chicago, St. Paul & Min. 1st 6's. 1918		8,000,000	M & N	130	125	126	127
Nort'n Wisconsin 1st mortgage 6's. 1930		800,000	J & J			122	127
St. Paul & Sioux City 1st 6's. 1919		7,000,000	A & O	130	125	127	127½

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887.	
				High.	Low.	Bid.	Ask d
Chic. & Eastern Ill. 1st sink'g f'd c'y .. 1907		3,000,000	J & D	122	115	118½	118
do do small bonds			J & D			*118	119
do do 1st c. 6's, gold .. 1934		2,500,000	A & O	119	110	117½	118½
Chic., St. Louis & Pittsb. 1st con. 5's .. 1932		222,000,000	A & O	100	92	101½	102
do do registered			A & O				
Chic. & West'n Ind. 1st sinking f'd 6's .. 1919		2,500,000	M & N	116	112½		117
do general mortgage 6's .. 1932		23,896,866	Q M	118	109	113½	
Chicago & St. Louis 1st 6's 1915		1,500,000	M & S	108	101		120
Chicago & Indiana Coal 1st 5's 1936		2,808,000	J & J	100½	92	100½	101
Columbia & Greenville 1st 6's 1916		2,900,000	J & J			107	
do do 2d 6's 1928		1,000,000	A & O				*92
Col., Hooking Valley & Toledo 1st 5's .. 1931		14,500,000	M & S	94	81	79½	80
do general mortgage gold 6's .. 1904		2,000,000	J & D	97½	88½	70	78
Delaware, Lackaw'a & W. conv. 7's .. 1892		600,000	J & D	118½	114		115
do do mtge 7's .. 1907		210,000,000	M & S	140	135½		116
Syracuse, Bingham'ton & N. Y. 1st 7's .. 1906		1,750,000	A & O	137½	131½	132½	135
Morris & Essex 1st mortgage 7's .. 1914		5,000,000	M & N	148	140½	142½	
do 2d 7's 1891		3,000,000	F & A	117	112½	110½	
do bonds 7's 1900		281,000	J & J			120	126
do 7's of 1871 1901		4,991,000	A & O	133	125		129
do 1st cons. gua'd 7's .. 1915		25,000,000	J & D	188	180	135	
N. Y., Lackawanna & W'n 1st 6's .. 1921		12,000,000	J & J	138	125	128½	129
do construction 5's .. 1923		5,000,000	F & A	113	106½	107	109
Delaware & Hud. Canal 1st reg. 7's .. 1891		4,988,000	J & J	115½	110	109½	110
do 1st extension 7's .. 1891		549,000	M & N	115½	112½		111½
do coupon 7's 1894			A & O	121	115½	118	
do registered 7's 1894		4,829,000	A & O	120½	118	115	
do 1st Penna. Div. coupon 7's .. 1917			M & S	144½	136	139½	142
do do registered .. 1917		210,000,000	M & S	141	140½	138½	
Albany & Susquehanna 1st 7's .. 1888		1,000,000	J & J	109	106½	104½	
do do 1st con. gua'd 7's .. 1906		3,000,000	A & O	135	129½	130	
do do registered			A & O			128	
do do 6's 1906		5,449,000	A & O	124	117½	122½	
do do registered			A & O	119½	118		129½
Rensselaer & Saratoga 1st coup. 7's .. 1921		2,000,000	M & N	144	141½	143	
do do 1st reg. 7's .. 1921						143	
Denver & Rio Grande 1st consol. 4's .. 1936		22,575,000	J & J	81½	75½	78½	79
do do 1st mtge 7's .. 1900		6,382,500	M & N	124	114½	120	124
Denver, South Park & Pac. 1st 7's .. 1905		1,800,000	M & N	89	72	76	79
Denver & Rio Grande West'n 1st 6's .. 1911		5,857,000	M & S	185½	72½	79½	
do do assented				183½	72	74½	75½
Detroit, Mack. & Marquette 1st 6's .. 1921		2,290,000	A & O	100	55	*90	
do Land Grant 3¼ S. A. .. 1911		4,500,000		56	20		55
Detroit, Bay City & Alp'a 1st 6's .. 1913		2,300,000	J & J	109½	105		103
East Tenn., Virginia & Georgia 1st 7's .. 1900		3,500,000	J & J	126	118½	123	124
do do divisional 5's .. 1930		3,106,000	J & J	108	105	105	
do do con. 1st gtd 5's .. 1936		12,770,000	M & N	99½	94½	96½	99½
Elizabeth City & Norfolk S. F. deb. cert. 6's ..		250,000	A & O			*107	107½
do do 1st mtge 6's .. 1920		600,000	M & S			*52½	
Elizabeth'n, Lex & Big Sandy 6's .. 1902		3,500,000	M & S	110	99		104
Erie 1st mortgage extended 7's .. 1897		2,482,000	M & N	127½	121	121½	
do 2d extended 5's 1919		2,149,000	M & S	117½	113	112½	113½
do 3d extended 4½'s 1923		4,618,000	M & S	112½	108	105	
do 4th extended 5's 1920		2,937,000	A & O	119	112½	115	
do 5th extended 7's 1898		709,500	J & D	109	103	104½	105
do 1st consolidated gold 7's .. 1920		230,000,000	M & S	136½	129	134	
do 1st cons. f'd coup. 7's .. 1920		3,705,997	M & S	133	120½		131
do reorganization 1st lien 6's .. 1908		2,500,000	M & N	112	108½		113
Long Dock Bonds, 7's 1893		3,000,000	J & D	120	112½		115
do do cons. 6's 1935		4,500,000	A & O	124	114½		120
Buffalo, N. Y. & Erie 1st 7's 1916		2,380,000	J & D	140	133½	137½	138½
N. Y., L. Erie & W. new 2d con. 6's .. 1909		33,597,400	J & D	118½	89	99½	
do collateral trust 6's 1922		5,000,000	M & N	108	102		108½
do fund coupon 5s 1885-1909		4,032,000	J & D	96½	77½	91½	
Buffalo & Southw'n mortgage 6's .. 1908		1,500,000	J & J			90	
do do small			J & J				
Evansville & Terre Haute 1st con. 6's .. 1921		3,000,000	J & J	120½	111½	117½	
do Mt. Vernon 1st 6's 1923		375,000	A & O	112½	103	111½	
do Indianapolis 1st con. 6's .. 1926		1,001,000	J & J	113	109		112
Flint & Pere Marquette mtge 6's .. 1920		5,000,000	A & O	122½	116	122	125

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887.	
				High.	Low.	Bid.	Ask'd
Fort Worth & Denver City 1st 6's....	1921	4,400,000	J & D	95½	81	92½	.....
Gal. Harrisburg & San Antonio 1st 6's....	1910	4,800,000	F & A	116	106½	107	114
do 2d mortgage 7's.....	1905	1,000,000	J & D	119½	108	.....	120
do Western Div. 1st 5's.....	1931	13,500,000	M & N	103	92	.....	97½
do do 2d 6's.....	1931	6,750,000	J & J	94	80	91½	.....
Grand Rapids & Indiana general 5's....	1924	3,233,000	M & S	.....	.....	90	92½
do do registered.....	.....	.....	M & S	.....	.....	.....	.....
Green Bay, Winona & St. Paul 1st 6's....	1911	1,600,000	F & A	107½	80	104	106
Gulf, Col. & Santa Fe 1st 7's.....	1909	10,300,000	J & J	123½	116½	121	121½
do do gold 6's.....	1923	5,000,000	A & O	106½	86½	105	106
Hannibal & St. Joseph consol'd 6's....	1911	25,000,000	M & S	125	119½	119½	120
Henderson Bridge Co. 1st 6's.....	1931	2,000,000	M & S	112	108½	108½	.....
Houston & Texas Cent. 1st Main L. 7's....	1891	6,896,000	J & J	114½	102	114½	*113
do do coupon off.....	.....	.....	.....	.....	.....	115	.....
do do 1st West. Div. 7's....	1931	2,375,000	J & J	109	97	108½	.....
do do coupon off.....	.....	.....	.....	.....	.....	.....	.....
do do 1st Waco & N. W. 7's....	1903	1,140,000	J & J	106	100	113	115
do do coupon off.....	.....	.....	.....	.....	.....	.....	.....
do do 2d c. main line 8's....	1912	4,118,000	A & O	95½	76	100	103
do do gen'l mort. 6's.....	1921	4,300,000	A & O	73½	50	71½	72
Houston, E. & W. Texas 1st 7's.....	1898	1,344,000	M & N	89½	65	88	.....
Illinois Central 1st gold 4's.....	1951	1,500,000	J & J	110	106½	107½	108
do registered.....	.....	.....	.....	.....	.....	.....	*108
do gold 8½'s.....	1951	2,500,000	J & J	102½	99½	97	99
do registered.....	.....	.....	.....	.....	.....	.....	*99½
Springfield Division coupon 6's....	1898	1,600,000	J & J	121	117½	.....	117
Middle Division registered 5's.....	1921	600,000	F & A	109½	109½	*112½	.....
Chicago, St. L. & N. O. Tenn. 1st 7's....	1897	541,000	M & N	.....	.....	118	.....
do 1st consol. 7's.....	1897	859,000	M & N	122	122½	118	124
do 2d mortgage 6's.....	1907	80,000	J & D	.....	.....	118	.....
do gold 5's.....	1951	18,000,000	J & D 15	120½	112	115½	116½
do gold 5's, registered.....	.....	.....	J & D 15	.....	.....	*118	.....
Dubuque & Sioux City 2d Div. 7's....	1894	586,000	J & J	119	118½	.....	.....
Cedar Falls & Minn. 1st 7's.....	1907	1,334,000	J & J	120	106	105	106
Ind., Bloomington & W'n 1st pref'd 7's....	1900	1,000,000	J & J	120½	116	120	126
do 1st 5's, 6's.....	1909	3,500,000	A & O	104½	89½	95	.....
do Trust Co. receipts.....	.....	.....	A & O	.....	.....	95	96
do 2d 5-6's.....	1909	1,500,000	A & O	90	66½	*81	.....
do Trust Co. receipts.....	.....	.....	A & O	.....	.....	83½	.....
do Eastern Division 6's.....	1921	3,000,000	J & D	105½	89	.....	94½
do Trust Co. receipts.....	.....	.....	J & D	.....	.....	84½	.....
Ind., Decatur & S. 1st 7's, ex. fund coup.	1906	1,613,000	A & O	108	96½	105	107
Internat'l & Gt. Northern 1st 6's, gold....	1919	7,964,000	M & N	119	114	120	121
do do coupon 6's.....	1909	7,054,000	M & S	96	84	.....	96
Kentucky Central mortgage 6's.....	1911	780,000	J & J	.....	.....	.....	.....
do stamped 4 per cent. 1911	.....	5,600,000	J & J	71	59½	70	.....
Knoxville & Ohio 1st 6's gold.....	1925	2,000,000	J & J	105½	86½	95	99
Lake Shore & Michigan Southern.	.....	.....	.....	.....	.....	.....	.....
Cleve., Painesville & Ashtabula 7's....	1892	920,000	A & O	119	114	115½	115½
Buffalo & Erie new bonds 7's.....	1898	2,784,000	A & O	129	121½	123½	.....
Kal'zoo & White Pigeon 1st 7's.....	1830	400,000	J & J	108	108	*105	.....
Detroit, Monroe & Toledo 1st 7's....	1906	924,000	F & A	.....	.....	120½	.....
Lake Shore Div. bonds 7's.....	1899	1,356,000	A & O	126	121½	124	127
do consol. coupon 1st 7's.....	1900	425,000,000	J & J	134½	127	126	.....
do consol. registered 1st.....	1900	.....	Q J	132½	127	.....	125
do consol. coupon 2d 7's.....	1903	425,000,000	J & D	127	119½	123½	123½
do consol. registered 2d.....	1903	.....	J & D	125	119½	.....	124
Mahoning Coal R. 1st 5's.....	1934	1,500,000	J & J	106	103	104	.....
Long Island R. 1st mortgage 7's.....	1898	1,500,000	M & N	130	119	122	.....
do 1st consolidated 5's.....	1931	25,000,000	Q J	115½	108	.....	*115
N. Y. & Manhattan Beach R. 1st 7's....	1897	500,000	J & J	.....	.....	.....	*110
N. Y., B'klyn & M'n B. 1st c. g. 5's....	1893	783,000	A & O	.....	.....	.....	.....
Louisville & Nashville consol'd 7's....	1896	7,070,000	A & O	125	117	121	.....
do Cecilia Branch 7's.....	1907	1,000,000	M & S	118	107½	.....	111
do N. O. & Mobile 1st 6's.....	1930	5,000,000	J & J	107½	99	108½	107
do do 2d 6's.....	1930	1,000,000	J & J	97	86	85	94½
do Evans, Hend. & N. 1st 6's....	1919	2,400,000	J & D	116½	112	114½	.....
do general mortgage 6's.....	1930	20,000,000	J & D	109½	100½	110	.....
do Pensacola Division 6's.....	1920	800,000	M & S	102	97½	100	.....
do St. Louis Division 1st 6's....	1921	3,500,000	M & S	113	108	112
do do 2d 6's....	1930	3,000,000	M & S	57	51	57½

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887.	
				High.	Low.	Bid	Ask d
do Nash. & Decatur 1st 7's....	1900	1,900,000	J & J	128	121	118	.....
do So. & N. Ala. Sink'g F'd 6s. 1910		2,000,000	A & O	105	102	106	.....
do Louisville, Cin. & Lex. 6's. 1931		27,000,000	M & N				.....
do Trust bonds, 6's.	1922	10,000,000	Q M	107	98	106½	107½
do 10-40 6's.	1924	5,000,000	M & N	100	84½	102	103
do Penn. & At. 1st 6's. gold gtd. 1921		3,000,000	F & A	96	82½	94	95
do Penn. & At. 1st 6's. gold gtd. 1910		3,000,000	J & J	120	100½	110	110½
do do consol'd gold 6's. 1916		2,500,000	A & O	100	94½	98	98½
Louisville, N. O. & Texas 1st 5's.	1934	13,841,000	M & S	92½	90¼		91
do do 1st 5's.	1909	1,000,000	M & S	90	80	87½	90
Memphis & Charleston 6's. gold.	1924	1,000,000	J & J	106½	102	101	.....
Metropolitan Elevated 1st 6's.	1908	11,000,000	J & J	123	115	117½	118½
do do 2d 6's.	1899	4,000,000	M & N	113¼	108¼	111	111¼
Mexican Central 1st mortgage 7's.	1911		J & J			41	43
do ex. coupon 6-7-8.		39,375,000	J & J	60	59	61	.....
do new assented 4's.			J & J	57	54	58	.....
do income bonds.	1911	8,128,000					.....
Michigan Central 1st consol. 7's.	1902	8,000,000	M & N	123	120½	129	131
do do 1st consol. 5's.	1902	2,000,000	M & N	111¼	107	110	.....
do do 6's.	1909	1,500,000	M & S				124
do do coupon 5's.	1931		M & S	110	107¼	110	.....
do do registered 5's.	1931	4,000,000	Q M	110	107	110	.....
do Jackson, Lansing & Sag'w 6's. 1891		1,100,000	M & S			104	.....
Milwaukee & Nor. 1st main line 6's.	1910	2,155,000	J & D	106½	102	110	110½
do do 1st extension 6's.	1913	1,598,000	J & D	104	100	107	107½
Milwaukee, L. Shore & West'n 1st 6's. 1921		4,350,000	M & N	121¼	112¼	121	.....
do do Mich. div. 1st 6's.	1924	1,281,000	J & J	120¼	106¾	115¼	.....
do do Ashland div. 1st 6's.	1925	1,000,000	M & S	117	112½		118½
Minneapolis & St. Louis 1st 7's.	1927	950,000	J & D	136	128		133
do do Iowa exten. 1st 7's.	1909	1,100,000	J & D	125	119	116	.....
do do 2d mortgage 7's.	1891	500,000	J & J	102	101	100	.....
do do Southw'n ext. 1st 7's.	1910	636,000	J & D			111	.....
do do Pacific ext. 1st 6's.	1921	1,382,000	A & O	110	108	110	.....
do do imp't and equip. 6's.	1922	2,000,000	J & J	100	90		90
Minnesota & Pacific 1st mortgage 5's.	1936	3,035,000	J & J			103½	.....
Minnesota & N. West 1st 5's. gold.	1934	7,682,000	J & J	106	99½	104½	106
Mo., Kansas & Texas gen'l cons. 6's.	1920	334,725,000	J & D	105½	87½	101	101½
do do 5's.	1920	8,851,000	J & D	93½	72¾		88
do do cons. 7's.	1904, 5-6	14,811,000	F & A	118	106	110½	111
do do 2d mort. income.	1911	715,000	A & O	90	78	85	98
Hannibal & Cent. Missouri 1st 7's.	1890	729,000	M & N	115	110		110
Mobile & Ohio new mortgage 6's.	1927	7,000,000	J & D	116	106½	112	.....
do collateral trust 6's.	1892	306,000	J & J			112	.....
do 1st extension 6's.	1927	21,000,000	Q J	108	101		108
St. Louis & Cairo 4's. gtd.	1931	4,000,000	J & J	78¼	72¼	72	74
Morgan's Louisiana & Texas 1st 6's.	1920	1,494,000	J & J	116	104¼	108	.....
do do 1st 7's.	1918	5,000,000	A & O	127	118		124
Nashville, Chattanooga & St. L. 1st 7's.	1913	6,800,000	J & J	131	123	128½	.....
do do 2d 6's.	1901	1,000,000	J & J	111½	110	109½	110½
N. Y. Central 6's.	1887	2,391,000	J & D	106	101	102½	.....
do debenture cert. ext. 5's.	1893	6,450,000	M & N	108¼	104	106½	.....
do & Hudson 1st coup. 7's.	1903		J & J	140¼	124	133	136
do do 1st registered.	1903	30,000,000	J & J	137¼	133¼	138½	.....
do do deb. 5's.	1904		M & S	112¼	107¾	107	107½
do do do registered.		7,850,000	M & S	110¼	107¼	107	107½
Harlem 1st mortgage 7's. coupon.	1900		M & N	139	131	130	.....
do do 7's. registered.	1900	212,000,000	M & N	139	131¼	130	.....
N. J. Junction guaranteed 1st 4's.	1886	2,000,000	F & A			108	104
do registered certificates. ....							.....
N. Y. Elevated 1st mortgage 7's.	1906	8,500,000	J & J	130	123		123½
N. Y. Penn. & Ohio prior lien 6's.	1895	8,000,000	M & S			108	.....
N. Y. City & Northern gen'l mtg 6's.	1910	4,000,000	M & N	73¼	55		72
do Trust Co. receipts.				73¼	54	72	72¼
N. Y. & New England 1st 7's.	1906	6,000,000	J & J	130	125	114¼	73
do do 1st 6's.	1906	4,000,000	J & J	117¼	117¼	116	.....
N. Y., Chicago & St. Louis 1st 6's.	1921		J & D	99	85¼	95	.....
do do Trust Co. receipts.		15,000,000	J & D	100¼	84	96	.....
do do assented.			J & D			96¼	97¼
do do temp. Trust Co. rec'pts.			J & D			96¼	97
do do 2d 6's.	1923	10,000,000	M & S	77	66	92¼	95
N. Y., Ontario & W. 1st gold 6's.	1914	8,000,000	M & S	109	103	107¼

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				High.	Low.	Btd.	Ask d
N. Y., Susquehanna & W'n 1st 6s.....	1911	2,500,000	J & J				*94
do do coupons off.....			J & J	94	76½	94	96
do do deb. 6's.....	1897	600,000	F & A				*63
do do coupons off.....			F & A	71½	53	71	
do do 1st refund g's 6's.....	1837	3,750,000	J & J				92½ 93
Midland R. of New Jersey 1st 6's.....	1910	3,500,000	A & O	110	100	113	113½
N. Y., N. Haven & H 1st reg. 4's.....	1906	2,000,000	J & D	112½	112		112½
No. Pac. g'l 1st m. r'd and l.g. c's 6's.....	1921	52,509,000	J & J	120	111½	116½	117
do do do reg. 6's.....	1921		J & J	117½	111½	115	
do g'l. 2d m. r'd and l.g. a.f. g.c. 1933		20,000,000	A & O	104	91½	107½	
do do reg. 6's.....	1893		A & O			*106	
James River Valley 1st 6's gold.....	1936	963,000	J & J	109	106½	108	110
Spokane & Pal. 1st akg fund gold 6's.....	1936	638,000	M & N			106½	
St. Paul & North'n Pacific gen'l 6's.....	1923	6,000,000	F & A			116½	120
do registered certificates.....			Q F				
No. Pacific Terminal Co. 1st gold 6's.....	1933	3,000,000	J & J	109½	102½		105
New Orleans Pacific 1st 6's, gold.....	1920		J & J			*82½	63
do do coupons off.....		6,720,000	J & J	85½	51	*73	
do do Trust Co. receipts.....			J & J	85½	73½	84	85
N. O. & N. East'n prior lien gold 6's.....	1915	1,050,000	A & O				110
Norfolk & Western gen'l mtgce 6's.....	1931	6,902,000	M & N	115½	104	112	
do New River 1st 6's.....	1932	2,000,000	A & O	118	99½		116
do improvement & ext. 6's.....	1934	3,350,000	F & A	102	87½	97	99
do adjustment mortg. 7's.....	1924	1,500,000	Q M	107	82½		106½
Ogdensburg & Lake Champl. 1st con. 6's.....	1920	3,500,000	A & O	104½	96	100	
Ohio & Miss. consol. Sinking F'd 7's.....	1898	3,593,000	J & J	125	118½	118½	120
do consolidated 7's.....	1898	3,067,000	J & J	125	118	118½	120
do 2d consolidated 7's.....	1911	3,808,000	A & O	120	113½	115	120
do 1st Springfield division 7's.....	1905	3,000,000	M & N	110½	91		112
do 1st general 6's.....	1932	3,216,000	J & D	94½	87½	90	
Ohio Central 1st terminal trust 6's.....	1920	600,000	J & J				
do 1st Mineral division 6's.....	1921	300,000	J & J				
Ohio Southern 1st mortgage 6's.....	1921	2,100,000	J & D	108	97½		100
Oregon & California 1st 6's.....	1921	9,000,000	J & J				
Oregon & Transcontinental 6's.....	1882-1922	10,063,000	M & N	104½	92½	100½	101
Oregon Improvement Co. 1st 6's.....	1910	5,000,000	J & D	99	84	93	
Oregon Railroad & Navigat'n 1st 6's.....	1909	6,000,000	J & J	114½	110	110	110½
do do Debenture 7's.....	1887	2,325,000	A & O	108½	106½	103	
do do Consol. m. 5's.....	1925	6,820,000	J & D	108½	102	104½	105½
Panama Sinking Fund subaldy 6's.....	1910	2,747,000	M & N			96	
Peoria, Decatur & Evansville 1st 6's.....	1920	1,287,000	J & J	119	108	112½	
do Evansville Division 1st 6's.....	1920	1,470,000	M & S	111½	108	106½	109
Peoria & Pekin Union 1st 6's.....	1921	1,500,000	Q F	112	106		112
do do 2d mortgage 4½'s.....	1921	1,499,000	M & N			76	
Central Pacific gold bonds 6's.....	1905		J & J	118½	112½	115½	116
do do.....	1896		J & J			116	116½
do do.....	1897	25,883,000	J & J			116	
do do.....	1898		J & J			116½	117½
do San Joaquin branch 6's.....	1900	6,080,000	A & O	112	107½	115½	
do California & Oregon 1st 6's.....	1888	6,000,000	J & J	106	100	101	
do do Series B 6's.....	1892	1,600,000	J & J			103	
do Land Grant 6's.....	1890	9,438,000	A & O	107½	102½	104½	106½
Western Pacific bonds 6's.....	1899	2,736,000	J & J	116	109	115½	
Nor. Ry. (Cal.) 1st 6's, guaranteed.....	1907	3,964,000	J & J	123	116½	120	121
South'n Pac. of California 1st 6's.....	1905-12	38,447,000	A & O	114	105½	113½	114
South'n Pac. of Arizona 1st 6's.....	1909-1910	10,000,000	J & J	112	100½	110½	111
South'n Pacific of N. Mexico c. 1st 6's.....	1911	5,000,000	J & J	109½	100	105½	
Union Pacific 1st 6's.....	1898		J & J	119½	114	115½	
do do.....	1897		J & J			116	
do do.....	1894	27,229,000	J & J			117	118
do do.....	1899		J & J			118½	119
do Land Grant 7's.....	1887-9	2,545,000	A & O	106½	101½	103½	
do Sinking Fund 8's.....	1893	14,438,000	M & S	123½	116	115½	
do registered 8's.....	1893		M & S	121	117	114½	115½
do collateral trust 6's.....	1908	4,541,000	J & J	108½	104	106	
do do 5's.....	1907	5,583,000	J & D				103½
Kansas Pacific 1st 6's.....	1895	2,240,000	F & A	114½	110½	112½	
do 1st 6's.....	1893	4,063,000	J & D	116	110		115
do Denver Division 6's, ass'd.....	1899	6,254,000	M & N	118	113	116	117
do 1st consol. 6's.....	1919	14,895,000	M & N	109½	99½	105	
Central Br'ch U.P. Fund'd coup. 7's.....	1895	630,000	M & N			106	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887.	
				High.	Low.	Bid.	Askd
Atchison, Colorado & Pac. 1st 6's...1905	3,572,000	Q F	107	101½	105	108	
Atchison, Jewell Co. & West. 1st 6's 1905	542,000	Q F	105	100	108	108	
Oregon Short Line 1st 6's...1922	15,285,000	F & A	109	97½	102¾		
Utah South'n general mortgage 7's 1909	1,950,000	J & J	90½	85	86		
do extension 1st 7's...1909	1,950,000	J & J	88	72½	86		
Missouri Pacific 1st consol. 6's...1920	20,184,000	M & N	117	108	116½		
do 3d mortgage 7's...1906	3,328,000	M & N	127½	116½	125	125	
Pacific R. of Mo. 1st mortgage 6's...1888	7,000,000	F & A	107	108½	102½		
do 2d mortgage 7's...1891	2,573,000	J & J	113	109	109		
St. L. & S. Francisco 2d 6's, class A...1906	500,000	M & N	118	108	116		
do 6's, class C...1906	2,400,000	M & N	117	105½	116		
do 6's, class B...1906	2,784,500	M & N	118	105½	116		
do 1st 6's, Pierce C. & O. b	1,100,000	F & A	117	111½	108		
do equipment 7's...1895	781,000	J & D			104½		
do general mtge. 6's...1891	7,739,000	J & J	114	99½	110½		
South Pacific R. (Mo.) 1st 6's...1888	7,144,500	J & J	108	103	102	102½	
Kansas City & Sw'n 1st 6's, gold...1916	744,000	J & J	107½	105	101		
Fort Smith & Van B. Bdg. 1st 6's...1910	475,000	A & O			109		
St. L., Kansas & Southwest'n 1st 6's 1916	735,000	M & S			101½		
Texas & Pacific Railway 1st 6's...1905	3,784,000	M & S	105½	106½	114		
do do ex coupon...1905		M & S			107		
do consol. 6's...1905		J & D	103½	90	99		
do do coupons off...1905	49,316,000	J & D	100½	70	100	102½	
do do Trust Co. receipts...1905		J & D	104	99	99	100½	
do income & l'd gr't reg. 7's...1915	7,922,000	July	61½	34	*60½		
do do Trust Co. receipts...1915		July	63½	53½	63½	63½	
do Rio Grande 6's, Aug. '84 c. on 1880		F & A	75	72½	*74	75	
do do coupons off...1905	13,028,000	F & A	75½	45½	*75		
do do Trust Co. receipts...1905		F & A	78	66	74	74½	
do do gen. m. & ter. 6's...1905	42,859,000	A & O	62	34½	*67	70	
do do Trust Co. receipts...1905		A & O	71	49	67½	70	
Pennsylvania Railroad Company.							
Penna. Co.'s guar'd 4½'s, 1st coup...1921	15,000,000	J & J	108½	102½	105	105½	
do do registered...1921		J & J	108½	101½	105		
Pitt., C. & St. Louis 1st coupon 7's...1900	2,708,000	F & A	121	120½	119		
do 1st registered 7's...1900	4,157,000	F & A			*119		
do 2d 7's...1913	2,500,000	A & O			*124		
Pitts., Ft. Wayne & Chicago 1st 7's...1912	5,250,000	J & J	145	141	141½	142½	
do do 2d 7's...1912	5,180,000	J & J	142½	138	139		
do do 3d 7's...1912	2,000,000	A & O	138	133½	137½		
Clev. & Pitts. con. Sink'g Fund 7's...1900	2,292,000	M & N	131	126	129	130½	
do 4th do 6's...1892	1,105,000	J & J	111	109	107		
St. L., Van. & Terre H. 1st guar. 7's 1897	1,899,000	J & J	122	120	118		
do do 2d 7's 1898	1,000,000	M & N			110		
do do 2d guar. 7's 1898	1,800,000	M & N			112		
Pine Creek Railway 6's...1932	3,500,000	J & D			115	120	
Pittsburgh Cleve. & Toledo 1st 6's...1922	2,400,000	A & O	110½	106½	*122		
Pittsburgh Junction 1st 6's...1922	1,440,000	J & J					
Pittsburgh, McKeesport & Y. 1st 6's...1932	2,250,000	J & J					
Rome, Watertown & Ogd. 1st 7's...1891	1,021,500	J & D	117	108½	111		
do do consol. 1st ex. 5's...1922	6,337,000	A & O	103	87½	103½	104	
Rochester & Pittsburgh 1st 6's...1921	1,300,000	F & A	117	113½	117		
do do consolidated 1st 6's...1922	3,920,000	J & D	112	106½	116	117	
Richmond & Alleghany 1st 7's...1920	5,000,000	J & J			*71½		
do do Trust Co.'s receipts...1920		J & J	80	85	71½	72	
Richmond & Danville consol. gold 6's 1915	6,000,000	J & J	119½	111½	113½	114	
do do debenture 6's...1927		A & O	114	86	112	113½	
do do do assented...1927	4,000,000	A & O	113½	106½	109		
do do consol. m.g. 5's 1936	1,500,000	A & O			89	93	
Atlanta & Charlotte 1st Pref'd 7's...1897	500,000	A & O			114		
Atlanta & Charlotte Income...1900	750,000	A & O			100		
Scioto Valley 1st consolidated 7's...1910	603,000	J & J	72	47	*65		
do do do coupons off...1910		J & J			65	67	
St. Jos. & Grand Island 1st 6's...1925	7,000,000	M & N	110½	104	106½	107	
St. Louis & Iron Mountain 1st 7's...1892	4,000,000	F & A	118	110	110½	111½	
do do 2d 7's...1897	6,040,000	M & N	119	111		114½	
do Arkansas Branch 1st 7's...1895	2,500,000	J & D	118½	112½	112	113	
do Cairo & Fulton 1st 7's...1891	7,555,000	J & J	113	108½	106½	107	
do Cairo, Ark. & Texas 1st 7's...1897	1,450,000	J & D	116½	109½	112½		
do gen'l con. r'y & l'd gr't 5's...1891	436,347,000	A & O	100	90	96½	98½	
(St. L., Alton & Terre Haute 1st 7's...1891	2,200,000	J & J	119½	115	115		

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887	
				High.	Low.	Bid.	Ask'd
do 2d mortgage preferred 7's. 1894	2,800,000	F & A	114	110½	110	112	
do 2d mortgage income 7's. 1894	1,700,000	M & N	108	108½		108	
Belleville & Southern Ill. R. 1st 8's. 1896	1,041,000	A & O	117½	118½	120	120	
Belleville & Carondelet 1st 6's. 1893	485,000	J & D	110½	110½	110	112½	
St. Louis, Ark. & Tex. 1st cts. 6's. 1896	9,529,000	M & N			100%	100%	
do 2d cts. 6's. 1896	9,529,000	F & A				59½	
St. Paul, Minn. & Manitoba 1st 7's. 1900	5,350,000	J & J	118	112	115		
do do small. 1900		J & J					
do do 2d 6's. 1900	8,000,000	A & O	122½	118½	121	121½	
do Dakota extension 6's. 1910	5,676,000	M & N	123	118½		120	
do 1st consolidated 6's. 1893		J & J	125	115		120½	
do do registered. 1893		J & J	119	114½			
do do reduced to 4½'s. 1893	18,690,000	J & J			99%		
do do do regist'd. 1893		J & J					
Minneapolis Union 1st 6's. 1922	2,150,000	J & J			112		
St. Paul & Duluth 1st 5's. 1891	1,000,000	F & A			110½		
South Carolina Railway 1st 6's. 1890	5,000,000	A & O	118	102		104	
do do 2d 6's. 1891	1,500,000	J & J	90	81		80	
Shenandoah Valley 1st 7's. 1900	2,270,000	J & J	100	70		97½	
do do Trust Co. receipts. 1900		J & J				98	
do do gen'l mte 6's. 1891	23,212,000	A & O	49½	29	88	39	
Sodus Bay & Southern 1st 5's, gold. 1924	500,000	J & J	105	101		*105	
Texas Central 1st sinking fund 7's. 1909	2,145,000	M & N	80	68	78		
do 1st mortgage 7's. 1911	1,254,000	M & N			78		
Toledo & Ohio Cent. 1st gold 5's. 1896	3,000,000	J & J	102½	92½	*108	98	
Toledo, Peoria & W'n 1st 7's. 1917	4,500,000	Q & J					
do do Trust Co. receipts. 1917			106	91	108	110	
Toledo, Ann Arbor & No. Mich. 1st 6's. 1924	2,120,000	M & N	95	90	90		
Toledo, Ann Arbor & G.T. 1st 6's, gold. 1921	1,280,000	J & J	107	101	104½	105	
Texas & New Orleans 1st 7's. 1905	1,620,000	F & A			115		
do do Sabine Div. 1st 6's. 1912	2,075,000	M & S	107½	100½	101	104½	
Virginia Midland mortgage Inc. 6's. 1927	4,000,000	J & J	100	59½		98	
do do gen'l mortgage 6's. 1936	432,000	M & N				95½	
Wabash, St. L. & Pac. gen. mte 6's. 1920	16,000,000	J & D	63	45		*90	
do Trust Co. Receipts. 1920		J & D	67	44	56	54½	
do Chicago Division 5's. 1910	4,500,000	J & J	97	85	95½	96	
do Havana Division 6's. 1910	1,600,000	J & D	88	88		*90	
do Indianapolis Division 6's. 1921	2,275,000	J & D				*90	
do Detroit Division 6's. 1921	2,052,000	J & J	82	78	91	94	
do Cairo Division 5's. 1931	3,857,000	J & J	55	55	*85		
Wabash Railway mte 7's. 1879-1909	2,000,000	A & O	91	70	86		
Tol. & Wabash 1st extended 7's. 1890	3,400,000	F & A	115½	110	113½		
do 1st St. Louis Division 7's. 1899	2,700,000	F & A	111	100	110	111	
do 2d mte extended 7's. 1893	2,500,000	M & N	105½	97	102	102½	
do equipment bonds 7's. 1893	600,000	M & N	8	4		*4	
do consol. convertible 7's. 1907	2,800,000	Q & F	100	84½	87	91½	
G't Western 1st mortgage 7's. 1898	2,500,000	F & A	114	109½	113		
do 2d mortgage 7's. 1893	2,500,000	M & N	108	96	102	108½	
Quincy & Toledo 1st mortgage 7's. 1890	500,000	M & N	97	94	85		
Hannibal & Naples 1st 7's. 1909	500,000	J & D			*95		
Illinois & So. Iowa 1st exten. 6's. 1912	300,000	F & A			90		
St. L., Kan. C. & N. R'l E'e & R'y 7's. 1895	3,000,000	M & S	116	108½	110	110½	
do Omaha Div. Trust Co. receipts. 1908	2,900,000	A & O			118	118½	
do do Clarinda Br. 6's. 1919	284,000	F & A	76½	65		71	
do St. Charles Bridge 1st 6's. 1908	1,000,000	A & O	103½	94	103½		
North Missouri 1st mortgage 7's. 1895	6,000,000	J & J	120	112½	116½	117½	
Wabash, St. L. & P. Iowa div. 6's. 1921	2,269,000	M & S					
do Trust Co. receipts. 1921		M & S				60	
West Shore 1st guaranteed 4's. 1900	50,000,000	J & J	106	100½	102½	102½	
do do registered. 1900		J & J	105½	101½	102½		
Western Union coupon 7's. 1900	3,920,000	M & N	123	116	119		
do do registered. 1900		M & N	125	117	119		
North Western Telegraph 7's. 1904	1,250,000	J & J			102		
Wheeling & Lake Erie 1st 5's. 1896	3,000,000	A & O					
Mutual Union Tel. sinking fund 6's. 1911	5,000,000	M & N	90½	75	86½		
Colorado Coal & Iron 1st 6's. 1900	3,500,000	F & A	101½	90		112	
Tenn. Coal, Iron & R. consol. 6's. 1902	620,000	M & N	100	97	105		
do South Pittsburgh 1st 6's. 1902	700,000	F & A	98	96	105		
do Br. div. 1st consolidated 6's. 1917	4,000,000	J & J			90	90½	
Col. & Hocking Coal & Iron gen'l 6's. 1917	700,000	J & J				89	

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INCOME BONDS. Interest payable if earned, and not to be accumulative.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887.	
				High.	Low.	Bid.	Ask d
Atlantic & Pacific West'n Div. income. 1910		10,500,000	A & O	81½	20¼	29	29½
do do do small.		2,100,000	A & O				23
do do Cent'l Div. income. 1922		629,000	J & D			*20	
Central Iowa Coupon Debt Certificates...		1,000,000	A & O				
Chicago & Eastern Illinois income..... 1907		1,200,000	D			*100	
Des Moines & Fort Dodge 1st inc. 6's.. 1905		1,500,000	J & J				60
Detroit, Mack. & Marquette income.. 1921		1,000,000		43½	12	*40	
Elizabeth City & Norfolk 2d income.. 1970		3,781,000					
Green Bay, Winona & St. Paul 2d inc. 1911		4,680,000		42¾	24¼	41½	42
Indiana, Bl'n & W'n consol. inc. 6's... 1921		2,850,000	J & J	41¾	21¾		34½
do do Trust Co. receipts...		1,119,200	J & J	39	22	33¾	34½
Indp's. Decatur & Springfield 2d inc. 1906		1,485,000	J & J	41	20	38	40
do do Trust Co. Receipts...		580,000	M & N	100	90		100
Lehigh & Wilkesbarre Coal Co..... 1888		1,000,000	M & N				95
do do small bonds... 1888		500,000	Aug	40	20	4	
Lake Erie & Western inc. 7's..... 1899		580,000	Aug	29½	27	7½	
do do Sandusky Div. inc. 1920		1,000,000	May	70	31	19	
Lafayette, Bloom'ton & Mun. inc. 7s.. 1899		500,000	M & N	107	88	105½	106
Milw.. L. Shore & Western income.....		5,300,000		74¾	53	63	63¾
Mobile & O. 1st preferred debentures....		1,850,000		44½	32	34	
do 2d do do do		600,000		35	30		32
do 3d do do do		900,000		31	25		30
do 4th do do do		508,000		76	58	72½	
N. Y., Lake E. & Western inc. 6's..... 1977		35,000,000	J & J			*48½	
N. Y., Penn. & O. 1st inc. acc. 7's		800,000				*39½	40
Ohio Central, Min'l division, inc. 7's.. 1921		2,100,000	J & D	49½	34	45	45½
Ohio Southern 2d income 6's..... 1921		800,000	Oct				*34
Ogdensburg & L. Champlain income.. 1920		200,000	Oct			*84	85
do do small		858,000	July	82½	43	81	87
Peoria, Decatur & Evansville inc..... 1920		1,230,000	Sept	82½	44	84	87
do do Evansville Div. income. 1920		1,870,000				60	
Rochester & Pittsburg income..... 1921		3,000,000	Feb	83	22½	21	
South Carolina Railway inc. 6's..... 1931		348,000	Mch				
St. Louis, I. M. & S. 1st 7's pref. int. ac'e..		418,000	April				
Sterling Iron & Rail'y, series B, inc.. 1894		491,000				*5	
do do Plain income 6's..... 1896		478,000					
Sterling Mountain Railway income.. 1895		1,357,000	June	50	33		40
St. Louis, Alton & Terre H. Div. bds. 1894		1,680,000	J & J	77	55½	60	70
St. Joseph & Grand Island 2d income. 1925		2,500,000	Feb				
Shenandoah Valley income 6's..... 1923							

COAL AND MINING.

American Coal Co..... 25	1,500,000					23	24
Consolidated Coal Co. of Maryland ... 100	10,250,000						
Cumberland Coal and Iron Co..... 100	500,000					41½	41½
Colorado Coal and Iron Co..... 100	10,000,000					45½	45½
Cameron Iron and Coal Co..... 100	2,720,000					48½	48½
Columbus & Hocking Coal & Iron Co.. 100	4,313,000					*14	16
Maryland Coal Co..... 100	4,400,000						
Montauk Gas Coal Co..... 100	2,500,000					71½	72½
N. Y. & Perry Coal and Iron Co..... 100	1,500,000					*16½	17½
New Central Coal Co..... 100	5,000,000						
Pennsylvania Coal Co..... 50	5,000,000	Q F					
Quicksilver Mining Co... .. 100	5,708,700					5½	6½
do do preferred.. .. 100	4,291,300					23	31½
Tenn. Coal, Iron & R. R. Co..... 100	10,000,000					46	47

EXPRESS.

Adams Express..... Par 100	12,000,000	Q M	150	180½	143½	145
American Express..... " 100	18,000,000	J & J	111	101½	109	110
United States Express..... " 100	7,000,000	Q F	86	51	62	63
Wells Fargo Express..... " 100	6,250,000	J & J	180	119	127	130
Pacific Mail Steamship Co.. .. " 100	20,000,000		67	45½	55½	55½

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FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

NAME.	AMOUNT.	INT. PAY- BLE.	YEAR 1886.		APR. 1, 1887.	
			High.	Low.	Bid.	Ask'd
American District Telegraph.....100	8,000,000	.....	45	80	.....	.....
Albany City 6's.....1909	500,000	J & J	.....	.....	.....	*115
Albemarle & Chesapeake 1st 7's.....1909	1,000,000	J & J	.....	.....	.....	.....
Alabama Central Railroad 1st 6's.....1918	600,000	J & J	.....	.....	.....	.....
Allegheny Central 1st mortgage 6's.....1922	.....	J & J	.....	.....	.....	.....
Atlantic & Pacific W'n div. 1st m. 6's.....1910	.....	J & J	.....	.....	.....	.....
Boston, H. & Erie 1st mtge 7's.....1900	348,000	J & J	.....	.....	.....	.....
do do guaranteed.....	1,000,000	.....	.....	.....	.....	.....
Boston & New York Air Line.....100	500,000	.....	.....	.....	.....	.....
Bradf'd, Bordell & Kinsua.....100	500,000	.....	.....	.....	.....	.....
do do 1st 6's.....1932	500,000	J & D	.....	.....	*50	65
Bradford, Eldred & Cuba.....100	500,000	.....	.....	.....	.....	.....
do do 1st 6's.....1932	500,000	J & J	.....	.....	*37	42
Brooklyn City R. R.....10	2,000,000	Q F	.....	.....	.....	.....
Brooklyn Gas Company.....25	2,000,000	.....	.....	.....	.....	.....
Brooklyn, Bath & C. I. 1st 6's.....1912	200,000	F & A	.....	.....	.....	.....
Buffalo & Southwestern.....100	471,900	.....	.....	.....	.....	.....
do do preferred.....100	471,900	.....	.....	.....	.....	.....
Carolina Central 1st mortgage 6's.....1920	2,000,000	J & J	.....	.....	.....	*109
Oedar Falls & Minnesota Railroad.....100	1,587,000	.....	19¼	11	14	17½
Cincinnati, Sandusky & Cleveland.....50	4,500,000	.....	51	82	.....	.....
do do preferred.....	429,000	.....	.....	.....	.....	.....
do do 1st 7's.....1890	1,072,300	J & D	.....	.....	.....	.....
Cincinnati, Lafayette & Chic. 1st 7's.....1901	900,000	M & S	.....	.....	.....	*118
Cin. & Sp. 1st Mort. C. C. & I. 7's.....1901	1,000,000	A & O	119	114	.....	*115
do. 1st m. g'd L. S. & M. S. 7's.....1901	1,000,000	A & O	121	117½	122	.....
Cincinnati, Hamilton & Dayton.....100	3,500,000	.....	149	105¼	.....	*170
do consol Sinking Fund 7's.....1905	1,000,000	A & O	120	120	.....	*108¼
Cincinnati, Ind., St. Louis & Chicago.....100	7,000,000	.....	101	70	*92	95
do consol. 6's.....1920	1,000,000	M & N	.....	.....	.....	.....
Cin. W. & Baltimore prior lien 4¼'s.....1898	500,000	A & O	.....	.....	.....	.....
do 1st 6's.....1931	1,250,000	M & N	.....	.....	.....	*108
do 1st 4¼'s guaranteed.....1931	5,922,000	M & N	108¾	108¼	*104	106¼
do 2d 6's.....1931	3,040,000	J & J	.....	.....	.....	.....
do 3d ¼'s.....1931	2,270,000	F & A	.....	.....	.....	.....
do 1st income mortgage.....1931	3,040,000	F & A	.....	.....	.....	.....
do 2d income mortgage.....1931	4,000,000	.....	.....	.....	.....	.....
do preferred stock.....100	12,993,000	.....	12	5	8½	9¼
do common stock.....100	5,896,100	.....	6¼	2¼	5	5¼
Citizens' Gas Company.....20	1,200,000	.....	.....	.....	.....	.....
Columbus, Springfield & Cin. 1st 7's.....1901	1,000,000	M & S	.....	.....	.....	.....
Consolidation Coal, convertible 6's.....1897	1,250,000	J & J	.....	.....	.....	.....
Cumberland & Penn. 1st 6's.....1891	903,500	M & S	.....	.....	101	.....
do do 2d 6's.....1893	430,000	M & N	.....	.....	*102	.....
Cumberland & Elk Lick Coal.....100	1,000,000	.....	.....	.....	.....	.....
Chicago City 7's.....1890	250,000	J & J	.....	.....	.....	.....
Charlotte, Col. & Augusta 1st 7's.....1895	2,000,000	J & J	.....	.....	.....	.....
Chicago & Atlantic 1st 6's.....1920	6,500,000	M & N	.....	.....	.....	*104¼
do do 2d 6's.....1923	2,500,000	F & A	.....	.....	.....	.....
Des Moines & Ft. Dodge 1st mort. 6's.....1905	1,200,000	J & J	87¼	85	*97	101
Dubuque & Dakota 1st 6's.....1919	630,000	J & J	.....	.....	.....	.....
Duluth Short Line 1st 6's.....1916	500,000	M & S	.....	.....	.....	.....
Danbury & Norwalk Railroad.....50	800,000	.....	.....	.....	.....	.....
Detroit, Hillsdale & Southwestern.....100	1,850,000	.....	83	79	.....	.....
Eighth Avenue Railroad.....100	1,000,000	.....	.....	.....	.....	.....
E. & W. R. Co. of Ala. 1st gold 6's.....1912	800,000	J & D	100%	99¼	.....	99¼
Erie & Pittsburgh Railway.....50	1,998,400	Q M	.....	.....	.....	.....
do do consolidated 7's.....1898	24,500,000	J & J	.....	.....	.....	.....
Farmers' Loan & Trust Company.....25	1,000,000	.....	.....	.....	440	.....
Frankfort & Kokomo Railroad.....50	600,000	.....	.....	.....	.....	.....
do do 1st 7's.....1908	200,000	J & J	.....	.....	.....	.....
Fort Worth & Denver City Railroad.....100	8,880,000	.....	25¼	15	42¼	42¼
Galveston, H. & H. of '83, 1st 5's.....1912	2,000,000	A & O	79	71	79
Gold and Stock Telegraph Co.....100	5,000,000	Q J

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FREE LIST—Continued.

NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		APR. 1, 1887.	
			High.	Low.	Bid.	Ask d
Grand Rapids & Indiana 1st 7's.....1899	505,000	A & O			*105	
do 1st guaranteed 7's.....1899	3,934,000	J & J			119	
do 1st extended land 7's.....1899	1,010,000	A & O			*113	120
Hendersen Bridge Co.....100	1,000,000					
Ind., Decatur & Sp. 1st 7's coupon.....1900	187,000	A & O				
Iron Steamboat Company 6's.....1901	500,000	J & J	90	85½		94
Int. & Gt. N'n 2d income.....1909	370,000					
Jefferson R. R. 1st mortgage 7's.....1889	2,000,000	J & J	107	102½		103½
Jerome Park Villa Site & Imp. Co.....100	1,000,000					
Keokuk & Des Moines.....100	2,600,400		16	5½	*6	8
do do preferred.....100	1,524,600		38¾	26		
Little Rock & Fort Smith Railway.....100	4,096,135					
do 1st 7's.....1905	3,000,000	J & J				
Louisville City 6's, act. of Leb. bra'h. 1886	225,000	J & D				
do 6's, Leb. branch extension. 1893	333,000	A & O				
Long Island Railroad.....50			100	80		
{ Brooklyn & Montauk Railroad.....100	900,000					
do do preferred.....100	1,100,000					
{ Smithtown & Port Jefferson 1st 7's.....1901	600,000	M & S				
Louisiana & Missouri River.....100	2,272,700				*24¾	25
do do preferred.....100	1,010,000				*55	
do do preferred g'td.....100	329,100				*120½	124
Louisiana Western 1st 6's.....1921	2,240,000	J & J				
Lake Erie & Western Railroad.....100	7,720,000		18¾	7¼	*14¼	15
do do assessment paid.....100			22¼	14¾	*20¼	21¼
Lac. & Sus. Central 1st E. side 7's.....1892	500,000	J & D				
do W. side 7's.....1892	500,000	J & D				
Metropolitan Elevated.....100	1,382,000	Q J				
Mariposa Gold Convertible 7's.....1886	250,000	J & J				
Memphis & Charleston.....25	5,312,725		69¼	29	126	128
do 1st consolid'd Tenn. lien 7's.....1915	1,400,000	J & J				128
Missouri, Kansas & Texas.....100			38¾	21		
{ Union Pacific South Branch 1st 6's.....1899	2,296,000	J & J				
Tebo & Neosho 1st mortgage 7's.....1903	347,000	J & D				
Hannibal & Central Missouri 2d 7's.....1892	32,000	M & N				
Boonville Bridge Co. 7's guarant'd.....1906	1,000,000	M & N				
Milwaukee & St. P. con. Sink. F'd 7's.....1905	209,000	J & J				
do 1st m. Hastings & Dakota 7's.....1902	89,000	J & J				
Milwaukee & Lake Winnebago.....100	520,000					
do do preferred.....100	780,000					
do do 1st 6's.....1912	1,430,000	J & J			106	
do do income 5's.....1912	520,000					
New York Life & Trust Co.....100	1,000,000	F & A			550	
Norwich & Worcester.....100	2,604,000					
Nash., C. & St. L. 1st 6's, T. & P. branch. 1917	300,000	J & J				
do 1st mort. 6's, McM., M. W. & A. l. b.	220,000	J & J				
New London Northern R. R.....100	1,500,000					
New York Mutual Gas Light.....100	3,500,000					
N. J. Southern int. guaranteed 6's.....1899	1,449,600	J & J	101¾	91	100	101
New Orleans, Mobile & Texas.....100	4,000,000					
N. Y. & Texas Land Co., limited.....50	1,500,000		180	149½	160	170
do do Land Scrip.....100	2,966,100		57½	50		40
N. Y., Texas & Mexico 1st 6's.....1912	2,103,000	A & O				
N. Y., Wood. & R. 1st 6's.....1902	600,000	J & J				
do do 2d income.....1912	1,000,000		80	10	10	11½
N. Y., B'klyn & Man. Beach pref.....100	650,000	A & O				
Nevada Central 1st mortgage 6's.....1904	720,000	A & O				
Oswego & Syracuse.....100	1,320,400					
Ohio Central incomes.....1920	642,000				2	5
Panama.....100	7,000,000	Q F				
Pullman's Palace Car debenture 7's.....1888	1,000,000	A & O			106	
Phila. & Reading con. coupon 6's.....1911	7,304,000	J & D				
do registered 6's.....1911	663,000	J & D				
do coupon 7's.....1911	7,310,000	J & D				
do registered 7's.....1911	3,339,000	J & D				
do imp't m'tge. coupon 6's.....1897	9,384,000	A & O				
do general mtge. coupon 6's.....1908	19,686,000	J & J				
do income mtge. coupon 7's.....1896	10,000,000	J & D			*54	
do debenture coupon 6's.....1893	670,500	J & J				
do debenture conv. 7's.....1893	10,395,900	J & J			*24¾	

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NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAR. 1, 1887.	
			High.	Low.	Bid.	Ask d
Phila. & Read. pref. 1st series con. 5's. 1883	6,000,000	M & N			*71½	
do do 2d do 5's. 1883	5,000,000	F & A			*34	
do do def'd inc. irredeemable.....	84,300,000					
do do do small.						
Pittsb'h, Bradford & Buffalo 1st 6's. 1911	800,000	A & O	82½	70	90	
Rensselaer & Saratoga R. R. ....100	7,000,000		170	155		
Second Avenue R. R. ....100	1,199,500					
Sixth Avenue R. R. ....100	1,500,000					
do do 1st mortgage. ....1889	415,000	J & J				
Savannah & Charleston 1st 7's. ....1889	500,000	J & J				
Sandusky, Day'n & Cincinnati 1st 6's. 1900	608,000	F & A				
St. Louis, Jacksonville & Chicago. ....100	1,448,800					
do do do preferred	1,034,000					
Sterling Iron & Railway Co. ....50	2,300,000					
Soioto Valley Railway. ....50	‡ 2,500,000		17	6¼	*10	11
Spring Valley Water Works 1st 6's. ....1908	† 7,000,000	M & S				
Terre Haute & Indianapolis R. ....50	1,988,000	F & A			*97	100
Third Avenue R. R. ....100	2,000,000				220	240
do do coupon bonds.	2,000,000	J & J				
do do registered bonds.						
Toledo, Delphos & Burlington. ....50	7,000,000					*7½
do do 1st main 6's. ....1910	1,250,000	J & J				
do do 1st Dayton div. 6's. 1910	1,000,000	A & O				
do do 1st term. trust 6's. 1910	250,000	J & J				
do do income 6's. ....1910	1,250,000					*7
do do Dayton div. inc. 6's. 1910	1,000,000					
Tonawanda Valley & Cuba. ....100	600,000					
do do 1st 6's. ....1881	600,000	M & S				
Union Trust Co. ....100	1,000,000				415	
United States Trust Co. ....100	2,000,000				545	
Valley Railway Co. cons. gold 6's. ....1881	1,700,000	M & S	105¼	104	100	104½
Vermont Marble Co. ....100	3,000,000					
do do sinking fund 5's. 1910	1,200,000	J & D				
Warren Railroad. ....50	1,800,000				*125	
do do 2d mortgage 7's. ....1900	750,000	A & O			*123	
Williamsburgh Gas Light Co. ....50	1,000,000	Q J				
Wabash funded interest bonds. ....1907					75	85
Toledo & Illinois Division 7's.	128,000	F & A			*100	
Lake Erie, Wabash & St. Louis 7's.	360,000	F & A			*90	
Great Western 1st mortgage 7's.	360,000	F & A			*100	
Illinois & Southern Iowa 7's.	42,000	F & A			*85	
Decatur & East St. Louis 6's.	472,500	F & A			*88	
Quincy & Toledo 6's.	37,500	F & A			*80	
Toledo & Wabash 2d mortgage 6's.	127,500	F & A			*85	
Wabash & Western 2d mortgage 6's.	262,500	F & A			*85	
Great Western 2d mortgage 6's.	437,500	F & A			*85	
Consolidated convertible 6's.	637,000	F & A			85	
Central Arizona Mining. ....10	3,000,000					
Excelsior Water & Mining Co. ....100	10,000,000					
Homestake Mining Co. ....100	12,500,000	Mo.	23	11	14½	15½
La Plata Mining & Smelting Co. ....10	12,000,000					
Little Pittsburgh Consol. Mining. ....100	10,000,000					
Mariposa L. & M. Co., California. ....100	20,000,000					
do do preferred. ....100	5,000,000					
Ontario Silver Mining Co. ....100	15,000,000	Mo.	30	23	*24	25
Robinson Consolidated Gold Mining. ....100	10,000,000					
Standard Consol'd Gold Mining Co. ....100	10,000,000					
Silver Cliff Mining Co. ....50	10,000,000					

Interest Tables.—Mr. O. M. Beach has issued a new book of Interest Tables at 6, 7, 8, 9 and 10 per cent., designed to meet the wants of all parts of the country where those rates prevail. It also contains a full set of tables of compound interest, compound discount (or present values), annuities, sinking funds, etc., by which many useful and necessary calculations can be made. Bank Clerks will find the calculations very simple and easily understood, and the book should find a place in every monied institution. Mr. Beach is an accountant of wide experience, and his work can be relied on. Price, \$4 a copy, sent postpaid to any address in the United States or Canada. Bradford Rhodes & Co., 78 William street, New York, have the exclusive sale of the book. For further particulars, see the advertisement in this issue of the JOURNAL.

BANKERS' OBITUARY RECORD.

- Adams.**—J. Adams, of J. & G. Adams, bankers, of Millersburgh, O., is dead.
- Bowen.**—Edward E. Bowen, formerly a banker in Wall Street, died in Brooklyn on March 15th, aged 71 years.
- Clarke.**—William Audley Clarke, the oldest bank President in New England, died at Newport, R. I., on March 26th, aged 84 years. He was a clerk in the National Bank of Rhode Island from 1818 until 1839, was then made Cashier, and in 1862 became President, which position he held until his death.
- Fitch.**—George P. Fitch, formerly Secretary of the Farmers' Loan & Trust Company, of New York city, died on March 21st, aged 79 years. He was connected with that company over 50 years, resigning his position in 1881.
- Fleet.**—Jonathan Gardner Fleet, at one time officially connected with the Bowery Bank, of New York city, and a Director for many years, died on March 15th, aged 85 years.
- Green.**—Joshua Green, President of J. Green's Bank, of Jackson, Miss., is dead.
- Gortner.**—John S. Gortner, of Helmer & Gortner, bankers, of Mechanicsville, Iowa, is dead.
- Harriman.**—Edward Harriman, formerly a member of the banking firm of Harriman & Jerome, which did business in Wall Street twenty years ago, died on March 25th.
- Humphrey.**—John D. Humphrey, Note-Teller of the National Exchange Bank, of Boston, died on March 6th.
- Huntzinger.**—Henry H. Huntzinger, President of the Government National Bank, of Pottsville, Penn., died suddenly on March 5th, aged 55 years.
- King.**—Paul King, Cashier of the Farmers' National Bank, of Cynthiana, Ky., died on March 4th.
- Mackin.**—Hon. James Mackin, formerly President of the First National Bank, of Fishkill Landing, N. Y., died at St. Augustine, Fla., on March 13th, aged 68 years. He was a member of the State Assembly for four years, State Treasurer in 1877 and 1878, and State Senator in 1881.
- Mattocks.**—The Hon. Samuel B. Mattocks died on February 28th, at Lyndon, Vt., aged 85 years. He was Cashier of the Caledonian Bank, of Danville, and subsequently of the Bank of Lyndon. He was Probate Judge for nine years, State Senator in 1847 and 1848, and a member of the Assembly three years.
- Myers.**—Alfred Granville Myers, senior member of the stock brokerage firm of Myers, Rutherford & Co. of Wall street, died on March 4th, aged 54 years. He was a member of the Stock Exchange since 1872.
- Pomeroy.**—Edward Pomeroy, of the firm of Pomeroy & Meigs, stock brokers, of New York, died on March 6th, aged 42 years. He was well known and highly esteemed in financial circles.
- Redington.**—Edward C. Redington, a prominent Vermont financier, died at Bradford, Vt., on March 21st, aged 76 years. He was at one time Cashier of the Orange County Bank, of Chelsea, Vt., and from 1850 to 1862 Cashier of the Passumpsic Bank, of St. Johnsbury.
- Richmond.**—Alonzo Richmond, a Trustee of the Erie County Savings Bank, of Buffalo, N. Y., died suddenly on March 2d. He was one of the leading citizens of Buffalo, and active in forwarding the commercial interests of that city.
- Ridgway.**—Thomas Ridgway, formerly President of the Girard Life Assurance, Annuity & Trust Company, of Philadelphia, Pa., died in that city on March 7th, aged 90 years. He was President of the company from 1851 to 1883.
- Seeligson.**—Henry Seeligson, one of the best known business men in Texas, died at Corpus Christi on March 14th, aged 59 years. For several years he was a prominent banker in Galveston, Tex.
- Sherwood.**—John H. Sherwood, a wealthy banker and real estate owner in New York city, died on March 17th, aged 71 years. He was one of the projectors and organizers of the Fifth Avenue Bank, of which he was Vice-President for three years and a Director at the time of his death. He was largely interested in real estate, connected with several insurance companies, and widely known for his great liberality and public spirit.
- Slocomb.**—Samuel Slocomb, of Cambridge, Mass., died on February 23d, aged 82 years. He was Treasurer of the East Cambridge Five-Cents Savings Bank for fourteen years, which position he held up to his death.
- Thompson.**—Augustus P. Thompson, Cashier of the National Bank of Port Jervis, Port Jervis, N. Y., died on March 26th, aged 73 years. He was a member of the New York State Assembly in 1848.
- Travers.**—William R. Travers, the prominent New York financier and banker, died at Bermuda, on March 19th, aged 67 years. He became a member of the New York Stock Exchange in 1844, and was a partner in a number of Wall Street banking firms at different times. He retired from active business in 1875, but was a special partner in the firms of Prince & Whitely and Van Emburgh & Atterbury. Mr. Travers was a very popular man and famous for his wit.
- Treat.**—James A. Treat, Vice-President of the Broadway Savings Bank, of Lawrence, Mass., died at Lawrence, on March 10th, aged 80 years. He was a Director of the Lawrence National Bank at the time of his death.
- Wallace.**—Lyman W. Wallace, formerly in the banking business in Michigan and later in Chicago, died at his home in New York on March 14th, aged 53 years.
- Wescott.**—George B. Wescott, President of the Chestertown National Bank, Md., died on March 22d, aged 87 years. He was President of the bank for thirty years.

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THE silver advocates claim that if the Government would accept all the silver produced by mines in the country and pay for it in certificates, the shipment to England of silver bullion would be stopped and silver would appreciate. In answer to this argument it has been remarked that the Government has for a number of years been purchasing more than one-half of the total product, or about \$28,000,000 out of \$40,000,000, and silver has steadily declined in value. Another objection to such reasoning is the fact that silver is largely produced outside of the United States, and the next demand of the silver men would be to have the Government issue certificates for the total product of the world. Even this would not keep England or any other country from getting what silver they might need by buying the certificates and demanding the silver, and as with such a flood of certificates it would be impossible for the Government to maintain them at the gold standard, the price paid for them would be the market price of silver, which the immense amount of certificates it would be necessary to issue would depress rather than raise. There is another view of the matter which might seem to be worthy of consideration, whether the forced use of silver as money in this country and elsewhere does not really prevent a demand for silver in the arts, which would tend in the long run to steady the market. If the Government should cease to buy silver, it would doubtless at first fall some in price. This would tempt dealers to use it more extensively in the arts, and the surplus would soon be utilized in this way. At the reduced price, only the richest mines could be profitably worked, and the supply instead of being excessive, as it is now under a forced demand, would respond more exactly to the actual requirements of silver for legitimate use in the arts or for subsidiary coin. The present condition of affairs makes the future profits of every silver mine in the country a matter of uncertainty. It seems plain that even with the protection afforded by the Government, the price of silver will not rise, but probably continue to decline. The question for the miners is whether they can reduce the cost of production and transportation commensurate with the decline

in price. At 44 pence per oz. in London, the Government of the United States by compelling the public generally to take 412.5 grains of silver for a dollar, puts the majority of its citizens in the way of eventually losing about 25 cents upon every dollar taken by them. Owing to the financial strength of the Government, no disaster has as yet occurred, but this very immunity from danger tempts the silver advocates, who are using the Government as their pack horse to put a still further load upon the back of that patient beast of burden, to bear which its strength will sooner or later prove inadequate.

THE APPOINTMENT of Charles S. Fairchild as Secretary of the Treasury appears to meet with general approval. He was strongly recommended by Mr. Manning, so it is understood, for the place as one likely to continue the conservative policy heretofore followed. It is said that much that was best in the administration of Mr. Manning was the work of Mr. Fairchild. In advance of positive action, he is credited with being rather more radical than Secretary Manning in advocating revision and reduction of the tariff. As during Mr. Manning's illness Mr. Fairchild has virtually had the direction of the financial policy of the Department, the bond calls and other financial movements may be fairly assumed to have been made on his responsibility. He is said to be strongly in favor of a discontinuance of the silver coinage, and the necessity of sustaining the interchangability of the gold and silver funds of the country. He is generally believed to be in favor of intelligent civil service reform, so far as it brings about the desired result of economical administration. It is also said that he is convinced of the possibility of carrying on the financial operations of the Treasury without any disturbance to necessitate an extra session of Congress. Those most disposed to criticise the appointment admit that Mr. Fairchild is from a State that is in favor of sound financial measures, and that he has had every opportunity to receive good advice, and heretofore shown a disposition to follow it. Mr. Fairchild is the thirty-eighth Secretary since the adoption of the Constitution.

IN AN ARTICLE in the *Commercial and Financial Chronicle*, which appears to have been intelligently and carefully prepared from the best attainable sources, the total currency of the country in the hands of the people and the banks exclusive of that in the Treasury Department on July 1, 1886, amounted to \$1,249,191,406, and on April 1, 1887, to \$1,313,391,996, indicating an increase in nine months of \$64,200,590. In this computation, gold, silver and legal-tender note certificates of deposit are represented under the heads of gold, silver and legal-tender notes, by the coin or notes against which they were issued. By some the increase within the period mentioned has been estimated as high as eighty millions, but those who arrive at this figure have doubtless included to some extent both the certificates and the

coin or notes which they represent, which reduplication has been carefully avoided in the computation made in the *Chronicle*. The effects of this inflation of the currency are manifest in an increase in speculation in different sections of the country and in a general tendency to higher prices. That greater effects have not been manifested is perhaps due to the apprehension that the accumulation of surplus revenues in the Treasury may, as soon as the three per cent. bonds are all redeemed, cause a contraction which would upset all speculation upon a rise in prices. It seems to be assumed that the monthly statements of the Treasurer indicate a strengthening of the gold reserve. This is not caused by any increase in the gold receipts, but is due to the fact that the National banks retiring circulation as their bonds are called do not withdraw gold funds from the Treasury as other bondholders would do. The gold funds which would otherwise be paid out are retained to offset outstanding circulation. The Treasury does not, however, redeem the notes when presented in gold or gold funds, but in silver certificates. The retirement of National bank circulation is thus enabling the Treasury to get out its silver and retain its gold. What the ultimate effect of increasing the circulation of silver certificates indefinitely cannot be altogether foreseen, but as they are receivable for customs duties, it is probable that their use may interfere with and largely reduce the gold receipts of the Government. The certificates have been largely in use in the West and South, but when the current turns to the East, the certificates will accumulate in New York and other Eastern cities, and their use to pay customs duties will increase.

THE COURSE THAT will be pursued by the Treasury Department, after the three per cent. bonds are redeemed, excites much interest. Since the Government has assumed the regulation and the issue of the circulation of the country, its operations have become so interwoven with all the business interests of the nation, that its action or inaction has the most important effect on the money market. The uncalled 3 per cents. aggregate \$19,824,600, and \$16,491,900 of these are held by the banks to secure circulation. \$3,325,700 by individuals and \$7,000 in foreign countries. Two more calls of the usual amount will exhaust this portion of the public debt.

A postponement of the calls of this remnant of the threes was suggested, not as has been stated because of any undue expansion of the currency within the last eight months, but because there was now an ample supply of money, and the payment of the threes might well be reserved until there might be a greater necessity of releasing a portion of the Government surplus. This argument did not appear to have much weight with Secretary Fairchild, as he was represented as being in favor of stopping interest at the earliest moment—in other words, of letting the Government take care of itself and the money market of itself. From later dispatches it appears that the Secretary has been

influenced by another consideration to postpone the bond-call until after the beginning of a new fiscal year. The new argument is that if the \$19,000,000 three per cents. are called before July 1st it will effect no benefit, but if called after that date they can be counted as a part of the purchases or redemptions of bonds to meet the legal requirements of the sinking fund, and thus put off for a month or two the necessity of purchasing 4's and 4½'s in the market for this purpose. The sinking fund requirements for the present fiscal year have already been complied with. This plan will, perhaps, enable the Secretary to tide over the interval until the meeting of Congress, and obviate the necessity of an extra session.

It has also been intimated that the Secretary has the right to pay interest in advance upon the public debt, with a rebate, and that this plan may be pursued. This course has already been followed in the past, notably by Secretary Richardson, in 1873. But it would, doubtless, require severe pressure in the money market to induce bond-holders to accept the advance interest to any great extent, unless the amount of the rebate was computed at a low rate of gain to the Government. If the interest upon the whole debt were advanced for a year, say at a rebate which would net the Government 3 per cent., it would require about forty millions of dollars for the payment. This amount would pay the present value computed at 3 per cent. of the difference in interest between 2½ and 4 per cent. bonds for twenty years, upon nearly one quarter of the outstanding 4 per cent. bonds. That is, the Government by the use of \$40,000,000 could fund \$178,000,000 of 4 per cent. bonds of 1907 into \$178,000,000 of 2½ per cent. bonds having the same time to run. In fact, this funding operation is precisely the same in principle as to advance interest with a rebate, and if the latter plan is within the scope of the discretion of the Secretary of the Treasury, so is the former. In the one case the interest for one year is purchased at its present value, computed at 3 per cent., and in the other, part of the interest for twenty years is purchased at its present value, computed at the same rate. The funding plan will give a permanent basis to National bank circulation for twenty years. The advance interest payment benefits the bond-holders temporarily. Either of the plans is better than buying 4's and 4½'s at a premium in the market.

A WRITER in the *Grocer* quotes a President of a New York city bank as saying that the proposition recently advocated by Mr. John Jay Knox, for refunding 4 per cent. bonds into 2½ per cents., is not original with him, but is merely a rehash of a refunding bill offered in Congress by Mr. O. B. Potter, in 1884. The bank President goes further and accuses Mr. Knox, who was at the time Comptroller of the Currency, of favoring the McPherson bill and opposing the Potter bill, in doing which the said bank President thinks the Comptroller was very unpatriotic. The truth is that the plan for refunding 4 per cent. bonds

was first suggested and recommended in the Comptroller's report for the year 1882. The plan was embodied in a bill introduced in the Senate early in the session of 1883-4 by Mr. Aldrich. Mr. Potter's bill was introduced in the House later in the same session.

It was earnestly advocated by its introducer in the House, and by Mr. St. John, President of the Mercantile National Bank, among the bankers, but was so palpably impracticable that it became the laughing stock of those who took the trouble to understand its provisions.

It is true that the Potter bill contained the same principle suggested and advocated by the Comptroller in 1882, but this principle was so smothered and strangled by lumbering and contradictory provisions that no sane persons, then or since, except the originators, could advocate the measure. The same principle was contained in the Aldrich bill, which was and is a plain and practical plan of refunding the 4 per cent. debt at a lower rate of interest, and in his interview with the Finance Committee of the Senate in January, 1884, so far from opposing the principle which he had in 1882 suggested and advocated in his report, the Comptroller said that the Aldrich bill was his preference, that it was the best, though he was also in favor of the McPherson bill, which would be more readily passed by Congress, and would give immediate relief to the banks without in the least interfering with the subsequent passage of a practical funding measure like the Aldrich bill. The McPherson bill would have become a law in 1885 if it had not been for the parliamentary tactics of the advocates of the Potter bill, and it is due to this alone that National banks do not now receive circulation to the par value of the bonds deposited by them.

THE NATIONAL BANKS IN the city of Chicago appears to be backward in taking advantage of the opportunity offered them by the new reserve law to make Chicago a reserve city of the first class, that is a city the National banks located in which will be permitted to hold one-half of the reserves of National banks located in reserve cities of the second order, and be required to keep all their reserve in their own vaults. When the law was under consideration, it was supposed that the Chicago National banks were the ones to be the most benefitted by its enactment. It seems that they are too shrewd to rush into a situation all the consequences of which cannot be foreseen. It must be well understood, however, that Eastern exchange will be just as necessary as ever in Chicago, and that if it becomes a central reserve city the National banks there can no longer count such balances as their business requires them to keep in New York as reserve. The privilege of keeping all their reserve at home they can exercise at any time without any change under the law. What deposits from other banks they would get by a change which they do not get now is problematical. Probably no more would come if the change was made. The Chicago banks may be waiting to see how the thing works in St.

Louis and are willing to let the latter test the chestnuts. If they are good Chicago can step in later.

FROM THE COMPLAINTS that are received and the wide latitude which the Commission allow themselves in suspending the operation of certain portions of the law, it is plain that the Inter-State Commerce Act is very imperfect. And this was to be expected with a measure so wide-reaching in principle and which has to control so many complicated and conflicting interests. The more so as Congress now for the first time exercises its constitutional right upon grounds which have for a long time been solely occupied by the States. But whether the present law is practicable or not, Congress has taken an important step in making an attempt to exercise its unquestioned right to regulate inter-State commerce. Even if sins both of commission and omission be found in the law, much has been gained by making this effort towards exploring the field. The experience of the Commission this year will show what changes in the law are necessary to render it practical. Some parts of the bill are complained of by the railroads, and the States regard others as interfering with their rights. In some respects there is a striking analogy between the inception of this law and that by which the National banking system was established. The first National banking law was very imperfect, and Congress found it needed amendment within a year from its passage.

The Inter-State Commerce law is founded upon the constitutional right of Congress to regulate inter-State commerce. Since the days of railroads, Congress has never exercised this right, and consequently has never interfered with the powers States have exercised in chartering railroads within their borders. The State of New Jersey and doubtless other States in chartering railroads have reserved the right of demanding certain privileges from them. Since the passage of the Inter-State Commerce bill the Legislature of New Jersey has required her railroads to issue passes to State officials, which is in controversion of the law of Congress.

It might at first sight appear that Congress has no right to interfere with such an exercise of State authority. But just as Congress in the exercise of its power to regulate the currency took from the States the power to authorize State banks to issue circulating notes, so Congress in the exercise of its power to regulate inter-State commerce can render null and void provisions in State charters granted to railroads which conflict with the exercise of its constitutional right. In 1863-65 it was determined that the regulation of the currency necessitated the retirement of State bank circulation, and within a year or two it will probably be settled that the Federal law will control the contradictory powers heretofore exercised by railroads under State authority. The Commission has recently refused to decide hypothetical questions brought before them. The law, they say, is for the railroads to

observe, and its provisions are to be complied with in good faith. If complaints of non-compliance with law are brought before the Commission, they will consider whether the violations complained of are simply errors of judgment, or whether they exist in wilful disregard of the law. Where certain important features of the law are reported as inapplicable, the Commission will, in its judgment, exercise the right of suspending them until a full hearing can be had. The Commission itself, headed by Judge Cooley, of Michigan, appears to be composed of men of ability and of conservative habits of thought, which gives promise of their dealing with the complicated difficulties of this new field in a manner which will insure the eventual success of regulation of the railroads of the United States by the Federal Government.

THE COMPTROLLER OF the Currency was requested by the House Committee on Banking and Currency, to submit to them a plan for continuing the National banking system after the debt of the United States shall be reduced so as to no longer afford a sufficient basis for circulation. It was understood that Mr. Trenholm had at that time already given the subject much study, and had even prepared some notes upon the subject. It now seems that he will reserve the suggestion of any plan until his next annual report. It has been announced in the papers that in his correspondence with the banks he has accumulated a large amount of valuable material which will be of assistance to him. The apparent unpopularity of the system with Congress makes it possible that it might injure the chances of the adoption by that body of any plan proposed by the Comptroller, if it were known that the banks had in any way been instrumental in suggesting any portion of it. Mr. Trenholm takes apparently a firm stand in favor of retaining the National banks even without circulation, and it is understood is in favor of legislation reducing the deposit of United States bonds required from each bank to a merely nominal amount.

THE REMAINING THREE PER CENT. bonds will probably be called for redemption after the end of July. The surplus revenues can then be used in the purchase of four and a halves and fours at their price in the market, that is, if the holders will sell. Many seem to take it for granted that it will be just as easy for the Secretary of the Treasury to buy 4½s or 4s at the market price to any extent that he may have money to pay for as it was for him to call threes. The fact is that the fours and four and a halves are held largely by permanent investors, and the amounts offered for sale from time to time are comparatively small. The present market price is no indication of what the Government might be forced to offer to secure a purchase of say ten millions of four and a half per cent. bonds. If the Treasury can buy secretly it can obtain only the small quantities which normally are thrown on the

market from time to time. If it has to buy openly it must, to be successful in obtaining any quantity, offer much more than the market price. How much more will depend upon the opposition excited by speculators. The very knowledge that the Government is about to become a buyer will raise the price. The limit of rise would perhaps be the present value of the interest to accrue to the date of the maturity of the bonds.

THE OBJECTIONS to Senator Cullens' bill to arrive at the amount of deposits held by Savings banks which belong to deceased or unknown persons seem to consist of assertions of the extra labor it will entail on the banks to prepare the reports of the names of all persons having deposits on which there have been no payments of principal or interest for twenty years and of the alarm it may cause among small depositors. These objections do not seem to be particularly well grounded, as no Savings banks ought to grudge the few weeks extra labor which will enable it to do justice to the representatives of its dead depositors, particularly as this labor will once for all clear up the arrears of at least twenty years. In strict justice a Savings bank, partaking as it does of the nature of a benevolent institution, ought perhaps to bear not only the expense of making the list of deposits uncalled for, but also that of advertising the same. The law proposes to place the latter expense on the State. As for the dreaded alarm among small depositors, the law should rather inspire them with joy to know that the interests of savings depositors generally are the anxious care of the State.

THE NEW ASSISTANT SECRETARY, Mr. Isaac H. Maynard, in the office of Second Comptroller of the Treasury, signalized himself by care and good judgment. He has shown himself to be at once conscientious and circumspect. In his new position he will have greater opportunity for the exercise of the judicial ability with which he is credited. It is said that he has been making a special study of the customs laws which will now come under his administration. The salary of Assistant Secretary, by one of the anomalies not infrequent in the laws of the United States, is less than that of the Second Comptroller. It is, however, a step toward the highest position in the Department, as has been evidenced in Mr. Fairchild's case.

WHY DOES NOT the Treasury authorize the National bank depositories throughout the country to receive deposits for the issue of silver certificates. This would get the certificates out faster in many sections of the country, and would supplement the much strained vault room of the Treasury and Sub-Treasuries by the unused portions of the vaults of the depositories. Besides, it would facilitate the circulation of the silver dollars themselves, as they could be obtained in exchange for silver certificates wherever there is a National bank Depository.

BANK TAX DECISION.

The United States Supreme Court, in the *Mercantile National Bank* tax suit, defines the expression moneyed capital in the hands of individual citizens, used in § 5,219, as consisting "of stock or other interests owned by individuals in all enterprises, in which the capital employed in carrying on its business is money, where the object of the business is the making of profit by its use as money."

In addition to the shares of National banks, the shares of Trust companies and the deposits of Savings banks are admitted to come within the scope of this definition. The deposits of Savings banks do not, under this decision, come into competition with National bank shares, inasmuch as they are such moneyed capital as the State, from obvious interests and public policy may, in accordance with the former decision of the Court in *Hepburn vs. School Directors*, exempt from taxation without entitling National bank shares to a like exemption.

So far it may, perhaps, be admitted that the Court had at least plausible grounds for excepting the forms of capital examined from moneyed capital, the rate of taxation of which by the State is made by the Federal law the criterion of the taxation of National bank shares. But in endeavoring to except the shares of Trust companies, also, the Court has involved itself in a mass of inconsequent reasoning and apparent contradiction. The decision of *Boyer vs. Boyer* induced the banks of New York city, including the *Mercantile National*, to bring their suits for relief from taxation. In that case the Supreme Court held that the only criterion by which the degree of State taxation of National banks was to be measured was the taxation of other moneyed capital in the hands of individual citizens, and "that capital invested in National bank shares was intended to be placed upon the same footing of substantial equality, in respect of taxation by State authority, as the State established for other moneyed capital in the hands of individual citizens, however invested, *whether in State bank shares or otherwise.*"

The Court now decides that the taxation of "moneyed capital" is not the only criterion—discrimination must further be made in what, by its own definition, is declared to be moneyed capital in the hands of individual citizens; and in arriving at the proper rule for State taxation of National banks, it must be considered whether the institutions in which such moneyed capital is invested do the precise business which is done by National banks. In other words, the Supreme Court, with a sapience creditable to the celebrated Jack Bunsby, decides virtually that shares of National banks are to be taxed—not as lightly as moneyed capital invested in Savings banks—not as lightly as moneyed capital invested in Trust companies, but National bank shares must be taxed precisely at the same rate as moneyed capital invested in National banks.

Because Trust companies are not called banks, the State may exempt moneyed capital invested in them from taxation without lessening its right to tax moneyed capital invested in bank shares. The Court defines the business of banking to consist "in issuing circulation, in receiving deposits payable on demand, in discounting commercial paper, making loans on collateral security, buying and selling exchange, negotiating loans and dealing in negotiable

securities issued by the Government, State and National and municipal and moneyed corporations." The Court says it has looked at the charters of Trust companies and finds that they are incorporated to perform certain trusts, and are required to invest their capital in bonds and mortgages and stocks of the United States or of New York State or of incorporated cities of that State. While this may be so as to the capital of Trust companies, there is nothing in their charters to prevent them from receiving deposits payable on demand, and it is a notorious fact that the bulk of the deposits they do receive are so payable. These deposits they loan in precisely the same way as the banks do, and probably the largest proportion of the profits of the Trust companies are earned in the same manner as the banks earn theirs. In fact, there is no more difference between the bulk of the business done by Trust companies and that done by banks than there is between the business of one bank and that of another. One bank may issue circulation, another not; one may deal largely in securities; one may make collections a specialty, etc. The business in which banks make most of their profits, and which, as is the case with Trust companies, is their most important business, is the loaning of their deposits.

The distinction between banks and Trust companies does not appear to fully satisfy the Court, and in order to make its position stronger it asserts that the Trust companies are really taxed by the State laws in a way which renders the rate imposed on them equivalent to the rate imposed on National bank shares. The Trust companies are assessed for taxation upon capital equal to the market value of their shares, from which is allowed to be deducted the amount of non-taxable securities which they hold. The National banks are assessed upon the market value of their shares, from which no deductions are allowed. The record shows that the capital stock of Trust companies in New York city amounts to \$27,879,328, which, on account of the deductions allowed, is assessed at \$156,506 only. The shares of National banks amount to over \$40,000,000, and are without deduction assessed at that value. In *Van Allen vs. Assessors* the Court decided that, in the case of State banks, a rule of assessing the capital from which non-taxable securities were deducted *was not equivalent* to the assessment of National bank shares from which no such deductions were allowed. In the *Mercantile National Bank* suit the Court decides that, in the case of Trust companies, a rule of assessing the capital from which non-taxable securities are deducted *is equivalent* to the assessment of National bank shares without similar deductions.

The only reconciliation of this is to suppose that the Court means to intimate that the stockholders of National banks do not take full advantage of the method pointed out in its decision, in *People vs. Weaver*, of deducting the debts owing by them from the value of their bank shares. In other words, the Courts seem to say to the National banks these tax questions you are persecuting us with are too hard for us. We have involved ourselves in an inextricable tangle, and cannot preserve our consistency. Don't bring us any more. We can't help you unless you follow our advice and help yourselves. There is an easier way out of trouble. Go swear off your taxes. That is what the shareholders of Trust companies would do if the tax was on their shares. That is a practical way of securing justice. Every man can be his own Supreme Court. We are tired of these constant complaints to us when you have the remedy in your own hands.

INFORMATION ON PRACTICAL BANKING.

The *London Bankers' Magazine* for March says: "Once again the Gilbert lectures have been delivered, and once again, as on previous occasions, the question has been debated in the minds of many thoughtful financial men whether these lectures are now carried out on the lines intended by their founder. Are they sufficiently practical? Are they as interesting to bank clerks as they might be? Are they calculated to benefit bank officials in their daily work? Are they of a kind the mastering of which will enable bank clerks to take more important posts in the offices in which they are engaged? Or are they too theoretical? Are they confined to subjects outside the pale of practical banking? Are they delivered by one who is thoroughly versed in all the branches of the banking work of to-day? Or are they, on the other hand, more suitable for financial men well versed in the science of economics, and experts in arguments for and against bi-metallism."

This moderate protest against the usurpation by lectures and addresses upon recondite questions in finance, of the ground which could to more purpose be occupied by practical information of much greater utility to bank clerks and bank officers is in line with the views held by many in this country. A correspondent of the *JOURNAL* writes in a similar vein: "I think a large proportion of the bankers of the country, feel as I do, that a little more attention to the details of the banking business, and less airing of pet theories by the American Bankers' Association would be decidedly to the advantage of the fraternity and lead to a much more generous and cordial support of the Association." In fact there has been much criticism that the American Bankers' Association has permitted itself to be used as a means of introduction to public notoriety by men who were not practical bankers, in fact interlopers who through the complaisance of the association were permitted to read papers and make addresses, characterized by a greater display of egotism than of knowledge. There is no doubt however that the American Bankers' Association has done some good in a practical way, but it has not by any means exhausted the subject of practical banking.

The manner in which the details of the banking business are carried on in different parts of this country, are not by any means uniform, nor are banking customs or charges. An interesting subject would be the sources from which banks derive their profits. In other words what kinds of business they do at a profit, what as a gratuity. It is believed that bankers as a rule do more for their customers without compensation than almost any other business employing as much capital. It is pretty well known that much of the collection business is done at a loss, and there are many other favors which a customer of a bank expects for nothing. A comparison of notes on these subjects by the bankers of the country could not fail to be interesting and might bring about results valuable to all.

There seems to be a similar dearth of published information as to banking methods in England. It is suspected however that the English bankers are accustomed to be paid for many things which customers in the United States

expect for nothing. It would perhaps be interesting to bankers in England and its colonies as well as to those in this country to have some of the Gilbert lectures devoted to the subject of the profits of banking, considered in reference to the sources from which they are derived.

The JOURNAL has always advocated the necessity of keeping those subjects prominently in view which are of use to bankers in their every day business, not, however, to the exclusion of subjects of general financial importance.

TRANSPPOSITIONS IN MAKING ENTRIES.

Errors in making balances resulting from transpositions in setting down figures may be detected more readily if the accountant adopts a regular system. In England this subject is considered of sufficient importance to warrant the publication of a work on the subject called *Haycraft's Detector*, as appears from the January, 1887, number of the *London Journal of the Institute of Bankers*.

Of course there is more scope for such a work under the system of keeping accounts in pounds, shillings and pence, but in our decimal system the necessary rules are very much more simple, and are probably more or less followed by every accountant.

In cases of transpositions the difference in the footing from what it should be to balance is invariably some multiple of nine, whether the reversed figures stand in immediate juxtaposition, as 3-4, or are separated by intervening ones, as 3-2-4. In the first instance the setting down of 4-3 for 3-4 would give a difference of 9. In the next, 4-2-3 for 3-2-4 would give a difference of 0.99. A difference of 9 indicates a difference of 1 in the transposed figures; of 18, a difference of 2; of 27, a difference of 3; or in any transposition the number of times 9 is contained in the difference indicates the difference in the transposed figures. There can be nine possible variations of the transposed figures where the error is 9, and the difference between the figures 1, eight variations where the error is 18 and the difference in the transposed figures is 2, and so on, as is shown by the following table, which is taken from *Haycraft's Detector*, showing transposition of figures in juxtaposition :

1	2	3	4	5	6	7	8	9
2	3	4	5	6	7	8	9	1
3	4	5	6	7	8	9	1	2
4	5	6	7	8	9	1	2	3
5	6	7	8	9	1	2	3	4
6	7	8	9	1	2	3	4	5
7	8	9	1	2	3	4	5	6
8	9	1	2	3	4	5	6	7
9	1	2	3	4	5	6	7	8
Diff.	9	18	27	36	45	54	63	72

If the transposed figures are separated by intervening figures, the differences will follow the same rule. There will, however, be intervening nines between the figures indicating the character of the transposition. Thus, if the transposed figures differ by one, and have one intervening figure, the difference will be 0.99. If the transposed figures differ by 2, and have one intervening figure, the difference will be 1.98, or 18 with an intervening 9, the whole difference being always some multiple of 9. The number of intervening figures between the transposed figures, will be indicated by the number of nines between the

figures indicating the character of the transposition. Thus, if there is a difference of 2-9-9-7, nine is contained in 27, 3 times and the transposed figures differ by three, and, as seen by the table, may be either 0.8, 1.4, 2.5, 3.6, 4.7, 5.8, 6.9, and have two figures intervening between them. In this way any transposition in the decimal system may be traced out.

SILVER AND THE SAVINGS BANKS.

In a recent issue of the *North American Review* there appeared an article on the above subject from the pen of the Hon. Willis S. Paine, Superintendent of the New York Bank Department. The silver question is one that constantly forces itself into public view, and it has been discussed from almost every standpoint. The article of Mr. Paine presents the evil effects of the adoption of the silver standard in a peculiarly striking light by pointing out the depreciation of the value of Savings bank deposits that would necessarily ensue.

He points out that the Savings banks of the State of New York hold in trust for 1,208,000 persons the enormous sum of \$584,000,000, which represents "the slow accumulations from the pay given for services rendered by more than one-fifth of the population of the Empire State."

"The law of 1792 established a proportional value of gold to silver. It was then enacted that such value shall be as 15 to 1, according to quantity, in weight of pure gold or pure silver. This was changed in 1834 as 15 98-100 to 1. In the year 1853, the gold dollar, weighing 25 8-10 grains, was made by statute the unit of value. An ounce of standard gold is worth \$18.60, but, as the statutory relative worth of gold to silver is as 15 98-100 to 1, the coinage value of an ounce of silver is \$1.1689, yet standard silver has been and can be purchased at about ninety cents per ounce; consequently, if the silver dollar of 412½ grains becomes the unit of value there will be a shrinkage from the present gold unit, a percentage that is indicated by the loss of 26 89-100 cents on \$1.1689 or 22 67-100 per cent. The result will be that every Savings bank depositor will, when paid in lawful money, receive in round figures twenty-two per cent. less than he at the present time receives, and the loss to the depositors of these institutions in that State alone will be \$100,551,000, while all articles purchased by him will, however, necessarily be sold at twenty-two per cent. higher in silver than they now bring in gold, because tradesmen will not receive depreciated coin without protecting themselves. In other words, the premium on gold will at once be met by a rise in price. The pay given to labor is always slow to appreciate, and necessarily very gradually adapts itself to a new order of things. This injustice will be suffered by these depositors, the most deserving of encouragement of our citizens, to increase the fortunes of a few persons (comparatively speaking) who it is believed do not lack means nor deserve sympathy. If the silver interest is to be promoted at the expense of the whole people, then consistency demands that the coinage of the old-fashioned copper cent should be begun to aid the large copper interest."

The amount of Government bonds held by the Savings institutions of the State of New York aggregates \$140,066,610. Mr. Paine shows that in 1874 the United States Supreme Court held that our dollar of account is the standard gold dollar of 25 8-10 grains, and that the Revised Statutes of 1874 abolished the coinage of the standard silver dollar. "From 1874 to 1878, and long before

the maturity of some of the bonds, they were constantly being bought and sold in the belief that the Government would respect this law."

"Previous to the passage of the Bland law, \$1,143,493,400 of the bonds of the Government then unpaid had been purchased by the public at a time when silver was not in use, and \$583,440,350 had been refunded since that time when, gold was the only coin for which they were sold (gold being the legal unit subsequent to 1874) and the understanding between the parties was that the bonds were to be paid in the same coin which was given for them. They were bought with gold at the time when silver was depreciated in value. Two hundred and twenty-five millions of dollars in bonds at the reduced rate of four per cent. were offered for sale, which were also purchased by the public with gold coin or its equivalent. While these sales were progressing a doubt was raised by purchasers as to the intention of the Administration to pay the bonds in gold, when a public announcement was authorized that it was not to be anticipated that any future Congressional legislation 'would sanction or tolerate the redemption of the principal of these bonds, or payment of the interest thereon, in coin of less value than the coin authorized by law at the time of the issue of the bonds, being the coin exacted by the Government in exchange for the same.' What guarantee can there be save that of an obligation of honor for the payment of these bonds? Certainly payment cannot be enforced by process of law."

There could be no better refutation of the argument of the silver advocates that the silver dollar is the money of the masses, than the statement of Mr. Paine, showing how the deposits and assets of Savings banks—admitted to be made up of the savings of the poorer classes—would be depreciated by a change from the gold to the silver standard.

THE MONEY PROBLEM.

This is the title of an address delivered before the Chamber of Commerce, New Haven, Conn., on March 7, by Mr. George A. Butler, Vice-President of National Tradesmen's Bank. The length of the address precludes the giving of it in full in the JOURNAL, but with the permission of the author the following extracts are printed:

"Wolowski says: 'Germany, intoxicated with her success in the war and believing that henceforth all things were possible to her, desired to strike a great blow by transforming the metallic circulation in such a way as no longer to admit any thing but gold in payment, and that without the resources, supplied by the war contribution, it would have been impossible for her to have realized this metallic renovation.'"

"Whatever may have been the object Germany had in view, the fact remains, that in December, 1871, she decreed the demonetization of silver, and the adoption of the gold standard, and by December, 1875, had coined 312 millions in gold; and in January, 1876, she proclaimed the gold standard. This action of Germany opened up what is now known as the *Silver Question*. Having seen how this question was forced upon the nations, it will be well to examine the conditions under which silver had circulated as money and as a standard of value, before Germany discarded it, that we may know whether the course pursued by Germany, in regard to silver, has disturbed or destroyed

those conditions under which, and by which alone it was possible for it to be maintained by the side of gold as a medium of exchange and as a measure of values." * * * * *

"At the beginning of the war between France and Germany silver was the current money of the greater part of the world, and the mints of every country, except the few gold nations, were open to silver, and might still have been open to it, but for the course pursued by Germany, which brought about a great revolution in the monetary affairs of the world. On the demonetization of silver by Germany, the nations composing the Latin Union met to take into consideration the restriction of the coinage of silver, for the purpose of checkmating Germany, and preventing her from pouring her discarded silver into the countries of the Latin Union. They decided to closely limit the coinage of silver. This limitation of the coinage was tantamount to the closing of the mints, not only of the Latin Union nations, but the mints of the civilized world to silver. From being the current money, and the standard of value of the great majority of the nations, silver became an outcast at every mint in Europe."

After going through the history of the fluctuations in the relative value of gold and silver from the earliest times to the present Mr. Butler continues: "While I think that there is sufficient data to justify the belief that both gold and silver may be used as money, I cannot see that we are warranted in the conclusion that at times one will not circulate to a greater extent than the other. While both metals may be used as a tender, there will not at all times be a perfect concurrent circulation of the two, but rather they will alternate to a considerable degree, one being dominant at one time, the other commanding the field at other times, and that such alternations will not lead to any serious embarrassments, but on the contrary, the inconvenience be much less than we have good reason to fear from enforced monometallism." * *

"The time at my command will not permit of a full presentation of the argument that the action of France furnishes those who advocate a bi-metallic currency; nor is it at all necessary, for it is quite generally admitted that France saved gold from a great fall in value, and the world from a very grave monetary disturbance which might, and probably would have caused the most serious financial embarrassment and industrial depression throughout the civilized world.

We have seen that the coinage of gold by France; and the general acceptance of it by other nations, prevented a great decline in the value of that metal, and that the divergence in the proportions between gold and silver did not at any time exceed five per cent., and then only for a short time, and under the stress of a great demand for silver by England to be sent to India for the expenses of the army, and to build railroads in that country.

The question now arises, whether a similar course of action in regard to silver would save it from a further fall in value, and restore it to its former position as one of the great money metals of the world. I cannot see that the evidence which we have been considering is conclusive enough to permit of our insisting that there can be no question about it, but it seems to me that the evidence is good enough to admit of our saying that a belief in the practicability of a bi-metallic currency is a reasonable one, and that an effort on the part of the leading nations to establish it, is, all things considered, the

part of wisdom, rather than that of a lack of it. The perils that now hang like a pall over the earth are real, and great, and they are the natural results of the demonetization of silver. To avoid still greater evils, there must be a restoration of silver to its former position. If that cannot be done, then the world has entered upon a struggle, the end of which no man can tell." * * *

"The coinage of silver by one nation, however great that nation may be, cannot restore it to the position it had before the demonetization of silver by Germany. Before that event the mints of the greater part of the world were open to silver, now they are closed to it, and there are no indications that they will again be opened, and if not, the struggle for gold must go on and every nation must fight for its own. None can escape from the effects of the struggle, but that nation that has the smallest quantity of silver will be the one that will suffer the least, and will be in the best condition when the contest is over." * * *

"With all these facts before us is it wise for us to continue in our present course in alone trying to establish a bi-metallic currency when every thing points with irresistible power to the conclusion that it must make the United States a silver mono-metallic country? If we shall arrive at that conclusion the future historian will need no other evidence to sustain him in the assertion that we failed to comprehend the situation, and that we missed our opportunity to protect our own interests, and to insure the prosperity and peace of our own country."

The Holiday Act names the seven legal holidays now observed, viz.: New Year's Day, Washington's Birthday, Decoration Day, Independence Day, Election Day, Thanksgiving Day, and Christmas, and adds Labor Day, viz.: the first Monday in September, and fifty-two half holidays on Saturday after 12 o'clock. For all purposes whatever as regards the presenting for payment or acceptance, and the protesting and giving notice of dishonor of bills of exchange, checks, and promissory notes, these days and half days are to be considered as Sunday. There is also a further proposition for making the first Saturday following the first of May a holiday to be known as Arbor Day. If these bills become laws, the number of working days in the year will be reduced to about 280.

Plain Writing.—The signature articles now appearing in the JOURNAL seem to have stirred up the advocates of legible signatures and plain writing. From present indications, a bankers' writing school will be the next thing in order. The following letter from a correspondent shows the drift of sentiment in his section:

Editor Rhodes' Journal of Banking:

YPSILANTI, Mich., April 18, 1887.

"SIR:—I notice in the April number of the JOURNAL a correspondent writes: 'By the way, is there any good reason why a banker's signature should be illegible? . . . And certainly the paying bank would rather have a readable signature than an illegible scrawl.'

"The foregoing will, I think, receive the hearty indorsement of nine-tenths of the banks and bankers throughout the country. In our office we are very apt to regard with suspicion drafts or checks signed with a (to us) meaningless jumble of badly executed hen-tracks, while a plain, legible signature bears the mark of care and respectability upon its face.

"Just what object is served by the cultivation of signatures resembling ancient hieroglyphics is one of those things 'no fellow ever could find out.' The perpetrators of such offenses against a long-suffering public would confer a great benefit not only upon themselves but the world at large by a season's attendance at a good, old-fashioned writing-school.

P."

"WHAT'S IN A NAME?"

III.

It is gratifying to see the interest created by the series of articles published in the JOURNAL on the subject of signatures. When first introduced in the January number by showing the photographed *fac-simile* of a prominent bank Cashier in Kansas, it was intended more to illustrate what queer methods many persons—including bank officials—adopt in signing their names to prevent counterfeiting; or rather to show what curious autographs are afloat in the banking world which do not come under general observation. It was designed more as a literary curiosity, amusing and entertaining if not absolutely instructive, by showing some of the strange scrawls that are used, in business circles, as signatures.

From the number of guesses or attempts received—a very large proportion of them correct—it is evident that the rising generation of bankers is paying more attention to the subject of signatures than their predecessors. With the correct or otherwise rendering of the puzzle came, in many cases, valuable suggestions and hints with now and then such questions as the following: "What, if *any*, benefit is to be derived by using a signature that no one can read?"—or, "How can it be determined whether an undecipherable signature is counterfeit or not?"—and again, "Is not *plain writing* the *best*, under all circumstances?"

These and many more similar queries show clearly that to correctly count and care for the cash is not considered all that is necessary to complete a banker's education.

Encouraged by the interest so unexpectedly aroused, three more "curiosities" were given in the March JOURNAL—two signatures of bank officials and the third that of a prominent business firm in the West. They were more puzzling if possible than Hazen's. One of them had previously been poorly illustrated in a New York daily newspaper, which is evidently not much read by bankers as very few deciphered on it. The "marks" are those of Carmon Parse, Cashier First National Bank, Plainfield, N. J.; Gordon, Kurtz & Co., Indianapolis, Ind., and W. D. Mussenden, Cashier First National Bank, Bath, Me.

Only one person read all the names correctly, *viz.*: E. S. Scott, Teller, First National Bank, Springfield, Ill. Of the remaining guesses, two Tellers made it C. Parse, one calls it Chas. Adsit, another Adam Parse, and still another thinks it looks like Hamilton B. Dox. The business firm's signature was variously read to be John Plankinton & Co., Goldsmith, Klaw & Co., E. Kanter & Co., or Simeon Keuhn & Co., and a small number hit it right. The Mussenden name was a puzzle, some not attempting to read it, others calling it A. A. Alexander, J. E. Ostrander, W. B. Alexander, or Austin Snyder, while only three were right.

The Cashier of a Western National bank wastes ink in the following style :

The following signature is that of the Vice-President of a prominent State bank in New York :



Not to be behind in curious penmanship, the Pacific slope contributes the signature of a well-known Cashier :



Offer.—To either present subscribers or those connected with banks, firms, etc., now on our subscription books, who send in a correct reading of the *three signatures* before the sixth day of June next, we will publish their names in a subsequent issue of the JOURNAL as successful readers of very difficult signatures. To any not now subscribing—either officers or clerks—who send in a correct reading of the *three signatures* before the sixth day of June next, we will send the JOURNAL free from date to January 1, 1888.

HOW SIGNATURES SHOULD BE WRITTEN.

The publication of the signature articles in the JOURNAL has very naturally opened up the question of How bank signatures *should* be written—whether plainly or illegibly. We have no desire to take sides in a matter which, after all, is largely one of taste; although if an opinion were expressed it would rather favor plain writing, as we believe it is not so easy to counterfeit.

Queen Elizabeth once asked Sir Walter Raleigh's advice about some important matter of State, when he tersely replied : "In the multitude of counsellors there is safety—for the counsellors." So "in the multitude" of flourishes "there is safety"—for the counterfeiter. It is far easier to counterfeit John Hancock's signature and escape detection, if written in the modern style with flourishes and indescribable embellishments for the purpose of covering up the *real* name, than if it were written in the plain, old-fashioned, easy style of the original John Hancock which is so familiar to readers of American history. Any—even the *slightest*—variation from that simple signature would cause instant detection, while in the other case a glaring discrepancy might be deftly concealed beneath an array of flourishes.

A Boston correspondent, who probably was not successful in correctly reading the three puzzling signatures published in the March JOURNAL, ven-

tilates his opinion as follows. It is needless to say that we do not endorse all his conclusions:

"The only appropriate remark to be made about the makers of such signatures is, that they manifest a great want of common sense as well as an overweening vanity in supposing—as they doubtless do—that they are so well known that everybody knows their signature, however illegible. They should either improve their style or be removed from office."

A correspondent, writing from Louisville, Ky., contributes the following:

"The articles in the JOURNAL OF BANKING upon the subject of illegible signatures of bank officials have attracted considerable attention in this section, and no small amount of interest is manifested therein.

"As one of your subscribers and as bankers also, we should very much like to see this matter extended and further publicity given to these nondescript signatures, with the hope that your efforts may, to some extent, remedy the evil and induce plainer writing."

However, the question is an open one and has two sides. We invite a full expression of opinion from all parties interested.

[To be Continued.]

A package of perfectly new silver certificates of small denominations was recently returned to the Treasury from Texas, in a mutilated condition, for redemption. The mutilation consisted of a hole punched through the package, through which a cord had been passed. Acting-Treasurer Whelpley, it is stated, refused to receive them, and directed that they be returned to the bank at its expense, with the statement that such mutilation was a violation of law, and would not be permitted by the Department. If this statement of the action of the Acting Treasurer be true, it is hard to understand what legal warrant there was for it. If mutilating new United States silver certificates is a violation of law, the penalty does not consist in refusing to redeem them, nor, whatever the penalty may be, is it the duty of the Acting Treasurer or Treasurer to enforce it. It would seem that the proper course would have been to redeem the notes, and refer the facts of the mutilation to the Department of Justice to take steps to enforce the penalty.

The reason these notes were sent to Washington is supposed to be the desire to obtain New York exchange. The Texas parties by paying express to Washington hoped to obtain the proceeds of the redemption in a Treasury draft on the Assistant Treasurer in New York, thus saving the difference in express between Washington and New York city. This suggests at once the great difference between the redemption of Government paper money, legal tender notes, gold and silver certificates, and National bank notes. The National banks pay all the expenses of the redemption of their currency. A holder of National bank notes can send them to the redemption agency, at Washington, and the expense of the transportation is paid by the Government and reimbursed to it by the banks. The proceeds of the redemption are sent in the form of a Treasury draft on New York. On the other hand, the holder of legal tender notes or gold or silver certificates has to bear the expense of sending them to the Treasury—when he desires their redemption. The Government ought to render its own currency as good as that of National banks by paying all express charges involved in its presentation for redemption from any part of the country at any of the Sub-Treasuries or National Bank Depositories. If this were done it would give an elasticity to the currency which it does not now possess, and would tend to regulate the exchanges between all parts of the country.

Notes and Comments on
BANKING PRACTICE.

SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

A Clearing-House Settling Sheet.—The increasing tendency among the banks in the smaller cities and towns to form Clearing-houses for the speedy settlement of their exchanges renders any article in reference to the subject of timely interest. Every Clearing-House has its own peculiar way of managing its business, and, naturally, each one is disposed to think its own way the best. An examination of the settling sheets of the different Clearing-Houses shows that hardly any two adopt precisely the same form, and yet, by selecting the good parts in all, it seems possible to draw up a model, very simple in itself, and yet answering every purpose. The form shown is made as simple as possible :

Reserve City Clearing-House
IN ACCOUNT WITH
THE COMMERCIAL NATIONAL BANK.

Reserve City,, 1887.

	Dr.	Cr.
1 RESERVE CITY BANK.....	22 675 18	11 873 19
2 FIRST NATIONAL BANK.....	14 574 29	15 967 24
3 COMMERCIAL NATIONAL BANK.....	— — —	— — —
4 STATE BANK.....	8 435 76	10 873 16
5 MERCANTILE NATIONAL BANK.....	15 874 16	12 913 74
6 SECOND NATIONAL BANK.....	24 736 88	25 800 63
7 NATIONAL BANK OF METROPOLIS.....	10 563 77	4 625 76
8 MANUFACTURERS' NATIONAL BANK.....	12 789 64	9 834 63
9 MERCHANTS' BANK.....	5 615 19	5 215 02
	115 264 87	97 106 42
	18 158 45	— — —

The theory is as follows : For the sake of convenience, the banks are numbered in order, 1, 2, 3, etc. The desks at the Clearing-House, the names of the banks on the settling sheet, and the names on the Manager's sheet are all arranged in this same order. In regard to the arrangement of the furniture at the Clearing-House, it is equally convenient to have the desks formed by folding shelves attached to the wall. These can be let down when the Messengers return to their banks, thus leaving the room clear for other uses during the day. The Messengers, before coming to the Clearing-House, must be careful to see that their amounts against other banks are put down correctly, and that the additions are likewise correctly made. Upon arriving at the Clearing-House, each Messenger leaves the proper package on the respective desks. Then going to his own desk, enters upon his sheet the amounts of the packages, placed there for him by the other Messengers, adds up the column, makes one subtraction, and the difference he calls off to the Manager as soon as convenient, taking care to indicate whether it is a debit or a credit amount. The Manager receiving all the debits and credits, adds up the two columns,

and if they agree, the work may be presumed to be correct. As every debit on one sheet has its corresponding credit on some other sheet, the sum of the final debits must be equal to the sum of the final credits. In a Clearing-House of two dozen members this process ought not to take more than ten minutes. As a rule, the Manager's sheet will come out right the first time, for any man ought to be competent, as a general thing, to put down twenty-four amounts, add them and make one subtraction without an error. Occasionally, however, somebody will blunder. How is the error to be found? The Messengers must go over their respective sheets, see that they have put the amounts down correctly, review their additions and subtraction, and again call off to the Manager. This ought to take about five minutes more. If the error is still unfound, it must be in the work that was done on some one of the sheets before it reached the Clearing-House. To ascertain if this is the case, Messenger No. 1 must take his sheet and pass around to each bank successively, calling off the amount which he has charged against that bank. Messenger No. 2 follows him in the same way. The Messengers then go over the additions of the first columns of their sheets. The error by this time must be found, for we have exhausted every possible place in which it could be hid. This last process may consume from ten to fifteen minutes. In the matter of time, then, it would seem that, ordinarily, the settlement will be made and the Messengers out of the Clearing-House inside of ten minutes. About once a month there may be about five minutes extra, and once in a very long while an additional quarter of an hour may have to be added on. Some Clearing-Houses have a system of showing the specific differences of each bank in an extra set of columns, in order, as they claim, to prove the work. Extra columns not only cause a great deal of additional and unnecessary work, but are themselves a prolific source of error and confusion.

Better Positions.—In a large city bank a clerk may reasonably look for gradual, though perhaps slow, promotion. If he only remains there long enough, he may hope to mount step by step to the highest position, and which is more to the point, to receive the emoluments belonging thereto; but it often happens, in the small country towns, that a young man will reach his limit in a comparatively short time. Having attained the position of senior clerk, there is then no room for him to go farther until somebody dies, which they seldom do, or resigns, which they never do. Naturally such a man looks about him with a view of obtaining a place which will afford him more remuneration for his services. He knows that he is perfectly competent to fill more difficult and responsible positions, and yet sees nothing before him but years of weary waiting for "dead men's shoes." It is not likely, under ordinary circumstances, that he can find in his own town a clerical position which will be an improvement upon the one that he already holds, unless he has means and influence to start some enterprise of which he himself will be the head. It would be necessary and the best thing to put himself in communication with the outside world. This can be done by inexpensive advertising in newspapers and other publications which enjoy a large circulation among financial men. Such an advertisement, stating his age, qualifications, experience and so on would scarcely fail to bring some responses. In the large cities there are many places which a comparatively young man who has had the training afforded in a country bank could fill to advantage, and so few really competent men to take them that one who is really fit for such a position should find little difficulty in obtaining employment. In the railroad offices, large manufacturing establishments, large commercial houses, and, in fact, in any concern doing an extensive business, the services of a man who combines the qualifications of a book-keeper with experience in judging signatures, handling money and estimating credits, are always in demand. The salary paid to a really first-class man in such a position as those indicated can scarcely fail to be an improvement upon what falls to the lot of even a senior clerk in a country bank. There are additional advantages in living in a large city, which will be perceived upon very little consideration. Coming in contact with men who have themselves been successful in the financial world is, in itself, an advantage to any man, and there is in city life a certain activity

which prevents that "going to seed," as the expression is, which is apt to overtake a man shut up within the narrow confines of a village.

Filing Letters.—So great has been the demand for convenient methods of filing letters that ready sale is found for patented files of various kinds ranging from a simple pasteboard box to an elaborate cabinet. Below is shown a plan of a case for filing letters, postal cards, etc., so easy of construction that it can be made by any good carpenter. It should be explained that the names of correspondents are lettered on blocks eleven by nine inches (or eleven by seven inches) and one-half inch thick. This is preferable to lettering on the solid woodwork, as the blocks can be more readily shifted or new names substituted for others. The letters are thrown in flat, a great convenience when searching for a special item, as by merely drawing out the block the whole file of letters can be readily examined. When a compartment is filled the letters are put away in pasteboard boxes and neatly labeled. This cabinet should also be furnished with doors to keep out the dust and dirt:

<i>11 in. deep.</i>	<i>9 in.</i>	<i>9 in.</i>	<i>9 in.</i>	<i>9 in.</i>	<i>9 in.</i>
<i>Commercial, N.Y.</i>	<i>11 1/2 in.</i>	<i>Republic, N.Y.</i>	<i>Chas. N.Y.</i>	<i>Del Norte</i>	<i>St. Louis City</i>
<i>First, N.Y.</i>	<i>11 1/2 in.</i>	<i>Park, N.Y.</i>	<i>Republic, N.Y.</i>	<i>Prince, W.</i>	<i>Belgium</i>
<i>Drovers, Baltimore.</i>	<i>11 1/2 in.</i>	<i>Debois, Chicago.</i>	<i>First, Holland.</i>	<i>Chrysler, N.Y.</i>	<i>Brown Bros.</i>
<i>First, Portland</i>	<i>11 1/2 in.</i>	<i>U.S. Government.</i>	<i>Standard.</i>	<i>Hammond, N.Y.</i>	<i>Kansas City</i>

Intercourse Among Bank Clerks.—The staff of a bank forms, as it were, a little world of itself, and, as the members of it spend a good part of their lives in daily intercourse with each other, it is desirable that they should get along with each other with as much harmony and as little friction as possible. Any one, whose occupation has been such as to throw him in contact with the inside workings of the different banks, cannot fail to notice how they differ from each other in this respect. In some institutions the men get along very pleasantly together, while in others there is constant discord, jealousy, and sometimes downright ill-feeling. This harmony, which is so desirable, cannot exist unless each one contributes his part towards it. There must be mutual respect, mutual forbearance, good feeling, a kindly disposition to help one another, and, above all, a most delicate regard for each one's rights and privileges. The older clerks should avoid taking advantage of the superiority to which their lengthy services in the bank might seem to entitle them, while the young clerks must remember that to them falls the duty of performing all those numberless little tasks which cannot properly be assigned to any one in particular. The saying, "Like master, like man," holds in respect to this matter as well as to less important things. If the Cashier, who in his relation to the staff of the bank is simply the head clerk, fails to set a proper example, both in his language and manner, the whole tone of the bank suffers in consequence. It is almost impossible for the officers of the bank to take any other tone with each other than that which is given to the whole establishment by the man at the head of it. Persons who complain of the incivility and brusqueness of bank clerks would probably, upon close observation, find out that they had learned it from the man who should have set them a better example. In a certain dame's school in England, the sign displayed in the window indicated that a full course of instruction in the ordinary branches was given for one shilling per quarter, and "two-pence extra for them as learns manners." It is the observation of the writer that there are many bank officials in this country who stand in need of the old lady's instructions, especially as they are offered at so reasonable a rate.

Balancing Pass-Books—THE BALTIMORE METHOD.—In the March, 1886, number of the JOURNAL, page 174, the following description was given of the Baltimore system of balancing pass-books:

"The banks require customers to write up the checks in their pass-books before sending them in for balance—that is to say, the bank lists the deposits on the left-hand side of the pass-book day by day as they are made. The customer lists the checks on the right-hand side either day by day as he draws them or just before the book is sent in for balance. This system has not been adopted simply to save clerical labor, as might be supposed, but has commended itself to the most experienced bankers. By this method the pass-book serves as a joint account-book between the bank and the depositor. Thus the bank practically gives a receipt in writing for all money put in, and the depositor likewise gives a receipt (by listing his checks himself) for all money paid out. When the book is ready for balancing the depositor sees that it agrees with the balance called for by his cash-book. It is then sent to the bank and the clerk compares it with the bank ledger. The checks are ticked off one by one, those that have not yet been presented for payment being properly noted. This method is an advantage to both parties. The depositor, listing his checks himself, can produce the pass-book as evidence in Court. Should the bank have paid a forged or raised check it is immediately noticed by the Ledger Clerk, and at once reported to the Cashier, who is then in a position to take such steps as may be necessary to protect the bank's interests, bringing the matter to the attention of the Board of Directors or the bank's legal advisers. But where the bank lists the checks the customer will be the first to notice the forged or altered check, and will take good care to fortify himself with facts, evidence and *legal advice* before saying anything to the bank about it. By this method, however, the bank, in case of any irregularity, has first knowledge of the wrong, which gives it a decided advantage in any further proceedings. It is also a safeguard against falsifying the bank's ledgers."

The above method has many good points to recommend it. Following is the check side of a pass-book balanced on this plan, which will give a very

clear idea of its practical utility. The checks not ticked are those outstanding at the time the book is balanced, and are given in detail under the ruling :

— Check Side —

of pass-book balanced by the Patrimoine method

No. 1			410 25
2			514 14
3			1 934 05
4			2 436 50
5			7 50
6			317 10
7			941 06
8			4
9			1 500
10			3 240
11			57 63
12			64 18
13			19 50
14			300
15			421
			11 656 91
	Outstanding		732 50
		10	924 41
	Balance	1	615 10
		12	539 51
	Outstanding		7 50
			4
			300
			421
			702 50

Insufficiently Stamped Letters.—It is a great annoyance to receive letters that are insufficiently stamped. It gives a bad impression of the bank that sends them and often causes vexatious delays in their reception. Postmasters put a notification card in the lock-box instead of the letter itself. This delays the Messenger, who has to fumble about in his pocket for a nickel and then take his turn at the window for the letter. A letter scale should be kept on the corresponding desk of every bank both as a convenience and a reminder to the sender to always put sufficient stamps on every letter.

A Ledger Ruling.—Here is a method of ruling a Ledger which may commend itself to some of our readers. The posting and adding columns will be understood at a glance. The middle column is called the balance column, and the figures in it are intended to be altered with every posting. The object of this column is to show the exact balance outstanding at any time on that account. It makes a little more work to strike the balance at every posting, but some book-keepers think it more advantageous to do so. The balance can be proved at any time by adding the posting columns as shown and taking the difference :

1887	3					4535 07	1887					11535 07
May				1416 00		3119 07	May	3				
"	11			25 60		6619 07	"	11				3500 00
"	"			1300 00		6593 47	"	6		13035 07		5000 00
"	5	11741 60		2000 00		5293 47						
						3293 47						
						8293 47						

BANKING LAW.

* Legal Decisions Affecting Bankers.

GIVING DRAFT IN RENEWAL OF PREVIOUS DRAFT—LIABILITY OF PARTIES ON ORIGINAL NOT DISCHARGED—LIABILITY OF GUARANTOR.

The Belleville Nail Mill Co. gave its draft at four months, drawn upon and accepted by P., its Treasurer, to the Belleville Savings Bank, for an indebtedness to the latter. This draft was indorsed by B, W and A as co-guarantors. At the maturity of this draft, it not being paid, another draft of the same tenor and only differing in date was executed in renewal by the Belleville Nail Mill Co. When this draft was given, B, after it was executed by the Belleville Nail Mill Co., put his name on the back of it and gave it to P, the Treasurer of said Company directing him to tell the Cashier of the Belleville Savings Bank that it was not to be taken by the bank unless A also placed his name on the back of it. P so informed the Cashier, who said the draft was taken on those conditions. A refused to indorse the draft as co-guarantor with B and W, but signed a paper, which was pinned to the draft, to the effect that he guaranteed payment thereof at maturity if the same was not paid by the Belleville Nail Mill Co., or by B. The draft being but partly paid, and B having died, a claim was made by the Belleville Savings Bank against the estate of B upon this draft. The lower Court held that the Savings Bank could not recover, and gave judgment against it. On appeal,

Held, A never placed his name on the back of the draft. He executed a separate paper guaranteeing the payment of the draft if it was not paid by the Belleville Nail Mill Co. or by B. Had this been all there was of the case it is plain that B was not liable. His contract was a conditional one. He guaranteed the draft on condition that A should also become a guarantor like himself by writing his name on the back of the draft, and the bank before accepting the draft had notice of that fact. As the condition upon which B agreed to become bound as a guarantor of the paper was never performed, of which the bank had notice before accepting the draft, he incurred no obligation. The bank had no right to take the draft until A had written his name on the back of it. It was as between the bank and B an incomplete instrument until that condition was complied with; and so far as the conditional contract of B is concerned, no recovery can be had upon it.

But there is another view of the case which places the liability of the parties in a different aspect. This draft was given in renewal of a like one in all respects except date, made on March 14, 1874, on the back of which appears the signatures of B, W and A as co-guarantors. This last draft, when the other one was taken by the bank, was marked "Paid," and surrendered, and was put in evidence on the trial by the defendant. That the draft of March 14th was in all respects valid and a binding obligation and that B was liable thereon as guarantor is not questioned or denied. That it never was in fact paid is also a conceded fact. And, if B shall not be held liable as guarantor on the renewal draft of July 17th, then it is contended that his liability as guarantor of the old draft of March 14th remains undischarged and may be enforced against his estate.

The authorities are not uniform on the subject of the giving of a bill of exchange or a negotiable promissory note for the pre-existing debt being

* All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL's Law Department as early as obtainable.

Attention is also directed to the series, "Powers of Bank Cashiers," "Law Notes and Comments" and "Replies to Law and Banking Questions," which are included in this Department.

regarded as a payment, or not, of the indebtedness. But the prevailing rule we regard to be as stated in Edw. Bills & N. § 290, viz.: "In general the American Courts have followed the doctrine of the common law, holding that the negotiable note of a debtor when delivered to his creditor on his own debt without express agreement is not a payment thereof, but that the giving of the note may be shown in evidence on the trial in an action brought on the original demand, and will defeat a recovery on it unless the note is produced and cancelled." In further support of such rule see *Id.*, §§ 277, 278, 286, 290; 1 *Dan'l Neg. Inst.*, § 205; 2 *Dan'l Neg. Inst.*, §§ 1259, 1260, 1266, 1267, and authorities cited in the notes. And see *McConnell vs. Stettinius*, 2 *Gilman*, 713; *Miller vs. Lumsden*, 16 *Ill.*, 161; *Morrison vs. Smith*, 81 *Ill.*, 221.

Generally, where a new bill or note is given in renewal of another bill or note, the new bill or note operates only as a suspension of the debt evidenced by the original, and is not a satisfaction of it until paid. Although in some cases it has been held that an agreement to take a bill or note in absolute payment of a debt must be expressed in order to render it such, the better opinion is said to be that such an agreement may be implied as well as expressed, and that all the circumstances may be looked to to ascertain what was the actual agreement of the parties. 2 *Daniel Neg. Instr.*, § 1268.

There was in the present case nothing of any agreement that the renewal draft should be taken in payment of the old one; and all the circumstances indicative of any intention of the parties in that respect are the surrender of the old draft, the bank stamping it "Paid" on its face, and indorsement on the renewal draft of payments subsequently made. But it is held that the delivery of the old note without an agreement that it shall be extinguished does not of itself operate as a presumption of extinguishment. Neither does the receipting of the renewal note as payment so operate, such receipt being interpreted as meaning conditional payment, to be in full when the renewal note is paid. See authorities above cited. The circumstance of indorsing some payments that were made on the last draft, although dwelt upon by counsel, we regard as of no significance. It is said by *Parsons* (2 *Pars. B. & N.*, 203), that the general custom and understanding of the mercantile world would seem to demand that a new note given in renewal of an old one, which is taken up, as it is termed, should pay and cancel the old note for which it is given. But this appears to be but the author's individual opinion and not having support in the adjudicated cases. See 2 *Dan'l Neg. Inst.*, § 1266. But it is laid down by *Parsons*: "Where a new note is exchanged for one void or worthless from any cause, as usury, the former contract is not thereby avoided. The debtor has not given that to the creditor which the creditor supposed, and therefore the creditor is not bound thereby. Nor would an exchange by renewal notes be held a payment and discharge if such discharge would injure the creditor." 2 *Pars. B. & N.*, 205, 219. *Daniel* lays it down: "Even where a note is considered as paid and discharged by one given for it, as a general rule the case is excepted where the debt would by such a construction be lost, because then the intention to receive the second as a discharge would be *prima facie* rebutted. This view was taken when the first note was secured by mortgage." Citing authorities. 2 *Dan'l Neg. Inst.*, § 1266. A renewal note has the benefit of any security for the payment of the original whether by way of mortgage, deed of trust, or otherwise, and the holder may enforce it. 1 *Dan'l Neg. Inst.*, § 748. This is abundantly established by the authorities where the first note is secured by a mortgage. It is also held where the renewal note is void for usury in it, that the original note is not discharged and may be enforced. *Rice vs. Welling*, 5 *Wend.*, 595; *Leary vs. Miller*, 61 *N. Y.*, 490.

In the case at bar there was a clear liability on the part of B and A as co-guarantors for the payment of the draft of March 14, 1874. That draft has never been paid, and B's liability to pay it has not been discharged. As respects B, all that he has done in the way of discharging this undoubted liability of his is that he has made an abortive attempt towards the continuation and extension of his liability for four months. In place of his guaranty of the draft of March 14th, he was willing to become guarantor with A on a draft in renewal, payable at the end of four months, and went so far for that purpose as to place his name on a renewal draft dated July 17th, payable at four months,

upon the condition that, before it was delivered, A should likewise place his name on the draft as co-guarantor. This A did not do. Consequently B's placing his name on the renewal draft went for naught, and it was as if he had never done so. So B's liability on the draft of March 14, 1874, remains with nothing whatever done on his part in discharging it. To hold B to be quit and clear from all liability by reason of the bank taking the renewal draft would be a manifest injustice and not in accordance with the intention of either party. The bank surely did not intend to release the liability of B as guarantor. B had no intention or expectation of having his liability as guarantor extinguished. He was willing and expected to continue his existing liability as guarantor by having A join with him in the guaranty of the renewal draft. But if A did not become a co-guarantor with him on the renewal draft, then, of course, B intended and expected that his liability together with that of A as guarantor on the old draft should be and remain as it then was. There is no reason why his mere unsuccessful attempt to renew the guaranty should discharge it. His putting his name on the renewal draft without a delivery thereof was no detriment to him or benefit to the bank, and the taking by the latter of the renewal draft with B's name upon it should under the circumstances count as nothing towards the discharge of his liability as guarantor upon the original draft of March 14, 1874. Nor did the separate guaranty given by A affect the rights of any of the parties. He remained as co-guarantor on the old draft with B. For like reason that the taking of the renewal draft would not have been held to affect the security of any mortgage had there been one for the payment of the original draft, we think it should not be held to discharge this security of a guaranty for the payment of the first draft.

Further *Held*, That notwithstanding the claim against the estate of B was made upon the renewal draft and not upon the original draft, plaintiff can recover in this action. The whole theory and policy of the Illinois practice now is to allow a recovery in all cases, regardless of technical rules, where the evidence shows a right of recovery.

Judgment against bank reversed.

Belleville Savings Bank vs. Bornman, Ex'r, Supreme Court of Illinois, January 26, 1887.

CERTIFICATE OF DEPOSIT A NEGOTIABLE PROMISSORY NOTE—STATUTE OF LIMITATIONS RUNS FROM DATE.

Action upon a certificate of deposit in the following form :

\$540.

J. D. WITTER, Banker,

GRAND RAPIDS, Wis., October 6, 1886.

Mr. James Curran has deposited in this bank five hundred and forty dollars, payable to his order on the return of this certificate properly indorsed.

J. D. WITTER, per MOODY.

Held, The certificate of deposit in suit is in the ordinary form of such instruments, and is therefore in substance and legal effect a promissory note.

Further *Held*, The next question is, when did the statute of limitations commence to run against the certificate? The plaintiff maintains that it only commenced to run upon demand of payment, while the defendant claims that it commenced to run as soon as the certificate was issued. There are plenty of adjudications by Courts of great authority sustaining both of these propositions. The question is now presented to this Court for the first time, and we must choose between these conflicting lines of authority and adopt the rule which seems to us to rest on the soundest principles and which best accords with the analogies of the law. What would be the equivalent of this certificate were it put in the usual form of a promissory note? Undoubtedly it would be for the same amount payable on demand to the same payee, or order, perhaps, at the office of the maker, and probably without interest until actual presentation and demand of payment. It would be substantially in this form: "For value received, on demand, I promise to pay James Curran, or order, at my bank in Grand Rapids, Wisconsin, \$540 without interest until after demand." That such a note is due presently, and the statute of limitations commences

to run against it from its date, is well settled. What valid reason can be given why the same results should not follow the giving of a certificate of deposit, which contains the same contract and is the exact equivalent of such a note? If any such reason exists we have failed to comprehend it. In *Brummagin vs. Tallant*, 29 Cal. 503, it was held that the statute of limitations began to run against a banker's certificate of deposit payable on demand from the date of the same, and that no special demand is necessary to put the statute in motion. We entirely agree with the Supreme Court of Michigan, which in *Tripp vs. Curtenius*, 36 Mich., 496, after the rule of the California case, proceeds to say of a certificate of deposit in the usual form: "To hold such instruments to be, in legal effect, promissory notes payable on demand, and yet not apply the principle applicable to demand promissory notes, either because of the peculiar form of the instrument or because issued by a firm engaged in the ordinary business of banking, would be to create a distinction unsound in principle and one not warranted by any necessity that we can discover." See also *Cate vs. Patterson*, 25 Mich., 191; *Poorman vs. Mills*, 35 Cal., 118.

The cases which hold that such a certificate is not due until presented for payment, and hence that the statute of limitations does not commence to run against it until such presentation seem to go upon the ground that the transaction is not a loan of money creating a debt against the drawer of the certificate, but rather that it is in the nature of a bailment upon which no cause of action accrues until demand; in other words, it is said the transaction is in contemplation of law, a deposit and not a loan. This doctrine is held or intimated in *Payne vs. Gardner*, 29 N.Y., 146; *Munger vs. Albany City Nat. Bank*, 85 N.Y., 589; *Nat. Bank of Fort Edwards vs. Washington Co. Nat. Bank*, 5 Hun., 605; *Fells Point Sav. Inst. vs. Weedon*, 18 Md., 320; and *Bellows Falls Bank vs. Rutland Co. Bank*, 40 Vt., 377.

With all due deference to the very able Courts which have adopted this view, we cannot give our approval to the doctrine thus enunciated by them. We think that when a person deposits money in a bank in the usual course of business, he lends it to the bank, and the bank thereby becomes his debtor to the amount of the deposit—not his bailee of the money. By a deposit, the title to the money passes to the bank, and it is thereafter its money, subject to its absolute control and disposition. The depositor cannot reclaim the specific money. He cannot maintain replevin or trover for it (as he might, were the deposit a bailment) but only *assumpsit* for the amount deposited. That was the view of Judge Bronson in *Downe's vs. Phoenix Bank*, 6 Hill, 297, which was an action for the amount of a deposit, the evidence of which was the entry made by the proper officer of the bank in the plaintiff's pass-book. The judge said, speaking of the transaction: "It is not strictly a deposit nor a bailment of any kind, for the same thing is not to be returned, but another of the same kind and of equal value. In the Civil Law it is called a *mutuum* or loan for consumption. Except where the deposit is special, the property in the money deposited passes to the bank, and the relation of debtor and creditor is created between the parties."

We hold with the Michigan and California Courts that the money claimed in this action was due and payable at the date of the certificate in suit—October 6, 1869—and hence that the claim was barred by the statute on and after October 7, 1875.

Judgment for defendant.

Curran vs. Witter, Supreme Court of Wisconsin, January 11, 1887.

DEPOSIT WITH CITY BANK OF FUNDS TO TRANSMIT TO COUNTRY BANK FOR USE OF DEPOSITOR—DUTY AND LIABILITY OF CITY BANK—CUSTOM.

Action against the Drover's National Bank of Union Stock Yards, Chicago, on a certificate of deposit. The facts were as follows: On or about April 10, 1884, the plaintiff and appellee, one M. J. O'Hare, who was a farmer living near Mineral Point, Wis., came to Chicago with a car-load of cattle, which he procured to be sold at the Union Stock Yards by Bensley Bros. & Co., commission merchants. Plaintiff instructed the latter to send what was due him from the proceeds of the sale to Henry's Bank, at Mineral Point. The

amount coming to O'Hare, after deducting commissions, was \$1,053.16; and, on April 11, 1884, Bensley Bros. & Co. deposited this amount with defendant with the following ticket:

Deposit in — —, credit of W. T. Henry's Bank, Mineral Point, Wis., by Bensley Bros. & Co., for use of M. J. O'Hare.
April 11, 1884. Currency, \$1,053.16.

The bank thereupon gave Bensley Bros. & Co. a copy of the following letter of advice as a certificate of deposit:

DROVERS' NATIONAL BANK,
Union Stock Yards, Chicago, Ill., April 11, 1884. }

W. T. Henry's Bank, Mineral Point, Wis.:

Your account has credit ten hundred fifty-three 16-100 dollars deposited by Bensley Bros. & Co. for the use of M. J. O'Hare. Confirmation of the above will be given in our regular advice of this date. \$1,053.16. W. H. BRINTNALL, Cashier, by H.

The original of the above letter, together with the following, was on the same day mailed to the Henry Bank:

DROVERS' NATIONAL BANK,
Union Stock Yards, Chicago, Ill., April 11, 1884. }

W. T. Henry's Bank, Mineral Point, Wis.:

DEAR SIR:—I remit to North-Western National Bank, Chicago, for your credit, as specified below, \$1,053.16. Yours truly, W. H. BRINTNALL, Cashier.
Deposited by Bensley Bros. & Co. for use of M. J. O'Hare.

Some time during the following day this money was deposited with the North-Western Bank. Prior to this, and in January, 1883, the defendant had received the following letter:

EXCHANGE AND COLLECTION OFFICE, W. T. HENRY'S BANK,
Mineral Point, Wis., January 24, 1883. }

To H. G. Brainard, Cashier of Drovers' National Bank of Union Stock Yards, Chicago:

You are hereby instructed to transfer all deposits made with you for the credit of this bank to the North-Western National Bank, Chicago, Ill.

(Signed) THOS. T. PARMELEE, Cashier.

In July, 1883, after the giving of this last-mentioned instruction, W. T. Henry died, and thereafter the business of the bank was carried on by his widow, under the name of Henry's Bank, up to the time of its failure, which occurred on the same day that the deposit was made by Bensley Bros. & Co. with the defendant. Plaintiff sued defendant for the amount of the certificate of deposit, and a defense was interposed on the ground that there was no privity of contract between plaintiff and defendant, and that plaintiff could not maintain an action against the bank when the latter had, before any notice of his alleged equities, paid over the funds to the order of the party who was legally entitled to call on the bank for them. Judgment was rendered in favor of plaintiff, and defendant appealed.

Held. It is contended that, if a right of recovery exists in the plaintiff, the action should have been brought against the North-Western National Bank and not against the appellant. We are of opinion that the suit was properly brought. The North-Western National Bank had no notice whatever that the check of the appellant represented money belonging to the appellee, or that the appellee was in any way interested therein. It never consented to become his debtor, or to become the depository of funds for his use, and received the money without notice that it was charged with such use. The check purported to transfer to the North-Western National Bank funds of the Henry Bank going to its general account, and the same was so received by that bank and carried to the credit of the Henry Bank. There was no privity of contract between the North-Western National Bank and the appellee. The transfer was made to that bank without his knowledge or consent. Nor did the North-Western National Bank consent to act as trustee in respect to this money for its transmission to the Henry Bank for his use. No action would lie by appellee to recover of the North-Western National Bank. (29 Ill., 512; 3 Gilman, 502; 100 U. S., 195; Whart. Cont., 784-787.)

Bensley Brothers had been directed by appellee to forward the proceeds of the sale of his cattle to the Henry Bank at Mineral Point, Wis. For this purpose they were his agents, and whatever they did in pursuance of that

direction was the act of the appellee. In the course of transmitting appellee's money the agents of appellee deposited it in the appellant bank to the credit of the Henry Bank, for the use of O'Hare, appellee. The deposit was accompanied by a ticket, or memoranda, distinctly notifying appellant that the deposit was for the use of appellee. Appellant with such notice accepted the deposit, and issued and delivered to appellee's agents a certificate therefor, in which they certify that the amount has been carried to the credit of the Henry Bank for the use of appellee. Appellant must be held to have received this money with full knowledge that it belonged to appellee, and of the trust character in which it was to be transmitted to the Henry Bank.

The liability assumed by the appellant bank was to pay to the Henry Bank, for the use of appellee, the amount of this deposit with it, and, upon such payment being made and acceptance thereof by the Henry Bank, the liability of appellant would cease and the Henry Bank become liable to account to appellee for the same. It is, however, urged that, as the deposit was to the credit of the Henry Bank, it alone had the right to demand and receive the money, and alone could recover the same. This position is, we think, untenable. The deposit was by appellee for the transmission of his own funds to the credit of his home bank for his use. The Henry Bank was not a party to the deposit, never gave its consent to receive the credit or accepted the trust created for appellee's benefit. On the very day the deposit was made the Henry Bank, without any notice of this deposit to its credit, closed its doors as a bank, and its affairs passed into the hands of an assignee for the benefit of its creditors. It will not be questioned that if, before closing its doors, the Henry Bank had had notice of this deposit to its credit it would have had the right to decline it and refuse to assume the trust with which it would be charged upon receiving the money. Common honesty would have dictated such a course in view of its financial condition. The Henry Bank was a mere intermediary chosen by appellee through which the money should pass in reaching appellee, and it would become liable to appellee only in the event of its coming into possession of the fund or acceptance of the credit. The fact that the deposit was made to its credit without its knowledge or consent created no contract relation between the Henry Bank and appellant unless the Henry Bank can be held in some way to have assented thereto. (Whart. Cont., 787, and authorities cited.) The authorities cited seem fully to support the reasoning of the text. That the Henry Bank did not act indicating its assent to receiving the credit is apparent. As stated, at no time since the deposit was made has it been in condition to consent or to act as trustee of this fund.

Waiving, then, the question whether the transfer to the North-Western National Bank by check of a like amount of money constitutes a defense, if the Henry Bank refused to accept the credit, or for any reason it became impossible that it could receive the money in trust for the use of appellee, it became the duty of appellant to hold the money for the use of the depositor. He by his agents deposited the money with appellant to be transmitted for his use and benefit to another bank, which refuses or is unable to receive it, and cannot be compelled to do so. The purpose for which the deposit was made has failed and is incapable of execution, and appellant would hold the funds to the use of appellee and must account to him for the same. (5 Dill., 241; 26 Law J., Ch. 710.) Nor does it militate against this view that appellee may have been indebted in some amount to the Henry Bank. The evidence wholly fails to show that there was any understanding or agreement that the bank was to be paid out of this fund or had any interest therein.

It is shown, however, that it is the custom of city banks, when a deposit is made to the credit of a country bank in a city bank not its correspondent, to transfer the amount by check to the city correspondent of the country bank, and it is urged that the transfer to the North-Western National Bank by appellant was in accordance with this custom, and that appellant is protected from liability. While it probably is true that parties dealing with the city banks with knowledge of the custom mentioned would be bound thereby, it is not necessary in this case to determine the effect to be given to that general usage among the city banks.

As we have seen, when this money was deposited with appellant bank it was impressed with the trust in favor of appellee, and while the Henry Bank

would be entitled to draw it from appellant bank if it accepted the deposit to its credit for the use designated, yet it was, as already said, a mere intermediary in the transit of the funds from Chicago to appellee at Mineral Point, and the Henry Bank would be compelled to account to him therefor. Appellant might hold the money subject to the order of the Henry Bank, which, by its letter of advice and certificate of deposit, would be advised of the use for which it was to receive the money, or appellant might transmit it in the regular course of business, being responsible only for such care and diligence as the law charges upon persons similarly situated. But if the Henry Bank must from the character given the funds in the hands of appellant account to appellee therefor, it was the duty of appellant to give notice to any intermediary which it might select of the trust character impressed upon the funds, and not permit it to be carried in the general account of the trustee to be applied upon its debts. (Perry on Trusts, 406, 443, 444, and authorities cited.) In the hands of appellant this money was not liable as assets of the Henry Bank, nor could it be applied by appellant in payment of debts due from the Henry Bank, nor would it be subject to garnishment in appellant's hands at the suit of creditors of that bank. In what is claimed as an attempt to transfer the fund to the North-Western National Bank, appellant withheld all indications of the trust character of the funds, or that it was other than money going to the general account of the Henry Bank. To this appellee in no wise consented, and appellant stands in no better position than if it had retained the money in its custody.

It is, however, contended that, under the authority of the letter of W. T. Henry, appellant was justified in transferring this fund to the North-Western National Bank in the manner it did, and therefore the loss must fall upon appellee, if loss occurs. Without pausing to discuss whether the death of W. T. Henry would, under the circumstances here shown, amount to a revocation of that authority, it is apparent that the direction was from W. T. Henry, who, up to his death on July 1, 1883, carried on the banking business in his own name as W. T. Henry. After his death the business was carried on by another, who adopted the style "Henry Bank," and it was to this latter institution that the credit was given in this instance. But, independently of this, that letter, if otherwise binding, would not authorize the deposit in the North-Western National Bank of appellee's money to the credit of the Henry Bank as funds of the Henry Bank generally, and destroy all ear-marks by which the funds could be identified as held for appellee's use. While appellant held the funds the trust character continued. When the Henry Bank received them, if at all, it was for the benefit of appellee; and it cannot be held that any previous direction of the Henry Bank relating to a disposition of its funds would authorize the destruction of the evidence of the trust relation created in respect to this fund.

There is no hardship in the rule requiring the bank to preserve the character of the funds received by it in transmitting the same. All appellant had to do to protect itself was to preserve the trust character impressed upon the fund in transferring it to the North-Western National Bank. If that bank had, with notice of the trust, received this money, it would have held it in the same character as it was held by the appellant and charged with the same use, and, upon failure of the Henry Bank before the transmission of the fund to it, would be bound to account to appellee therefor.

Judgment against the bank affirmed.

Drovers' National Bank vs. O'Hare, Supreme Court of Illinois, January 25, 1887.

NATIONAL BANK — UNLAWFUL LENDING OF MONEY — WHO CAN ENFORCE PENALTY? — JURISDICTION OF CIRCUIT COURT IN SUIT AGAINST NATIONAL BANK.

Defendant, a National bank, loaned to the firm of Jesse Ames' Sons \$5,000 and took their note at four months, which note plaintiff, who was not a member of that firm, signed as joint maker. Plaintiff now sues the bank to have the note so signed by him declared void, and to require the defendant to deliver up such note to him for cancellation, alleging that the firm induced him to

sign the note for the purpose of evading the provisions of the Banking law, Section 5,200, of the Revised Statutes, which provides that "the total liabilities to any association of any person or of any company, corporation or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such association actually paid in. But the discount of bills of exchange drawn in good faith against actually existing values and the discount of commercial or business paper actually owned by the person negotiating the same shall not be considered as money borrowed," and that the bank had cognizance of the purpose for which plaintiff was induced to sign said note. Plaintiff also alleged that the bank had obtained a judgment, in which the amount of this note was included, against Jesse Ames' Sons, but the plaintiff was not made a party to the suit and no judgment was obtained against him. Defendant demurred to the complaint.

Held, It is well settled that the Federal Courts no longer have jurisdiction upon the ground that the defendant is a National bank, but it is insisted that the jurisdiction obtains under Section 1 of the Act of March 3, 1875, for the amount involved is over \$500, and the suit arises, as plaintiff claims, under a law of the United States. I think the decisions of the Supreme Court of the United States, heretofore made, warrant the conclusion that objections of the character presented to a breach of the Banking law by a National bank can only be urged by the Government, and the substance of complainant's bill of complaint is virtually an objection to the breach. In this case the other makers of the note who received the consideration could not escape payment, although the money was loaned in violation of the Act. This is conceded. The contract is not void as to them, and I see no equity in releasing the complainant and applying a different rule to him. He knew the obligations assumed when he signed the note to aid the party in making the loan, and he was equally liable with the other makers. The true rule is that, if the bank is to be punished for a violation of law, the Government must enforce the penalty and not an individual. The Banking law, when fully examined, does not make the contract entered into in violation of Section 5,200 of the Revised Statutes void, and the stockholders are not to suffer when such a claim is made under the circumstances suggested in the record. If it is desirable to punish a bank for a violation of law, no doubt the proper officer of the Government would, on sufficient proofs, commence proceedings.

Bill of complaint dismissed.

Wyman vs. Citizens' National Bank of Faribault, United States Circuit Court, District of Minnesota, February, 1887.

FOLLOWING PROCEEDS OF COLLECTIONS IN THE HANDS OF RECEIVER OF INSOLVENT COLLECTING BANK—RECOVERY IN FULL.

The defendant, a Savings institution, closed its doors July 2, 1884. On May 31st, previous, the Independence National Bank of Philadelphia sent a draft on C. D. Bailey for \$16.67, of that date and payable at one day's sight, indorsed "Pay to the order of Pfeiffer, Treasurer, for collection on account of the Independence National Bank, Phila., Willard B. Moore, Cashier," to the defendant institution for collection. On June 10th of the same year it sent a note of C. F. Ransom for \$527.64, due July 2d., and on June 3d. a note for \$100 of Brewer & Co., due July 4th., to the same institution for collection, both of which were indorsed as the first paper above-named. The Savings institution collected the Ransom note on June 16th., although not due until July 2d. It also collected the draft for \$16.67, but sent the Brewer & Co. note for \$100 to the National State Bank of Camden, which collected it. The Independence National Bank now seeks to recover the proceeds of the collections from the receiver.

Held, The Independence National Bank claims that it is entitled to those moneys in full. This is resisted by the counsel for the receiver, who claims that the bank is only entitled to share *pro rata* in the funds collected by the receiver. It is said that when these notes were paid it was impossible for the Savings institution to keep the money separate from the other funds of the

bank, and that when they were mingled with the other funds and the Independence Bank had credit therefor, the simple relation of debtor and creditor arose, and that if the relation of principal and agent ever did exist it did so no longer after such an entry on the books of the bank. I can see nothing in the argument respecting the impossibility of keeping the money separate when collected. The collecting bank could place such money in an envelope or other paper and preserve its identity just as easily and certainly as it could the note or draft collected. Nor can I see any force in the insistent that the entry by the collecting bank upon its books of the sum or sums of money collected changed the rights or relation of the parties. It would hardly be safe to say that an agent could make himself a debtor, simply, as distinguished from agent, by a confusion of the moneys or goods of his principal, and by then giving his principal credit for their value, or for the amount collected. Any such doctrine would be dangerous in the extreme, and would inevitably compel the abandonment of commercial transactions by means of agents. But no difficulty arises from the confusion of these moneys any more than in every other case where the rightful owner is in pursuit of trust funds. In such case the owner need not point out the very goods or bills or coin. He does all that is required if he shows that the goods or bills or coin came to the hands of the defendant impressed with a trust to his knowledge. In every such case the holder must respond either in the article taken or its value. These thoughts are sustained by the Court of Errors and Appeals in *Hoffman vs. First National Bank of Jersey City*, 46 N.J. Law, 604; *Sweeney vs. Easter*, 1 Wall., 166; *Hook vs. Pratt*, 78 N.Y., 371; 2 Pars. Bills, 21-23; *McLeod vs. Evans*, 28 N.W. Rep., 173; *Morse, Bank*, 420.

That banks may collect notes or drafts for each other, and in so doing establish a system of mutual dealing and thereby stand in the relation of debtor and creditor, as a banker does with his ordinary depositor, is not questioned, nor are the foregoing views at all inconsistent therewith. An order should be entered that the receiver pay to the Independence National Bank the full amount collected on said notes and drafts, with interest. If the money collected on the note sent to the National State Bank of Camden be still in its possession, the Independence Bank can look to it for that.

Thompson vs. Gloucester City Savings Institution, Court of Chancery, New Jersey February 17, 1887.

LIABILITY OF OFFICER OF CORPORATION SIGNING PROMISSORY NOTE AS MAKER.

Action against B. I. Brownell individually on the following promissory note:

\$200.

One year after date, value received, we promise to pay Daniel Heffner, or bearer, two hundred dollars, with interest at eight per cent. from date until paid. Payable at Independence, Iowa, with reasonable attorney's fees if sued. If interest is not paid when due it shall draw interest at eight per cent.

INDEPENDENCE MANUFACTURING CO.

B. I. BROWNELL, Pres.

D. B. SANFORD, Sec'y.

Defendant demurred to the petition and the demurrer was sustained. On appeal.

Held: In *Lacy vs. Dubuque Lumber Co.*, 43 Iowa, 516, it was held that the face of the note showed that it had been executed by the corporation. The question in that case was whether the corporation was bound and not whether Moore, who signed the note as President of the corporation and for it, was bound. In the case at bar it may be conceded that the Independence Manufacturing Company is bound, and still the question remains whether the defendant is not also. The note purports on its face to be the note of all the persons, including the corporation, who executed it. There is nothing on the face of the note which indicates that the defendant signed it as President of the Manufacturing Company, and for it. Whether parol evidence can be admitted to show that he did, we are not called on at this time to determine. (56 Iowa, 473; 75 Me., 497; 32 Md., 427.) The Courts have been called on to

determine who is bound on notes similar in some respects, and yet all the cases to which our attention has been called are different from the instrument sued on. Some of these do not disclose the name of any principal except the persons who have signed the note, or claimed to have done so, in a representative capacity. In this case, as the note purports to bind both the corporation and the defendant, and there is nothing to indicate that the defendant was President of the corporation or had signed the note for it, or in its behalf, we think he is bound personally, and that the letters "Pres." must be regarded simply as descriptive of the person to whose signature they are appended. It follows that the Court erred in sustaining the demurrer.

Judgment reversed.

Heffner vs. Brownell, Supreme Court of Iowa, March 2, 1887.

PRESIDENT OF NATIONAL BANK—AUTHORITY TO SELL PROPERTY—TRANSFER OF NOTES.

As between the corporation and himself, a President of a National bank ordinarily has no authority to sell the property of the corporation of which he is such an officer. Before he can legally do so he must have authority by the charter, the direction of the Board of Directors or its Managing Committee, or by usage; and where the property of a bank is sold by a President without authority, and the bank suffers loss thereby, he may be held liable in damages to the extent of such loss.

Where the President of a National bank, without authority, disposes of the property of the bank, and the bank is damaged thereby, and for the purpose of making good the loss, either temporarily or permanently, transfers to the bank promissory notes held by him in an amount equal to the loss sustained, and where afterwards he disposes of his interest in the bank and induces others to purchase a controlling interest in the stock upon the representation that he has no demands against the bank, he cannot afterwards recover of the bank the amount of the notes transferred to it for the purpose of making up the deficiencies caused by the loss resulting from the sale of the bank's property.

First National Bank of Central City vs. Lucas, Supreme Court of Nebraska, February 24, 1887.

ALTERATION OF NOTE — INSERTION OF "OR BEARER" IS NOT A MATERIAL ALTERATION.

Plaintiff sued defendant, the payee and indorser, upon a promissory note, as follows:

\$50.	HESPERIA, Mich., April 28, 1885.
Nine months after date I promise to pay to the order of Henry Bromley, or bearer, fifty dollars, at seven per cent. interest, value received.	
ALPHONSO C. GOWELL.	

This note was indorsed on the back "H. Bromley."

Defendant pleaded the general issue and filed an affidavit alleging that the note had been altered since he had indorsed it, and that he didn't sign it as it then appeared. The alteration claimed in the note was the insertion of the words "or bearer."

Held, Such change was not a material alteration and would not avoid the liability of the defendant upon the note.

Weaver vs. Bromley, Supreme Court of Michigan, February 15, 1887.

POWERS OF BANK CASHIERS.

Continued from page 370, April number of the JOURNAL.

XVI. Power in Regard to Discounts.—The power to make discounts is not one which is inherent in the office of Cashier, and just how far the Cashier has authority in this respect it is difficult under the present state of the authorities to say. In an early case in the Supreme Court of the United States (*Bank of*

U. S. *vs.* Dunn, 6 Pet. 51), the Court in holding that an agreement by the President and Cashier of the Bank of the United States that an indorser should not be held liable on his indorsement was beyond their power to make, use this language:—"It is not the duty of the President and Cashier to make such contracts, nor have they the power to bind the bank except in the discharge of their ordinary duties. All discounts are made under the authority of the Directors and it is for them to fix any conditions which may be proper in loaning money." Mr. Morse, in his work on Banking at page 109, is very decided in his assertion that the Cashier not only has no power inherently to discount paper but that it is one which cannot be delegated to him by the Board of Directors. He says: "The making of discounts is an inalienable function of the Directors. They cannot part with it or invest any officer or officers with it. It rests in them alone and exclusively. It is a power of that degree of vital importance that it cannot be taken out of the policy of the general principle that powers of a public nature given by the Legislature cannot be sub-delegated. The Legislature imposes upon the Board the duty of taking charge of all those matters of business upon the wise and skillful conduct of which the prosperity of the institution and the safety of the persons dealing with it depend. This duty they cannot shift in whole or in part upon others, and it covers no department of banking business more unquestionably than the making of loans and discounts." And again, at page 96, "If a President or Cashier of his own sole motion should effect a discount, he would trench upon an inalienable function of the Directors. His act would be not voidable but absolutely void, in direct contravention of a law which the Directors could by no action of their own abrogate or affect. Since they could not have originally conferred on him power to do the act, they must be equally unable subsequently to render valid his assumption of the power. The money advanced by the bank could of course be recovered in an ordinary action of debt. But the contract of discount, strictly as such, could never be confirmed by the Directors, or sued upon or enforced by either party. It must be absolutely and irremediably void."

Notwithstanding these positive statements of Mr. Morse that the power to discount cannot be delegated to the Cashier or his act in making a discount subsequently ratified, it is the fact that in actual practice discounts are frequently made by the Cashiers of banks in the exercise of their own personal discretion, and that this power is frequently delegated to the Cashier subject to a greater or less degree of supervision on the part of the Directors, or of a special discount committee. In some cases almost the entire management of the business of a bank is left to the Cashier and the Board of Directors only meet at long intervals. The exigencies of the banking business render it necessary that the Cashier should be vested with a certain degree of power to make discounts, as it is certainly impracticable for the Directors to be ever present at the Cashier's elbow on all occasions when discounts, desirable for the bank to make, are requested.

The recent case of Second National Bank of Oswego *vs.* Burt, decided by the New York Court of Appeals in 1883 (93 N. Y. 233), is an authority for the position that the Cashier may exercise this power by virtue of authority received from the Directors and that where a Cashier has been permitted for a long time to make discounts on his own responsibility with the knowledge and acquiescence of the Directors of a bank, he cannot be held liable for a loss on a discount made by him in good faith.

In that case the plaintiff bank sought to hold defendant, its former Cashier, liable for a neglect of duty resulting in loss in discounting certain drafts drawn by Page & Co., of Oswego, on White & Co., of Albany, and accepted by them which were lost to the plaintiff on account of the insolvency of both those firms shortly thereafter. No question was made as to any want of integrity, judgment or skill on the part of the Cashier in the transaction of the business in question, but he was sought to be held liable solely for his alleged neglect to observe a regulation of the bank, viz., certain by-laws appointing committees to supervise the making of discounts and requiring the Cashier to consult these committees. These discounts were all made with the knowledge and at least tacit consent of the President and Directors. The Court says at page 240:

"The undisputed evidence in the case shows that these several by-laws were from the first uniformly disregarded in the practical management of this bank with the knowledge and acquiescence of its officers. Such laws were equally as obligatory upon the President and various committees therein referred to as upon the Cashier and impliedly required them either to attend at the bank at stated periods to perform the duties enjoined upon them or at least to keep themselves accessible to the Cashier and in a position to be conveniently consulted by him according to the requirements of the business. To impose upon the Cashier the duty of carrying on the business of a bank and yet hold him responsible for a neglect of duty in not consulting officers and committees who apparently held no meetings and systematically absented themselves from the performance of their duties is an imposition which the law will not tolerate."

The Court further says that "it would be quite impracticable for the managing officer of a bank, required to keep it open daily, to leave his place of business as each transaction requiring attention occurred to look up persons engaged in other employments and consult them in regard to such transactions."

The recent case of *Martin vs. Webb*, in the Supreme Court of the United States (decided January, 1884), 110 U. S., 7, is an authority for the position that in certain cases a bank will be bound by the acts of its Cashier outside of the scope of his ordinary duties, and in matters wherein inherently he has no power to act. The Court says, at page 14: "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. Directors cannot, in justice to those who deal with the bank, shut their eyes to what is going on around them. It is their duty to use ordinary diligence in ascertaining the condition of its business, and to exercise reasonable control and supervision of its officers. They have something more to do than, from time to time, to elect the officers of the bank, and to make declarations of dividends. That which they ought, by proper diligence, to have known as to the general course of business in the bank, they may be presumed to have known in any contest between the corporation and those who are justified by the circumstances in dealing with its officers upon the basis of that course of business."

The rule to be deduced from a consideration of these recent decisions is that, although the power to discount is not inherent in the office of Cashier, and is a power requiring the exercise of the highest degree of discretion, still from the very nature of the business, the Board may invest the Cashier with such power, subject to such restrictions as they may see fit to impose; and in cases where the whole management of a bank is left to the Cashier, or where without express authority he has been in the habit of making discounts with the knowledge and without objections by the Directors, his power will be presumed and the bank will be bound.

REPLIES TO LAW AND BANKING QUESTIONS.*

Editor Rhodes' Journal of Banking:

STOCKBRIDGE, Mass., April 22, 1887.

SIR:—Will you kindly give, through the JOURNAL, advice as to how accounts of an unprofitable character can be made to pay some income to the bank?—I mean accounts

* NOTE.—A number of replies prepared for this issue are crowded out and will appear in the next number.

from which there is no hope of a fair daily balance. What commission should be charged, if any? Perhaps, if inquiry is made in this way, suggestions may be received from bankers in the country.

COUNTRY BANKER.

Answer.—It is a well known fact that banks and bankers in this country do a great deal of work for their customers without compensation which bankers in England would invariably make a charge for. Whether this is due to greater banking competition or simply by common custom, is not plain. No bank is obliged to take or retain an account unless it wishes to, and it would seem an account that is not profitable to one bank would be equally unprofitable to another. A bank may, perhaps, fear to incur the reputation of being unaccommodating. It would, however, seem to be the best course for the banks in a community to come to an understanding to make a charge in such cases. What it should be might depend on circumstances, and should be settled by the banks by agreement. The JOURNAL would be obliged for suggestions from correspondents and readers in this matter

Editor Rhodes' Journal of Banking:

BURLINGTON, Vt., April 18, 1887.

SIR:—Will you please write me your opinion as to the right of the State to tax a Savings bank in this State on what U.S. bonds it owns? Act No. 43 of Public Acts of 1884 reads as follows: "**** Every Savings bank, Savings institution and Savings bank and Trust company incorporated by this State and doing business herein, shall pay a tax to the State, which is hereby assessed at the rate of six-tenths of one per cent. annually upon the average amount of its deposits, including money or securities received as Trustee under order of Court or otherwise, and accumulations, deducting therefrom the average amount of its assets invested in real estate owned by such corporation, and also average amount, if any, of individual deposits in excess of fifteen hundred dollars each, listed to depositors in this State, where such depositors reside."

**** Very truly yours,

F. W. WARD, Treas.

Answer.—We are of the opinion that under the above law the Savings bank cannot deduct from the average amount of its deposits the amount thereof invested in United States bonds. This opinion is based on two decisions of the Supreme Court of the United States in similar cases, viz.: *Society for Savings vs. Coite*, 6 Wallace, 594, and *Provident Institution vs. Massachusetts*, in the same volume at page 611; both decided in 1867.

While it is undoubted that the bonds of the United States are exempt from taxation by the States for any purpose, and that when any portion of the capital of a corporation is invested in United States bonds a tax on such portion will be held invalid, still where the tax, as in the present case, is fixed at a certain per cent. and imposed upon the average amount of the deposits of a Savings bank at a given day, the tax will be sustained and held valid as a tax on the franchise of the association, as distinguished from a tax on its property.

In the case of the *Society for Savings vs. Coite*, above referred to, the Legislature of Connecticut in 1863 enacted that the several Savings banks in the State should make annual returns to the Comptroller of Public Accounts "of the total amount of all deposits" in them respectively, on the first day of July in each successive year; and that each should annually pay to the Treasurer of the State "a sum equal to three-fourths of one per cent. on the total amount of deposits" in such Savings bank on the day aforesaid. The statute declared that this tax should be in lieu of all other taxes upon Savings banks or their deposits. The *Society for Savings*, which was empowered by its charter to receive deposits of money, and improve them for the benefit of its depositors, but having no capital stock or stockholders, had on July 1, 1863, \$500,161 of its deposits invested in securities of the United States, which, by Act of Congress authorizing their issue, were declared to be exempt from taxation by State authority, "whether held by individuals, corporations or associations." Upon the amount of their deposits thus invested the *Society* refused to pay the sum equal to the prescribed percentage. *Coite*, the Treasurer of the State, brought suit to recover the tax thus withheld, and the Supreme Court of Connecticut decided that the tax in question was not a tax on property, but on the corporation as such, and accordingly rendered judgment for the plaintiff. (See *Coite vs. Savings Bank*, 32 Conn., 173.) The case being taken

to the Supreme Court of the United States, the judgment of the Supreme Court of Connecticut was affirmed. Mr. Justice Clifford delivering the opinion of the majority of the Court, on the ground that the tax was imposed on the franchise of the corporation and not as a tax on its property. Judge Clifford in his opinion, says : " Viewed as a tax on property, the assessment, so far as respects the amount in controversy, would be illegal, as it is well settled by repeated decisions of this Court that the States cannot tax the securities of the United States, declared by Act of Congress to be exempt from taxation, for any purpose whatever. Congress has power to borrow money on the credit of the United States, and the people, by making the Government supreme, have shielded its action in the exercise of that power from every species of unfriendly State legislation. Undoubtedly the States may tax all subjects over which the sovereign power of the State extends, but they are not authorized to tax the instruments of the Federal Government nor the means employed by Congress to carry into effect the enumerated powers of the Constitution, or any other power vested by the fundamental law in the Government of the United States." The same Justice delivers the opinion in the similar case of *Provident Institution vs. Massachusetts*, below stated, and in that opinion he summarizes the decision in the present case, so that the points decided in this case will be there referred to. Chief Justice Chase and Justices Grier and Miller dissented from the majority opinion in this case on the ground that the tax was a tax on the property and not upon the franchises and privileges of the plaintiff in error, the Society for Savings.

The case of *Provident Institution vs. Massachusetts*, *supra*, involved in a general way the same question as the case just preceding, the difference between the two being that the question in the case of the Society for Savings *vs. Coite* arose under a statute of Connecticut having one form of language, and in the present case it arose under a statute of Massachusetts having another form, more or less different. In the present case a statute of Massachusetts of 1862, entitled, " An Act to levy taxes on certain insurance companies and on depositors in Savings banks," provided by its fourth section that every institution for Savings incorporated under the laws of that Commonwealth should pay to the Commonwealth " a tax on account of its depositors of one-half of one per cent. per annum on the amount of its deposits, to be assessed, one-half of said annual tax on the average amount of its deposits for the six months preceding the 1st day of May, and the other on the average amount of its deposits for the six months preceding the first day of November." By the twelfth Section of this Act " all property taxed " under the above Section was exempted from taxation for the current year in which the tax was paid ; and Savings banks were relieved from making return of deposits in accordance with the provisions of previous statutes. The Provident Institution for Savings, a corporation having no property except its deposits and the property in which they were invested, and authorized by the general statute of Massachusetts to receive money for the use and benefit of depositors, and to invest its deposits in securities of the United States, had as its average amount of the deposits for the six months preceding the first day of May, 1865, \$8,047,652.19, of which \$1,327,000 stood invested in public funds of the United States, exempt by law of the United States from taxation under State authority. It paid all taxes asked of it, except on the portion which stood thus invested, and upon this portion it declined to pay a tax. In a suit to recover the tax, the Supreme Judicial Court of Massachusetts held that the tax was on the franchise and not on the property of the Savings institution, and was therefore lawful. (5 Allen, Mass. 437.) The case being taken in error to the Supreme Court of the United States, the decision of the Supreme Court of Massachusetts was affirmed.

Mr. Justice Clifford, in delivering the opinion of the Court, said : " Most of the questions involved in this record were very carefully considered in the case of the Society for Savings *vs. Coite*, argued at the present term, and received the conclusive determination of the Court. Extended argument in support of that judgment is unnecessary, as we are entirely satisfied with our conclusions and with the reasons assigned therefor at the time the judgment was rendered. The substance of the points determined in that case, so far as they are applicable in this controversy, may be stated as follows : (1) That the securities issued

by the United States, declared by Act of Congress to be exempt from taxation, cannot be taxed by the States for any purpose. (2) That power to borrow money on the credit of the United States is conferred upon Congress, and that inasmuch as the Constitution and the laws of Congress passed in pursuance thereof are made the supreme law of the land, it follows that the action of Congress, in the exercise of that power, is shielded from every species of unfriendly State legislation. (3) That the States cannot tax the instruments of the Federal Government nor the means employed by Congress to carry into effect the powers conferred in the Federal Constitution, although their authority is undeniable to tax all subjects over which the sovereign power of the State extends. (4) *That State laws requiring Savings institutions authorized by law to receive deposits, but without authority to issue bills and having no capital stock, to pay annually into the State Treasury a sum equal to three-fourths of one per cent. on the total amount of their deposits on a given day, in lieu of all other taxes, are properly regarded as imposing a franchise tax and not a tax on property.* (5) That the privileges or franchises of a private corporation, unless exempted in terms, which amount to a contract, are as much the legitimate subject of taxation as any other property of the citizen which enjoys the protection and is within the control of the sovereign power of the State. (6) That corporate franchises are legal estates, and not mere naked powers, but powers coupled with an interest which vest in the corporation by virtue of their charter. (7) That private corporations, and all trades and avocations by which the citizens acquire a livelihood, may be taxed by the State for the support of the State Government. (8) That such authority resides in the States independent of the Federal Government, and that it is wholly unaffected by the fact that the party, whether corporation or individual, has or has not made investments in Federal securities. (9) That the power rests in the discretion of the Legislature to decide whether the sum to be levied shall be a fixed one, and if not to determine in what manner and by what means the amount shall be determined.

"Those several propositions, except perhaps the fourth, are as applicable to the present case as to that in which they were announced, and it is clear that nothing is left in this record for decision, save the question whether the tax imposed in this case is to be regarded as a tax on property, or a tax on the privileges and franchises of the corporation."

And the learned Justice, after an elaborate discussion, reaches the conclusion that the tax in this case is not a property tax, but must be considered as a franchise tax, laid upon the corporation for the privileges conferred by the charter, "which by all the authorities, it is competent for the State to tax, irrespective of what disposition the institution has made of the funds, or in what manner they may have been invested." The Chief Justice, Grier, J., and Miller, J., in this as in the last preceding case, dissented, on the ground that the tax was one on the property and not on the franchise of the Provident Institution.

In the case of the Society for Savings above cited, the bank was required to annually pay "a sum equal to three-fourths of one per cent. on the total amount of deposits" on a given day. In the case of the Provident Institution, the law imposed "a tax on account of its deposits of *one-half of one per cent. per annum on the amount of its deposits*, to be assessed, one-half of the said annual tax on the average amount of its deposits for the six months preceding the first day of May, and the other, on the average amount of its deposits for the six months preceding the first day of November."

"In the present case the law requires that the bank "shall pay a tax to the State, *which is hereby assessed at the rate of six-tenths of one per cent. annually upon the average amount of its deposits,*" etc.

This is sufficiently similar in terms to the statute of Massachusetts to bring it within the rule laid down in the case of the Provident Institution, so that the amount of the deposits invested in United States bonds would not be exempted from the tax so levied.

Editor Rhodes' Journal of Banking:

MILWAUKEE, Wis., April 16, 1887.

SIR:—On page 373 of your April number you say that a receipt should be given by a bank for collaterals taken as security for a note discounted. Please say what the

bank should do when the party to whom the receipt has been given comes and pays his note, asks for his collaterals and says he has lost the receipt? Will the taking of a receipt back from him be sufficient? Should a bank lend to a man who will not trust it with collaterals without a receipt?

Yours truly,

MILWAUKEE.

Answer.—A party pledging collaterals has no doubt a legal right to demand a receipt for them from the bank. If this were the usual course pursued by customers there would be nothing to attract attention in it. But if it was not the custom to demand a receipt in such case, then the making of the demand might seem to indicate an unusual distrust or some ulterior design upon the part of the customer making the demand. This would be a point to be judged of by the banker himself, and he might have sufficient reasons, gathered from his experience, to refuse a loan.

If the receipt were alleged to be lost, it might not always be safe to deliver the collaterals on the simple receipt of the pledgor, because he may have transferred the original receipt for value to some innocent third party who may thereby acquire a *prima facie* right to demand the collaterals of the bank after the equities of the latter are satisfied. All these points might arise, and if a pledgor demands a receipt of the bank he ought to be very careful not to lose it, as the bank ought to be very careful not to give up his collaterals until he presents the receipt. If a receipt is demanded, it might be stipulated that the collaterals will not be surrendered except on the return of the receipt.

Editor Rhodes' Journal of Banking:

BRUNSWICK, Ga., April 15, 1887.

SIR:—We have had quite an argument on the following question, and have agreed to leave it to you to decide: When would three notes mature, dated two months from the 29th, 30th and 31st of December, 1886, respectively?

JOHN L. H. HANNAN.

Answer.—When notes are made to run so many months from date, the rule is to go to the corresponding date in the last calendar month. If that month has no such corresponding date, then the last day of that month must be taken. Thus, a note due two months from December 28th, 29th, 30th or 31st, if it is payable without grace, is due the 28th of February, unless it be a leap year, in which case the first note falls due February 28th, and the others February 29th, and so a similar note due two months from July 31st falls due September 30th. This is the rule laid down by Daniel in his work on "Negotiable Instruments," and it is the one adopted in practice among the banks generally. If the notes mentioned in the inquiry are entitled to the customary three days' grace, then their due date is March 3, 1887. By the Statutes of Georgia, promissory notes made payable or discounted at a bank are allowed three days' grace.

Editor of Rhodes' Journal of Banking:

TRAVERSE CITY, Michigan, April 19, 1887.

SIR:—Can you favor me with the figures of the report made some time ago by the Comptroller of the Currency, showing the percentage on a certain date of currency and coin, and of drafts and checks to the entire transactions of the day.

C. A. HAMMOND, Cashier.

Answer.—Information on this point was obtained by the Hon. Jno. Jay Knox, Comptroller of the Currency, who on June 30 and September 17, 1881, sent out circulars to the National banks of the country, asking for classified returns of their receipts and payments on the respective dates, and the results were published at length in his report for the year 1881.

On June 30th the total receipts of National banks in New York city were \$167,437,759, of which \$460,993 was gold coin, \$15,997 silver coin, and \$1,706,604 paper money. The remainder, \$165,254,164, was in checks and drafts. On the same date the total receipts of the National banks in the reserve cities were \$77,100,705, of which \$581,070 was gold coin, \$114,485 silver, and \$3,631,710 in paper money. The checks and drafts amounted to \$72,774,450.

The total receipts of the country banks were at the corresponding date \$40,175,542, \$822,041 being in gold coin, \$310,516 in silver coin, \$6,216,433 in paper, and \$32,826,552 in checks and drafts.

The returns received in answer to the September circulars were not materially variant from the above. The result for the whole country, taking both dates

into account, showed that checks and drafts form on the average between 94 and 95 per cent. of the total receipts of the banks.

Editor Rhodes' Journal of Banking:

ASTORIA, Oregon, April 15, 1887.

SIR:—A private banker in Astoria furnishes his customers with a stamp with which they stamp on checks drawn upon the private bank the words "payable at the — National Bank, of Portland," which is the banker's correspondent. Has the private banker the right to refuse payment on such checks when demanded at his counter in Astoria?

CASHIER.

Answer.—The drawer of the check having made the same payable at the Portland Bank, it should be presented there for payment. The case would be different if the private banker on whom the check was drawn should, after it had been issued, himself affix the printed clause that it was payable at the Portland Bank. In that event the holder could refuse to accept the qualification as to the place of payment, and protest the check. But where the drawer himself does this, he incorporates this clause as to the place of payment as part of the terms of the check, and the payee and all others thereafter taking the check must be regarded as taking it upon condition of receiving payment at the place designated.

Editor Rhodes' Journal of Banking:

DECORAH, Iowa, April 14, 1887.

SIR:—The assessor of our city thinks called United States bonds subject to taxation, claiming that as the money is in the Treasury to pay the bonds on presentation, they are no longer to be considered bonds, but as a credit. E. D. W. HOLWAY, Cashier.

Editor Rhodes' Journal of Banking:

Answer.—The assessor is probably right, if he means called bonds after the interest has ceased. Thus, the Secretary issued a call for bonds on March 23rd, which become payable on May 1st, and interest ceases after the latter date. After May 1st these bonds become mere certificates of a certain amount due the holder from the United States Treasury. The exemption from taxation was a feature intended to induce investment in them for such time as the Government desired the loan. When the Government, according to contract, has the right to pay the loan, and does pay or provide for its payment, it is absolved from further protecting the bond from the payment of taxes, the same as it is absolved from further payment of interest. In the case of a National bank, the credit in the Treasury arising from called bonds due but not presented would be nearly offset by the debit on account of circulation—even if the credits of National banks could be taxed by State authority.

Editor Rhodes' Journal of Banking:

GRAND RAPIDS, Mich., April 22, 1887.

SIR:—A bank of this city will not accept the endorsement of "The Voight Milling Company" unless the name of an officer is added. Is this necessary.

W. RICHARDSON.

Answer.—The title of the company may be a sufficient endorsement, but the name of an officer is an additional guarantee that the endorsement is valid and approved by the company.

Editor Rhodes' Journal of Banking:

BURLINGTON, Vt., April 8, 1887.

SIR:—Please state when the interest is due and payable on a note of which the following is a copy:

\$1,000.

BURLINGTON, Vt., February 1, 1885.

On or before two years from date, I promise to pay to the order of John Doe one thousand dollars with interest annually after March 31st next.

RICHARD ROE.

Very truly yours,

* * * * *

Answer.—If the wording of the note simply stated that interest is payable after the 31st of March next, its proper construction would be apparent. The question then is, What effect does the word "annually" have in modifying the meaning of the phrase? The amount of interest plainly is not affected,

for interest commences to run on the 1st of April and continues until the note is paid. The word "annually" could only refer to the time at which interest itself is payable before the maturity of the note. It might possibly be construed to mean that the year is to be reckoned from the date of the note, but as the modifying word is fixed in the body of the clause relating to the interest and placed in such close connection with that word, it would seem that it must be construed with the other words in the sentence in which it is found. In other words, that the interest is due and payable annually commencing April 1, 1886.

Editor Rhodes' Journal of Banking:

FAIRBURY, Ills.

SIR:—A note is payable to W. E. Fuller or bearer. A bank purchases the note from another party. Fuller claims to have lost the note and admitting he did lose it can he compel the bank to surrender the note and lose the money advanced on it.

CASHIER.

Answer.—If Fuller did not advertise the note or give notice to the bank of the loss of the note in any other way and if the bank in good faith purchased the note in ordinary course of business there being nothing to indicate any flaw in the title, it cannot be compelled to return the note. It is an innocent holder for value.

Editor Rhodes' Journal of Banking:

ALLENTOWN, N. J., April 23, 1887.

SIR:—A customer of the bank after endorsing a check loses it on the street, he comes to the bank and stops payment. Can the bank refuse to pay it, the check being properly endorsed.

CASHIER.

Answer.—If a check is stolen or lost by the holder after endorsement, it is not issued as against him, in the hands of the thief or finder. But if it gets into the hands of a third party who takes it for value and in due course of business, without knowledge of the fact that it had been stolen or lost, and this third party establishes this fact, the bank would be obliged to pay the check and would be protected in paying it. See Morse on Banking, pp. 255-256.

Editor Rhodes' Journal of Banking:

SHREVEPORT, La., April 21, 1887.

SIR:—What is law and what is custom in regard to endorsing checks in making exchanges with banks. It is claimed that it is neither necessary nor customary for one bank to endorse a check in getting it cashed, so long as it is endorsed by well known parties.

Answer.—If the check is endorsed payable to the order of the bank, then the latter must endorse it. If the check is not payable to the order of the bank but is simply endorsed by last holder, then there is no legal requirement that the bank in order to get the money must endorse it again.

But in making exchanges among banks it is believed to be the general custom that the checks presented by any bank should be endorsed by it whether payable to its order or not.

Editor Rhodes' Journal of Banking:

LOUISVILLE, Ky., March 26, 1887.

SIR:—Which is the most important in drawing up a note? "For value received" or "Negotiable or Payable," are they absolutely necessary, or could either of them be dispensed with? A number of clerks by "ONE OF THEM."

Answer.—Section 21 of Chapter 22 of the General Statutes of Kentucky (1881) provides that "promissory notes, payable to any person or persons, or to a corporation, and payable and negotiable at any bank incorporated under any law of this Commonwealth, or organized in this Commonwealth under any law of the United States, which shall be indorsed to and discounted by the bank at which the same is payable, or by any other of the banks in this Commonwealth, as above specified, shall be, and they are hereby placed on the same footing as foreign bills of exchange."

Promissory notes in Kentucky, ordinarily, are not negotiable so that a *bona fide* holder who has taken such a note for value, before maturity, would hold it subject to any defenses which might be interposed. By the above statute, however, when a promissory note is made payable at a bank as therein stated, and is discounted by a bank, as therein stated, it is made negotiable by

being placed on the footing of a foreign bill of Exchange, and the maker is deprived of all defense by reason of any right against the original payee.

Having prefixed this much explanatory of the peculiar law of Kentucky to enable those in other States who may be unfamiliar therewith, to correctly understand the answers to the above questions, we will now consider:

1. Is the phrase "negotiable and payable" absolutely necessary to be inserted in a Kentucky promissory note made payable at a bank?

This question is answered by the case of *McCormack vs. Clarkson*, 7 Bush (Ky.), 519. In that case the question arose whether a note for money made "payable to order" at the First National Bank at Covington, and indorsed to and discounted by said bank, had the legal character and effect of a foreign bill of exchange under the statute, which provided that any promissory note made "payable and negotiable" at a National bank, and which was indorsed to and discounted by said bank, should stand on the footing of a foreign bill of exchange. The Court said: "We consider the words 'payable to order' legally synonymous with the statutory words 'payable and negotiable.' 'To order' makes the note 'negotiable' as effectually as if the precise word 'negotiable' had been substituted."

It follows from this decision that while the precise words "payable and negotiable" may be dispensed with, still it is necessary to have some words of synonymous meaning, such as "payable to order" inserted in the note in order to make it negotiable.

2. Can "For value received" be omitted from a promissory note payable at bank in Kentucky?

We can find no decision in Kentucky as to the necessity of these words in a negotiable promissory note. Although the phrase "for value received" is generally expressed in a note, it is now settled law that value received is implied in every negotiable bill and promissory note, and need not be expressed.

2 McLean, 213; 15 Me., 131; 1 Denio, 116; 8 Cal., 288.

It is said in *Edwards on Bills and Notes* at section 202: "As the law now stands it is difficult to assign any legal reason for, or to point out any advantage to be derived from the use of the words value received, in negotiable paper."

STATE TAXATION OF NATIONAL BANKS.

The Bank Tax Case.

FULL TEXT OF THE RECENT DECISION.

The taxation of National bank shares under the laws of New York is not illegal and void under section 5219 of the United States Revised Statutes, as being at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of the State.

The Mercantile National Bank of the City of New York, appellant, vs. the Mayor, Aldermen and Commonalty of the City of New York, and George W. McLean, Receiver of Taxes. (*Supreme Court of the United States. Decided April 4, 1887.*)

Mr. Justice Matthews delivered the opinion of the Court, as follows:

THE OBJECT OF THE BILL.

The bill in this case was filed by the appellant, an association organized as a National bank in the city of New York, the object and prayer of which were to restrain the collection of taxes assessed upon its stockholders in respect to their shares therein, on the ground that the taxes assessed and sought to be collected by the defendants were illegal and void under section 5219 of the Revised Statutes of the United States, as being at a greater rate than those assessed under the laws of New York upon other moneyed capital in the hands of the individual citizens of that State. The assessment in question was made for the year 1885, by the proper officer, acting in pursuance of section 312 of an act of the legislature of the State of New York, passed July 1, 1882, entitled "An act to revise the statutes of this State relating to banks, banking and trust companies," which reads as follows:

THE LAW UNDER WHICH THE TAX WAS IMPOSED.

"SEC. 312. The stockholders in every bank or banking association organized under the authority of this State, or of the United States, shall be assessed and taxed on the value of their shares of stock therein; said shares shall be included in the valuation of the personal property of such stockholders in the assessment of taxes at the place, city, town or ward where such bank or banking association is located, and not elsewhere, whether the said stockholders reside in said place, city, town, or ward or not; but in the assessment of said shares, each stockholder shall be allowed all the deductions and exceptions allowed by law in assessing the value of other taxable personal property owned by individual citizens of this State, and the assessment and taxation shall not be at a greater rate than is made or assessed upon other moneyed capital in the hands of individual citizens of this State. In making such assessment there shall also be deducted from the value of such shares such sum as is in the same proportion to such value as is the assessed value of the real estate of the bank or banking association, and in which any portion of their capital is invested, in which said shares are held, to the whole amount of the capital stock of said bank or banking association. Nothing herein contained shall be held or construed to exempt the real estate of banks or banking associations from either state, county or municipal taxes, but the same shall be subject to state, county, municipal and other taxation to the same extent and rate, and in the same manner according to its value, as other real estate is taxed. The local authorities charged by law with the assessment of the said shares shall, within ten days after they have completed such assessment, give written notice to each bank or banking association of such assessment of the shares of its respective shareholders, and no personal or other notice to such shareholders of such assessment shall be necessary for the purpose of this act."

THE FACTS OF THE CASE.

The hearing of the Circuit Court was had upon an agreed statement of facts, as follows:

"It is hereby stipulated and agreed by and between the parties to the above-entitled suit, that, for the purpose of the trial of this cause, the facts hereinafter stated are true, and that the cause be submitted for trial and decree upon such statement alone, together with the pleadings: [for the sake of space, the facts which follow are condensed, omitting, however, nothing which is material to a correct understanding of the decision.]

"1. Complainant, on the 2nd Monday of January, A.D. 1885, and for several months prior, had a capital stock of the par value of \$1,000,000 and a surplus fund of \$200,000, nearly the whole of which was, during that period, invested in United States bonds of the par value of \$849,000, and of a much larger market value; its stock was divided into 10,000 shares of the par value of \$100 each, and was then held by 142 persons and corporations, 50 of whom, owning 1,877 shares, were non-residents of the State of New York.

"2. On said day the proper tax officers of the city of New York valued and assessed for taxation the shares of said bank against the individual shareholders, at the rate of \$80 per share, after deducting the proportion of the assessed value of the real estate of said bank applicable to each share, making the total gross valuation of said shares in the hands of the shareholders the sum of \$800,000, from which sum the debts of sundry indebted stockholders, amounting to \$80,128, were deducted, as by law allowed, leaving the total valuation upon which taxes were thereafter assessed the sum of \$800,372.

"3. That on said day the aggregate actual value of the shares of incorporated moneyed and stock corporations incorporated by the laws of New York deriving an income or profit from their capital or otherwise (not including life insurance companies, Trust companies, banks or banking associations, organized under the authority of this State or of the United States) amounted to the sum of \$755,018,892.

"4. That, at the period aforesaid, the aggregate actual value of the shares of the life insurance companies incorporated under the laws of this State amounted to the sum of \$3,540,000, and at the same period the aggregate value of the personal property, of said companies, consisting of mortgages, loans with collateral security, State, county and municipal bonds, and railroad bonds and shares of stock of corporations, (but not including the bonds of the United States nor the shares of corporations created by the State of New York,) amounted to \$195,237,306.

"5. That, at the said period, the aggregate actual value of the shares of the capital stock of the Trust companies existing in the State of New York and organized under

its laws amounted to \$32,018,900, of which sum the amount of \$30,215,900 was of Trust companies located in the city of New York.

"6. That, at the same period, the aggregate actual value of the deposits due by the Savings banks of this State to depositors was \$437,107,501, (not including the surplus accumulated by the said corporations, amounting to \$68,869,001.)

"7. That the aggregate actual value of the bonds and stocks issued by the city of New York, subject to the provisions of chapter 552 of the Laws of 1880, at the said period amounted to \$18,467,000.

"8. That the aggregate actual value at the same period of the shares of corporations created by States other than the State of New York, owned by the citizens of the State of New York, amounted to at least the sum of \$250,000,000.

"9. The assessed valuation of all personal property after making the deductions allowed by law, in the city of New York, (at the said period,) as shown by the annual record of the assessed valuation of real and personal estate of the said city for the year 1885, was \$302,073,906. This sum included the capital of corporations, (after making deductions for investments thereof in real estate, shares of New York corporations, taxable upon their capital stock under the laws of this State, and non-taxable securities,) as follows:

Insurance companies.....	\$2,146,370
Trust companies.....	156,508
Miscellaneous companies.....	29,234,409
Railroad companies.....	12,339,871

"It also included;

Shares of National banks.....	45,046,074
Shares of State banks.....	15,700,220

"The sum so deducted for the value of the real estate belonging to said Trust companies located in the city of New York did not exceed \$2,336,572.81.

The assessed value of the real estate in said city for said period is	\$1,168,443,137
And in the said State, including the city of New York, is.....	2,751,973,445
The latter sum including the sum of about.....	840,000,000

being the assessed value of the real estate located in said State belonging to corporations.

"The 'aggregate amount of the taxable personal estate' within the State of New York, exclusive of said city, after deducting debts due by the owners thereof for the year ending December 31, 1884, as assessed by the assessors and returned to the State comptroller, is \$151,632,369.

"This sum included the capital of corporations (after making the deductions for investments thereof in real estate, shares of New York corporations taxable upon their capital stock under the laws of this State, and non-taxable securities), of the amount of \$34,466,612.

The aggregate capital stock, taken at par, of the National banks outside of the city of New York, but within the State of New York, on December 31, 1884, as shown by the report of the Comptroller of the Currency of the United States, was.....	\$36,804,160
And that of State banks, outside of the said city, but within said State, as shown by the report of the Bank Superintendent of New York, is.....	8,128,000

Total (outside of New York city)..... \$44,932,160

The total par value of the shares of National banks in said State, including the city of New York, for the period aforesaid, is.....	\$83,064,160
And of the State banks.....	32,515,700

"10. That it is the intention of the defendants, unless restrained by injunction, to collect the said tax levied by them against the shareholders of the said complainant upon said shares by the use of all needful legal process.

"11. That any statutes of the United States or of the State of New York may be cited and relied upon before the said Court as if herein fully set forth."

From a decree dismissing the bill the present appeal is prosecuted.

THE ACT OF CONGRESS PROHIBITING UNEQUAL TAXATION.

Section 5219 of the Revised Statutes of the United States is as follows:

"Nothing herein shall prevent all the shares in any association from being included in the valuation of the personal property of the owner or holder of such shares in assessing taxes imposed by authority of the State within which the association is located; but the Legislature of each State may determine and direct the manner and place of taxing all the shares of National banking associations located within the State, subject only to the two restrictions that the taxation shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual

citizens of such State, and that the shares of any National banking association owned by non-residents of any State shall be taxed in the city or town where the bank is located and not elsewhere. Nothing herein shall be construed to exempt the real property of associations from either State, county, or municipal taxes to the same extent, according to its value, as other real property is taxed."

In the present case no question is raised by the appellant as to the validity of section 312, chapter 409 of the Laws of New York of 1882, considered by itself, nor in reference to the rule of valuation or assessment which it prescribes. No exception is taken to the form of assessment, nor is the case based in any degree upon the dereliction of the assessing officers in the discharge of their duties, there being no allegation and no proof that they have not performed their whole duty under the statutes of the State.

THE CLAIM OF THE BANK.

The proposition which the appellant seeks to establish is, that the State of New York, in seeking to tax National bank shares, has not complied with the condition contained in section 5219 of the Revised Statutes, that such taxation shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of such State, "in that, it has by legislation expressly exempted from all taxes in the hands of the individual citizens numerous species of moneyed capital, aggregating in actual value the sum of \$1,686,000,000, whilst it has by its law subjected National bank shares in the hands of individual holders thereof (aggregating a par value of \$83,000,000), and State bank shares (having a like value of \$22,815,700), to taxation upon their full actual value, less only a proportionate amount of the real estate owned by the bank." This exemption, it is claimed, is of a "very material part relatively" of the whole, and renders the taxation of National bank shares void.

THE EXEMPTIONS CLAIMED TO RENDER THE TAX UNEQUAL AND VOID.

The exemptions thus referred to are classified as follows:

1st.—The shares of stock in the hands of the individual shareholders of all incorporated "moneyed or stock corporations deriving an income or profit from their capital or otherwise, incorporated by the laws of New York, not including Trust companies and life insurance companies, and State or National banks." The value of such shares, it is admitted, amounts to \$755,018,892.

2d.—Trust companies and life insurance companies. The actual value of the shares of stock in Trust companies amounts to \$32,018,900, and the actual value of the shares in life insurance companies amounts to \$3,540,000, which life insurance companies, it is admitted, are the owners of personal property consisting of mortgages, loans, stocks and bonds to the value of \$195,257,305.

3d.—Savings banks and the deposits therein. The deposits amount to \$437,107,501, and an accumulated surplus to \$68,669,001.

4th.—Certain municipal bonds issued by the city of New York under an Act passed in 1880, of the value of \$13,467,000.

5th.—Shares of stock in corporations created by States other than New York, in the hands of individual holders, residents of said State, amounting to \$250,000,000.

EXEMPTIONS CLAIMED TO BE WITHIN THE DECISION OF BOYER CASE.

It is argued by the appellant that these exemptions bring the case within the decision of *Boyer vs. Boyer*, 113 U. S. 689. In that case, referring to the legislation of Pennsylvania, it was said: "The burden of county taxation imposed by the latter Act has at all events been removed from all bonds or certificates of loan issued by any railroad company incorporated by the State; from shares of stock in the hands of stockholders of any institution or company of the State which in its corporate capacity is liable to pay tax into the State treasury under the Act of 1859; from mortgages, judgments, and recognizances of every kind; from moneys due or owing upon articles of agreement for the sale of real estate; from all loans, however made, by corporations which are taxable for State purposes when such corporations pay into the State treasury the required tax on such indebtedness."

This enumeration of exempted property, the amounts of which when stated in the bill and admitted by the demurrer, was held to include such a material portion relatively of the moneyed capital in the hands of individual citizens as to make the tax upon the shares of National banks an unfair discrimination against that class of property, but no attempt was made in the opinion of the Court to define the meaning of the words "moneyed capital in the hands of individual citizens" as used in the statute, or to enumerate all the various kinds of property or investments that came

within its description, or to show that shares of stock in the hands of stockholders of every institution, company or corporation of a State, having a capital employed for the purpose of earning dividends or profits for its stockholders, were taxable as moneyed capital in the hands of individual citizens.

THE CONTENTION OF APPELLEES.

It is accordingly contended on behalf of the appellees in the present case, 1st, that the shares of stock in the various companies incorporated by the laws of New York as moneyed or stock corporations, deriving an income or profit from their capital or otherwise, including Trust companies, life insurance companies, and Savings banks, are not moneyed capital in the hands of the individual citizen within the meaning of the Act of Congress; 2d, that if any of them are, then the corporations themselves are taxed under the laws of New York in such a manner and to such an extent that the shares of stock therein are subject to a tax equal to that which is assessed upon shares of National banks; and 3d, that if there are any exceptions, they are immaterial in amount and based upon considerations which exclude them from the operation of the rule of relative taxation intended by the Act of Congress.

In view of the nature of the contention between the parties to this suit, and the extent and value of the interests involved, it becomes necessary to review with care the previous decisions of this Court upon this subject, and to endeavor to state with precision the rule of relative taxation prescribed to the States by Congress on shares of National banks.

A REVIEW OF THE PREVIOUS DECISIONS.

The National Banking Act of 1864 (13 Stat. 111), in addition to the restrictions now imposed upon the State taxation of National bank shares, declared "that the tax so imposed, under the laws of any State, upon the shares of any of the associations authorized by this Act, shall not exceed the rate imposed upon the shares in any of the banks organized under the authority of the State where such association is located." In the re-enactment of this statute in 1868 (15 Stat. 84), this proviso was omitted. The case of *Van Allen vs. Assessors*, 8 Wallace, 573, was decided under the Act of 1864 as originally enacted. In that case, the taxing law of New York, which was in question, was held to be invalid, because it levied no taxes upon shares in State banks at all, the tax being assessed upon the capital of the banks after deducting that portion which was invested in securities of the United States; and it was held that this tax on the capital was not a tax on the shares of the stockholders equivalent to that on the shares in National banks. It was also decided in that case that it was competent for the States, under permission of Congress, to tax the shares of National bank stock held by individuals, notwithstanding the capital of the bank was invested in bonds of the United States which were not subject to taxation.

It appears, therefore, as the result of the decision in that case, that a tax upon the capital of a State bank, levied upon the value thereof, after deducting such part as was invested in non-taxable Government bonds, was less than an equivalent for a tax upon the shares of National banks from which no such deduction was permitted. Accordingly in the case of *People vs. The Commissioners*, 4 Wallace, 244, the complaint was made on behalf of individual owners of National bank stock taxed in New York, that no deduction was permitted to them from the value of their shares on account of the capital of the bank being invested in non-taxable Government bonds, while such deduction was allowed in favor of insurance companies and individuals in the assessment for taxation of the value of their personal property; and it was contended, therefore, that the relators in that case were taxed upon their shares of National bank stock at a greater rate than was assessed upon other moneyed capital in the hands of individual citizens. In reference to this supposed inequality the Court said: "The answer is, that, upon a true construction of this clause of the Act, the meaning and intent of the law-makers were, that the rate of taxation of the shares should be the same or not greater than upon the moneyed capital of the individual citizen, which is subject or liable to taxation. That is, no greater proportion or percentage of tax in the valuation of the shares should be levied than upon other moneyed taxable capital in the hands of the citizens. This rule seems to be as effectual a test to prevent unjust discrimination against the shareholders as could well be devised. It embraces a class which constitutes the body politic of the State, who make its laws and provide for its taxes. They cannot be greater than the citizens impose upon themselves. It is known as sound policy that in every well regulated and enlightened

State or government, certain descriptions of property and also certain institutions, such as churches, hospitals, academies, cemeteries, and the like, are exempt from taxation; but these exemptions have never been regarded as disturbing the rates of taxation, even where the fundamental law had ordained that it should be uniform." The Court then proceeded to show that the exclusion, as the subject of taxation, of Government securities held by individuals, from their moneyed capital, was by authority of the United States, and hence it would be a contradiction to infer that Congress meant to include the same Government securities as a part of that moneyed capital which it required to be taxed by the States at a rate equal to that imposed by the latter upon the shares held by individuals of National bank stock.

The other objection taken to the validity of the tax complained of was, that insurance companies created under the laws of the State were authorized to deduct from the amount of their capital and surplus profits, for purposes of taxation, such part as was invested in United States securities. In reference to this the Court said: "The answer is, that this clause does not refer to the rate of assessments upon insurance companies as a test by which to prevent discrimination against the shares; that is confined to the rate of assessments upon moneyed capital in the hands of individual citizens. These institutions are not within the words or the contemplation of Congress; but even if they were, the answer we have already given to the deduction of these securities in the assessment of the property of individual citizens is equally applicable to them."

In *Lionberger vs. Rouse*, 9 Wall., 468, it was held that the proviso originally contained in the Act of 1864, and omitted from the Act of 1868, expressly referring to State banks, was limited to State banks of issue. The Court said (p. 474): "There was nothing to fear from banks of discount and deposit merely, for in no event could they work any displacement of National bank circulation." Of course, so far as investments in such banks are moneyed capital in the hands of individuals, they are included in the clause as it now stands.

In the case of *Hepburn vs. School Directors*, 23 Wallace, 480, it was decided to be competent for the State to value, for taxation, shares of stock in a National bank at their actual value, even if in excess of their par value, provided thereby they were not taxed at a greater rate than was assessed upon other moneyed capital in the hands of individual citizens of the State. It was a further question in that case whether the exemption from taxation by statute of "all mortgages, judgments, recognizances, and moneys owing upon articles of agreement for the sale of real estate" made the taxation of shares in National banks unequal and invalid. This was decided in the negative on the two grounds, 1st, that the exemption was founded upon the just reason of preventing a double burden by the taxation both of property and of the debts secured upon it; and, 2d, because it was partial only, not operating as a discrimination against investments in National bank shares. The Court said: "It could not have been the intention of Congress to exempt bank shares from taxation because some moneyed capital was exempt."

The subject was further considered in the case of *Adams vs. Nashville*, 95 U. S., 19. One of the questions in that case had reference to an exemption from taxation by State authority of interest-paying bonds issued by the municipal corporation of the city of Nashville, in the hands of individuals. It was held that the exemption did not invalidate the assessment upon the shares of National banks. The Court said (p. 22): "The Act of Congress was not intended to curtail the State power on the subject of taxation. It simply required that capital invested in National banks should not be taxed at a greater rate than like property similarly invested. It was not intended to cut off the power to exempt particular kinds of property, if the Legislature chose to do so. Homesteads to a specified value, a certain amount of household furniture (the six plates, six knives and forks, six teacups and saucers of the old statutes), the property of clergymen to some extent, school-houses, academies and libraries are generally exempt from taxation. The discretionary power of the Legislatures of the States over all these subjects remains as it was before the Act of Congress of June, 1864. The plain intention of that statute was to protect the corporations formed under its authority from unfriendly discrimination by the States in the exercise of their taxing power."

In *People vs. Weaver*, 100 U. S., 539, it was held that the prohibition against the taxation of National bank shares at a greater rate than that imposed upon other

moneyed capital in the hands of individual citizens could not be evaded by the assessment of equal rates of taxation upon unequal valuations, and that consequently where the State statute authorized individuals to deduct the amount of debts owing by them from the assessed value of their personal property and moneyed capital subject to taxation, the owners of shares of National banks were entitled to the same deduction. The cases of *The Supervisors vs. Stanley*, 105 U. S., 305; *Hills vs. Exchange Bank*, *Ibid.*, 319; *Evansville Bank vs. Britton*, *Ibid.*, 322, and *Cummings vs. National Bank*, 101 U. S., 153, are applications of the same principle.

The rule of decision in *Van Allen vs. Assessors*, 3 Wallace, 573, is not inconsistent with that followed in *People vs. The Commissioners*, 4 Wallace, 244. In the former of these cases the comparison was between taxes levied upon the shares of the National banks and taxes levied upon the capital of State banks. In the valuation of the capital of State banks for this taxation, non-taxable securities of the United States were necessarily excluded, while in the valuation of shares of National banks no reduction was permitted on account of the fact that the capital of the National banks was invested in whole or in part in Government bonds. The effect of this was, of course, to discriminate to a very important extent in favor of investments in State banks, the shares in which *eo nomine* were not taxed at all, while their taxable capital was diminished by the subtraction of the Government securities in which it was invested, and against National bank shares taxed without such deduction at a value necessarily and largely based on the value of the Government securities in which by law a large part of the capital of the bank was required to be invested. In the case of *People vs. The Commissioners*, the comparison was not between the taxation of shareholders in National banks and of shareholders in State banking institutions, but between the taxation of the National bank shares and that of personal property held by individuals and insurance companies, from the valuation of which the deduction was permitted of the amount of non-taxable Government securities held by them respectively. The general ground of decision was, that the exemption was not an unfriendly discrimination against investments in National banks in favor of other investments of a similar and competing character. It was held that the exemption under State authority, of United States securities, which it was not lawful for the State to tax, could not be considered an unwarranted exemption in that case. It was also held that the language of the Act of Congress which fixed the rate of taxation upon National bank shares, by reference to that imposed by the State "upon other moneyed capital in the hands of individual citizens," excluded from the comparison moneyed capital in the hands of corporations, unless the corporations were of that character, such as State banks were held to be in the case of *Van Allen vs. The Assessors*, that shares of stock in them fell within the description of "moneyed capital in the hands of individual citizens." In that way a distinction was established between the shares of stock held in banking corporations and those held in insurance companies and other business, trading, manufacturing and miscellaneous corporations, whose business and operations were unlike those of banking institutions.

DEDUCTION FROM PREVIOUS DECISIONS.

It follows, as a deduction from these decisions, that "moneyed capital in the hands of individual citizens" does not necessarily embrace shares of stock held by them in all corporations whose capital is employed, according to their respective corporate powers and privileges, in business carried on for the pecuniary profit of shareholders, although shares in some corporations, according to the nature of their business, may be such moneyed capital. The rule and test of this difference is not to be found in that quality attached to shares of stock in corporate bodies generally whereby the certificates of ownership have a certain appearance of negotiability, so as easily to be transferred by delivery under blank powers of attorney, and to be dealt in by sales at the Stock Exchange, or used as collaterals for loans, as though they were negotiable security for money. This quality, in a greater or less degree, pertains to all stocks in corporate bodies, the facility of their use in this way being in proportion to the estimated wealth and credit, present or prospective, of the corporation itself. Neither is the difference to be determined by the character of the investments in which, either by law or in fact, the bulk of the capital and the accumulated surplus of the corporation is from time to time invested. It does not follow, because these are invested in such a way as properly to constitute moneyed capital, that the shares of stock in the corporations themselves must necessarily be within the same description. Such is the case of

insurance companies, in respect to which it was held, in *People vs. The Commissioners*, that shares of stock in them were not taxable as "moneyed capital in the hands of individual citizens;" and that the language of the Act of Congress does not include moneyed capital in the hands of corporations. The true test of the distinction, therefore, can only be found in the nature of the business in which the corporation is engaged.

THE POLICY AND PURPOSE OF THE ACT OF CONGRESS.

The key to the proper interpretation of the Act of Congress is its policy and purpose. The object of the law was to establish a system of National banking institutions, in order to provide a uniform and secure currency for the people, and to facilitate the operations of the Treasury of the United States. The capital of each of the banks in this system was to be furnished entirely by private individuals; but, for the protection of the Government and the people, it was required that this capital, so far as it was the security for its circulating notes, should be invested in the bonds of the United States. These bonds were not subjects of taxation; and neither the banks themselves nor their capital, however invested, nor the shares of stock therein held by individuals, could be taxed by the State in which they were located without the consent of Congress, being exempted from the powers of the States in this respect, because these banks were means and agencies established by Congress in execution of the powers of the Government of the United States. It was deemed consistent, however, with these National uses, and otherwise expedient, to grant to the States the authority to tax them within the limits of a rule prescribed by the law. In fixing those limits it became necessary to prohibit the States from imposing such a burden as would prevent the capital of individuals from freely seeking investment in institutions which it was the express object of the law to establish and promote. The business of banking, including all the operations which distinguish it, might be carried on under State laws, either by corporations or private persons, and capital in the form of money might be invested and employed by individual citizens in many single and separate operations forming substantial parts of the business of banking. A tax upon the money of individuals, invested in the form of shares of stock in National banks, would diminish their value as an investment and drive the capital so invested from this employment, if at the same time similar investments and similar employments under the authority of State laws were exempted from an equal burden. The main purpose, therefore, of Congress in fixing limits to State taxation on investments in the shares of National banks, was to render it impossible for the State, in levying such a tax, to create and foster an unequal and unfriendly competition, by favoring institutions or individuals carrying on a similar business and operations and investments of a like character. The language of the Act of Congress is to be read in the light of its policy.

MEANING OF "OTHER MONEYED CAPITAL."

Applying this rule of construction, we are led, in the first place, to consider the meaning of the words "other moneyed capital," as used in the statute. Of course it includes shares in National banks; the use of the word "other" requires that. If bank shares were not moneyed capital, the word "other" in this connection would be without significance. But "moneyed capital" does not mean all capital the value of which is measured in terms of money. In this sense, all kinds of real and personal property would be embraced by it, for they all have an estimated value as the subjects of sale. Neither does it necessarily include all the forms of investment in which the interest of the owner is expressed in money. Shares of stock in railroad companies, mining companies, manufacturing companies, and other corporations, are represented by certificates, showing that the owner is entitled to an interest expressed in money value, in the entire capital and property of the corporation, but the property of the corporation which constitutes its invested capital may consist mainly of real and personal property, which, in the hands of individuals, no one would think of calling moneyed capital, and its business may not consist in any kind of dealing in money, or commercial representatives of money.

So far as the policy of the Government in reference to National banks is concerned, it is indifferent how the State may choose to tax such corporations as those just mentioned, or the interest of individuals in them, or whether they should be taxed at all. Whether property interest in railroads, in manufacturing enterprises, in mining investments and others of that description, are taxed or exempt from taxation, in the

contemplation of the law, would have no effect upon the success of National banks. There is no reason, therefore, to suppose that Congress intended, in respect to these matters, to interfere with the power and policy of the States. The business of banking, as defined by law and custom, consists in the issue of notes payable on demand, intended to circulate as money where the banks are banks of issue; in receiving deposits payable on demand; in discounting commercial paper; making loans of money on collateral security; buying and selling bills of exchange; negotiating loans and dealing in negotiable securities issued by the Government, State and National, and municipal and other corporations. These are the operations in which the capital invested in National banks is employed, and it is the nature of that employment which constitutes it in the eye of this statute "moneyed capital." Corporations and individuals carrying on these operations do come into competition with the business of National banks, and capital in the hands of individuals thus employed is what is intended to be described by the act of Congress. That the words of the law must be so limited appears from another consideration; they do not embrace any moneyed capital in the sense just defined, except that in the hands of individual citizens. This excludes moneyed capital in the hands of corporations, although the business of some corporations may be such as to make the shares therein belonging to individuals moneyed capitals in their hands, as in the case of banks. A railroad company, a mining company, an insurance company, or any other corporation of that description, may have a large part of its capital invested in securities payable in money, and so may be the owners of moneyed capital; but, as we have already seen, the shares of stock in such companies held by individuals are not moneyed capital.

The terms of the act of Congress, therefore, include shares of stock or other interests owned by individuals in all enterprises in which the capital employed in carrying on its business is money, where the object of the business is the making of profit by its use as money. The moneyed capital thus employed is invested for that purpose in securities by way of loan, discount or otherwise, which are from time to time, according to the rules of the business, reduced again to money and reinvested. It includes money in the hands of individuals employed in a similar way, invested in loans, or in securities for payment in money, either as an investment of a permanent character, or temporarily with a view to sale or repayment and reinvestment. In this way the moneyed capital in the hands of individuals is distinguished from what is known generally as personal property. Accordingly, it was said in *Evansville Bank v. Britton*, 105 U.S. 322: "The act of Congress does not make the tax on personal property the measure of the tax on the bank shares in the State, but the tax on moneyed capital in the hands of the individual citizens. Credits, money loaned at interest, and demands against persons or corporations are more purely representative of moneyed capital than personal property, so far as they can be said to differ. Undoubtedly there may be said to be much personal property exempt from taxation without giving bank shares a right to similar exemption, because personal property is not necessarily moneyed capital. But the rights, credits, demands, and money at interest mentioned in the Indiana statute, from which *bona fide* debts may be deducted, all mean moneyed capital invested in that way."

This definition of moneyed capital in the hands of individuals seems to us to be the idea of the law, and ample enough to embrace and secure its whole purpose and policy.

TAXATION OF CORPORATIONS OTHER THAN TRUST COMPANIES AND SAVINGS BANKS.

From this view, it follows that the mode of taxation adopted by the State of New York, in reference to its corporations, excluding for the present, Trust companies and Savings banks, does not operate in such a way as to make the tax assessed upon shares of National banks at a greater rate than that imposed upon other moneyed capital in the hands of individual citizens.

This is the conclusion reached on similar grounds by the Court of Appeals of New York. In the case of *McMahon v. Palmer*, 102 N.Y. 176, that Court said: "Our system of laws, with reference to the taxation of incorporated companies and capital invested therein, has been carefully framed with a view of reaching all taxable property and subjecting it to equality of burden, so far as that object is attainable in a matter so complex. In view of the wide variation in the employable value of such investments and the frequent mutations of their conditions, it is by no means certain that this object has not been attained with reasonable accuracy. It is quite clear, from even this cursory review of the statutes, that if any discrimination is made by our laws in

taxing capital invested, it is not to the prejudice of that employed in banking corporations. Even if this were not the result of the statute, we are of opinion that investments in the shares of companies named do not come within the meaning of that clause in the Federal statutes, referring to other moneyed capital in the hands of individuals. That phrase, as generally employed, distinguishes such capital from other personal property, and investments in the various manufacturing and industrial enterprises. And this is the sense in which it is used in our tax laws, as appears by reference to the statutes."

THE CASES OF TRUST COMPANIES AND SAVINGS BANKS CONSIDERED.

The cases of Trust companies and Savings banks require separate consideration. Section 312 of Chapter 409 of the Act of 1882 is a re-enactment of Section 8 of Chapter 596 of the Laws of 1880, except that in the latter Trust companies were included with banks and banking institutions, so as to subject the stockholders therein to the same rule of assessment and taxation on the value of their shares of stock. The present statute omits them from the corresponding section. The consequence is that Trust companies are taxable, as other corporations under the Act of 1887, for local purposes, upon the actual value of their capital stock. By Chapter 361 of the Laws of 1881, as amended, they are subjected to a franchise tax in the nature of an income tax, payable to the State for State purposes. It is argued, from this legislation, in reference to the taxation of Trust companies, that it discloses an evident intent to discriminate in favor of the latter as between them and the banks, including National banks: and it is argued that, considering the nature of the business in which Trust companies are engaged, it is a material and unfriendly discrimination in favor of State institutions engaged to some extent in a competing business with that of National banks. Trust companies, however, in New York, according to the powers conferred upon them by their charters and habitually exercised, are not in any proper sense of the word banking institutions. They have the following powers: To receive moneys in trust and to accumulate the same at an agreed rate of interest; to accept and execute all trusts of every description committed to them by any person or corporation or by any Court of Record; to receive the title to real or personal estate on trusts created in accordance with the laws of the State, and to execute such trusts; to act as agent for corporations in reference to issuing, registering and transferring certificates of stock and bonds, and other evidences of debt; to accept and execute trusts for married women in respect to their separate property, and to act as guardian for the estates of infants. It is required that their capital shall be invested in bonds and mortgages on unincumbered real estate in the State of New York worth double the amount loaned thereon, or in stocks of the United States or of the State of New York, or of the incorporated cities of that State.

It is evident, from this enumeration of powers, that Trust companies are not banks in the commercial sense of that word, and do not perform the functions of banks in carrying on the exchanges of commerce. They receive money on deposit, it is true, and invest it in loans, and so deal, therefore, in money and securities for money in such a way as properly to bring the shares of stock held by individuals therein within the definition of moneyed capital in the hands of individuals, as used in the Act of Congress. But we fail to find in the record any sufficient ground to believe that the rate of taxation, which, in fact, falls upon this form of investment of moneyed capital, is less than that imposed upon shares of stock in National banks.

It appears from the tax laws of New York applicable to the subject, as judicially construed by the Court of Appeals of that State, that the capital stock of such a corporation is to be assessed at its actual value. The actual value of the whole capital stock is ascertained by reference, among other standards, to the market price of its shares, so that the aggregate value of the entire capital may be the market price of one multiplied by the whole number of shares. (*Oswego Starch Factory vs. Dolloway*, 21 N. Y., 449; *The People vs. The Commissioners of Taxes*, 96 N. Y., 554.) From this are to be deducted, of course, the real estate of the corporation otherwise taxed, and the value of such part of the capital stock as is invested in non-taxable property, such as securities of the United States. In addition to this, the corporation, as already stated, pays to the State, as a State tax, a tax upon its franchise based upon its income, the tax on the capital being for local purposes.

It is evident, we think, that taxation in this mode is, at least, equal to that upon the shares of individual stockholders, for if the same property was held for the same uses and taxed by the same rule, in the hands of individuals, as moneyed capital, it

would be subject to precisely the same deductions; in addition to which, the individual would be entitled to make a further deduction of any debts he might owe. Upon these grounds, therefore, we are of opinion that this mode of taxing Trust companies does not create the inequality which the appellant alleges.

THE CASE OF SAVINGS BANKS.

In the case of Savings banks, we assume that neither the bank itself nor the individual depositor is taxed on account of the deposits. The language of the statute (section 4, chapter 456, Laws of 1857) is as follows: "Deposits in any banks for savings, which are due to the depositors, * * * shall not be liable to taxation, other than the real estate and stocks which may be owned by such bank or company, and which are now liable to taxation under the laws of this State."

According to the stipulation in this case, the deposits in such banks amount to \$437,107,501, with an accumulated surplus of \$68,669,001. It cannot be denied that these deposits constitute moneyed capital in the hands of individuals within the terms of any definition which can be given to that phrase; but we are equally clear that they are not within the meaning of the Act of Congress in such a sense as to require that, if they are exempted from taxation, shares of stock in National banks must thereby also be exempted from taxation. No one can suppose for a moment that Savings banks come into any possible competition with National banks of the United States. They are what their name indicates, banks of deposit for the accumulation of small savings belonging to the industrious and thrifty. To promote their growth and progress is the obvious interest and manifest policy of the State. Their multiplication cannot in any sense injuriously affect any legitimate enterprise in the community. We have already seen that, by previous decisions of this Court it has been declared that "it could not have been the intention of Congress to exempt bank shares from taxation because some moneyed capital was exempt;" *Hepburn vs. School Directors*, 23 Wallace, 480; and that "the Act of Congress was not intended to curtail the State power on the subject of taxation. It simply required that capital invested in National banks should not be taxed at a greater rate than like property similarly invested. It was not intended to cut off the power to exempt particular kinds of property, if the Legislature chose to do so." *Adams vs. Nashville*, 95 U. S., 19. The only limitation, upon deliberate reflection, we now think it necessary to add, is that these exemptions should be founded upon just reason, and not operate as an unfriendly discrimination against investments in National bank shares. However large, therefore, may be the amount of moneyed capital in the hands of individuals, in the shape of deposits in Savings banks as now organized, which the policy of the State exempts from taxation for its own purposes, that exemption cannot affect the rule for the taxation of shares in National banks, provided they are taxed at a rate not greater than other moneyed capital in the hands of individual citizens otherwise subject to taxation.

THE EXEMPTION OF MUNICIPAL BONDS.

It is further objected, on similar grounds, to the validity of the assessment complained of in this case, that municipal bonds of the city of New York, to the amount of \$13,467,000, are also exempted from taxation. The amount of the exemption in this case is comparatively small, looking at the whole amount of personal property and credit which are the subjects of taxation; not large enough, we think, to make a material difference in the rate assessed upon National bank shares; but, independently of that consideration, we think the exemption is immaterial. Bonds issued by the State of New York, or under its authority by its public municipal bodies, are means for carrying on the work of the Government, and are not taxable even by the United States, and it is not a part of the policy of the Government which issues them to subject them to taxation for its own purposes. Such securities undoubtedly represent moneyed capital, but as from their nature they are not ordinarily the subjects of taxation, they are not within the reason of the rule established by Congress for the taxation of National bank shares.

THE EXEMPTION OF SHARES OF FOREIGN CORPORATIONS IN THE HANDS OF CITIZENS OF NEW YORK.

The same considerations apply to what is called an exemption from taxation of shares of stock corporations created by other States and owned by citizens of New York, which it is agreed amount to at least the sum of \$250,000,000. It is not pretended, however, that this exemption is based upon the mere will of the legislature of the State. The courts of New York hold that they are not the proper subjects of taxation

in the State of New York, because they have no situs within its territory for that purpose. *Hoyt vs. The Commissioners of Taxes*, 23 N. Y. 224; *People, ex rel. etc. vs. The Commissioners*, 4 Hun, 595. The objection would be equally good if made to the non-taxation of real estate owned by citizens of New York, but not within its limits. Clearly the property to be taxed under the rule prescribed for the taxation of national bank shares must be property which, according to the law of the State, is the subject of taxation within its jurisdiction.

Upon these grounds, substantially the same as those on which the Circuit Judge proceeded, 28 Fed. Rep. 776, we are of opinion that the appellant is not entitled to the relief prayed for.

The decree of the Circuit Court is, therefore, affirmed.

Mr. Justice Blatchford took no part in the decision of this case.

Improved Banking Forms (REMITTANCE AND COLLECTION REGISTERS).—

In all banks—whether large or small—the business of collecting and remitting is the most tedious and laborious. Anything valuable offered in the way of improvements on the old methods should, and doubtless will, receive encouragement by bankers generally. On the following pages are shown the forms of new Remittance and Collection Registers which certainly possess merit and seem to be very easily understood and adapted to use in banks of all classes handling collections. The books are devised and copyrighted by E. M. Longcope and F. R. Malone, of the First National Bank, Lampasas, Tex., and these gentlemen write that they have tested the books thoroughly by use in their own bank for a number of months before introducing the system to the banking public.

One of its great merits is simplicity as well as economy of time. Each book contains two hundred and fifty pages, having four forms on each page and registering one thousand items. The Remittance Register has one thousand charge tickets, one thousand remittance sheets or letters, and registers the same number of items. The Collection Register contains one thousand acknowledgment blanks, the same number of remittance blanks, and also registers one thousand items.

The Remittance Registers can also be made, if desired, with the correspondents' names printed in, the same as in draft books, thus saving much time in filling out and using the forms.

Messrs. Longcope and Malone state that they have succeeded in getting the price of the books fixed at such a reasonable figure as to render them in fact both "labor and money savers."

A number of banks—large and small—have already introduced the books, and after using them for several months are practically unanimous in their opinion that the following advantages are secured, viz.: saves time, stationery and largely in salaries—no need of letter-copying, no mistakes in numbers and no possible oversight in checking up and reporting collections.

It has been noticed that there is a disposition among a few book-keepers to keep in the old grooves and to look with suspicion upon anything that claims to be an improvement on the old-time methods. Innovations, as they are termed, are avoided by some bank clerks no matter how valuable, but experience shows that as a rule the good things, which are devised by practical bankers, will command attention when they are brought before the men who do the work in banks. There have been marked improvements in book-keeping in recent years—though as a whole the system is far from perfect—and it must be admitted that the machinery of practical banking ought to run more smoothly, with less wear and tear, than it now does in many departments.

In this progressive age, safety appliances and devices to save time and money are coming to the front, and bank workers, whether they be Cashiers, Tellers, book-keepers or general clerks, will certainly not be slow in accepting new ideas of real merit. They, of all others, should be first and foremost in adopting improvements which will save worry and much valuable time.

It is confidently hoped that readers of the JOURNAL—especially bankers who wish to improve their methods of handling collections—will give these Registers a careful examination, and, if they possess the advantages claimed, not hesitate to put them into practical use.

[illegible]

[Above Forms are reduced one half—the width of page is 14 inches, and the paper is perforated between each Form where the parallel rule appears.]

FIRST NATIONAL BANK,		FIRST NATIONAL BANK,	
Our Date.....	Our No.....	Lampasas, Texas,	Lampasas, Texas,
Date.....	Am't and In't.....	No.....	No.....
Drawer.....		To.....	To.....
Drawee.....			
Owner.....		For your Collection No.....	Your favor of..... received with enclosure
Owner's Letter.....		On.....	
Maturity.....		Amount.....	
Remarks.....		Less Exchange.....	
		We.....	
		E. M. LONGCOPE, Cashier.	
		E. M. LONGCOPE, Cashier.	

(Copyrighted, 1887, by E. M. Longcope & F. R. Malone, Lampasas, Tex.)

[Above Forms are reduced one-half—the width of page is 14 inches, and the paper is perforated between each Form where the parallel rule appears.]

NEW YORK FINANCIAL LEGISLATION.

[From the JOURNAL'S correspondent at Albany.]

A large number of bills affecting taxation, banking and other financial interests have been introduced in both Houses of the Legislature.

Mr. Silas B. Dutcher, who a year ago resigned an influential position at the Capital to accept the Presidency of the Union Dime Savings Bank, visited Albany to look after Senator Cullen's bill to compel Savings banks to report annually to the Superintendent of the Banking Department the names of all depositors whose deposits have remained untouched for twenty years, together with the whole amount credited to each of such depositors, and the amount and date of the last deposit. These names, amounts and dates, so reported, are also to be published annually by the State Superintendent in his report. President Dutcher says it would make the report of the Banking Department exceed in size an unabridged dictionary, and that the publication of these matters would subserve no useful purpose. It is claimed by the promoters of the bill that its passage will result in the restoration to the actual owners of millions of dollars now controlled by Savings bank trustees and employed by them for private vantage, which are now withheld as "unclaimed deposits." This bill passed the Senate on the 21st of April, after previously failing through absenteeism. A third reading in the Senate was objected to on the 22d by Mr. Erwin, of the Committee on Banks, who is said to be a close friend of Mr. Dutcher, and likely to render him valuable assistance in his efforts to defeat the bill.

The principal other measures affecting financial interests are the Brokers' Tax bill, the various corporation tax bills, and the Telephone bill. The Brokers' bill has passed the Senate and has been reported favorably by the Assembly Committee on Ways and Means by a vote of 6 to 5. It is now in Committee of the Whole. Any prediction as to the ultimate action by the House would be entirely futile.

The corporation tax bills are too numerous for mention. Almost every legislator has some proposition of this kind. Among the bills which are likely to pass is that of Mr. Cole, of Schuyler, repealing the percentage tax of 1880 on the premiums of life insurance companies. This Act was contested in the Courts, and has been but recently held to be constitutional. Little if any revenue has as yet accrued from it, and several millions of back taxes remain unpaid.

The Telephone bill restricts the charges of telephone companies. It was introduced by Senator Cullen, and passed the Senate without much opposition. When it reached the House the companies became alarmed, and began active work to defeat the measure. These efforts are likely to prove successful, and it is said that the Committee of Ways and Means has decided to kill the bill, although final action has not as yet been taken.

The Subway Commission bill is in general orders in the House.

Comptroller Chapin's bill to tax the indebtedness of corporations has passed the House and is now in the hands of the Senate. It will probably pass.

The bill repealing the act regarding warehouse receipts, which allows more than six per cent. interest, is fathered by Senator Cullen and Assemblyman Finn. It is now in the Committee of the Whole in the House.

Questions Proposed.—A correspondent of the JOURNAL writes: "I notice in the last number of the *Century Magazine* quite an interesting collection of letters from various musical people in regard to international copy-right for musical compositions. Do you not think it would be interesting to get up something of the sort for the JOURNAL?" The following questions were suggested:

Is the National bank system worth preserving?

Is there any probability of a premium on gold?

When overdrafts come through the Clearing-House, should all the checks be sent back, or should the bank pay what it can and send the rest back?

What is the best method of preventing defalcations?

We will be glad to publish concise letters on any of these subjects.

BOSTON BANKERS' ASSOCIATION.**COMPTROLLER TRENHOLM AND OTHERS AT THEIR SECOND ANNUAL DINNER.**

The second annual dinner of the Bank Officers' Association, of Boston, took place on April 18th at the Parker House. A large number of representative banking men were present, and the whole company numbered over two hundred. President A. F. Luke sat at the head of the table. On his right were seated Hon. W. L. Trenholm, Comptroller of the Currency; Governor Ames, Hon. S. N. Aldrich, Assistant Treasurer of the United States, and J. M. Magruder, National Bank Examiner.

At the close of the dinner President Luke called the company to order, and after alluding to the prosperity of the Association, said: "I think that you will all agree with me when I state that it is my firm conviction that the banking fraternity of this city is stronger and better to-day than ever it was before, and that to-morrow it will be stronger and better than it is to-day. When we bear in mind the enormous increase and accumulation of wealth in the last five years, the importunities for accommodation that bankers are subject to, the opportunities for personal profit that are constantly being placed before them, and the tremendous increase in speculation, I say that, as a class, it is an extraordinarily honest class, and I, for one, am proud of my profession. In the first place, the National part of our business is rapidly nearing its minimum, and the time is very near at hand when the Government must either change its relations to the banks, or the banks must change their relations to the Government. When the present system was adopted the National was the biggest part of it, whereas now it is almost merely an expensive ornament, and upon the man who shall solve this problem successfully will abundant fame descend. In this age there is no need to mention examples to teach us that there is nothing so fickle as fortune, nothing so real as true friendship. Whether our Association has a well filled treasury or not, it does not, in my opinion, matter so much as whether its members become more unselfishly interested in one another or not. We want to add to the magnetism of personal association, and the good old fashion of loving and helping. When we have made an advance in this direction we may well be proud of our institution, and may rest assured it will not lack encouragement and support."

Governor Ames extended a warm greeting to the bankers and their guests.

The President then introduced the Hon. W. L. Trenholm as a son of the sister State of Massachusetts, the State of South Carolina. Col. Trenholm said: "I was anxious to come to Boston to meet face to face the men who actually do the hard work at the banks. There are, perhaps, over 100,000 persons who hold the junior positions in the different banks throughout the country. We are very apt to hear of the hard-working class, the so-called horny-fisted sons of toil, but no one ever thinks of these thousands of clerks who work day and night in their different vocations that these very sons of toil may receive the wages due them. Have we no right to be considered in the division of the results and the profits of this country just because we do not work with our hands? These laborers are making a big mistake when they cry down the people who are willing and ready to be classed with them, and in all the work they do it is practically for the benefit of the working class. Banking is practically a modern institution. We expect so much that perhaps we are impatient as to the results of our profession. The growth of the banking system has been rapid, and we should be satisfied with the results so far attained. The problem of poverty is another problem which we have to solve, and in my opinion we stand now upon the threshold of the door which is opening to the solution of this great problem. I bring this simile in to show that we all belong to the great army of workers, and must each do his work for the better advancement of humanity. Your President has made the remark of your nearness to Canada. I asked him how many, if any, Boston men had taken advantage of this. He informed me of one. I was much surprised, as I had not expected any. You perhaps remember the great wall which is built upon the northern border of China. Now, the Chinese are the oldest of banking nations. I have been recently informed that this wall was built to prevent the escape north. Since it was built there have been

few absconding bank officials from China. I am glad to see the harmonious feeling between the banks of Boston, that they appreciate the Examiner, and am also glad to see they are making money. It is said that the Yankees are all outside of Boston, and that they never show their appreciation for anything that does not pay. I cannot see the truth of this statement when I look upon this assembly before me and see the satisfied looks of the members of this Association."

Rev. Phillips Brooks, who was the next speaker, said that one bank officer might feel embarrassed in the presence of two hundred clergymen, and one clergyman might feel out of place in an assembly of two hundred bankers. It is with awe and reverence, he said, that I look round upon you to whom the great king Money is so familiar. You have seen him when he is easy, you have seen him when he is tight. Money is an object of desire to many, an object of envy to most of us. Every occupation has its special object and attendant skill. It must be a science, it must come down to things that are essentially true. The arts of bankers and ministers are wholly dissimilar. But when we meet on the same level we recognize the true basis of our respective occupations. Your art and science are helping the progress of mankind; your art is the business that is fundamental to all business.

The Hon. S. N. Aldrich was next introduced, and responded in a very happy vein. He referred to a bank appointment which the Governor was about to make, and hoped that he would choose some one from the many competent banking men of Boston—one who had had experience and one not bound by any political ties. Mr. Aldrich spoke of his new work as the Sub-Treasurer, and hoped he should so conduct the affairs of his office that he should satisfy all.

Professor William Everett, of Quincy, made some facetious remarks upon banks and their officials, and said these officers never made mistakes, but that it was always "the poor depositors."

Mr. Charles W. Stone, the Secretary, presented his report. He said that one year ago the membership numbered 320. At present it is 367, representing 56 National banks and 11 Savings banks, the Bank Examiner and the Clearing-House. The list includes seven Presidents and forty-one Cashiers. Three National and two Savings banks are not as yet represented. Three deaths have occurred in the Association during the past year.

In the course of the evening there was singing by a glee club composed of members of the Association, a duet by Messrs. Monahan and Bell, and a solo by Mr. Samuel King; Mr. A. D. Davenport gave imitations of Henry Irving, and the exercises closed with the singing of "Auld Lang Syne."

The arrangements for the dinner were made by the following-named committee: A. F. Luke, S. L. Treadwell, T. Frank Pratt, Alfred Ewer, E. A. Church and J. D. Ferguson.

The Western National Bank, of New York city, opened for business at its rooms in the Equitable building on Tuesday, May 10th. Its Board of Directors on April 14th called for the payment of the balance due on capital stock on May 2d.

The Kansas Investors' Guide, issued by Hodges & Knox, Mortgage and Loan Brokers, of Topeka, Kan., gives information interesting to those who have invested or may wish to invest in Kansas securities. The pamphlet furnishes an abstract of the laws of Kansas relating to real estate, mortgages, taxation, etc. The character of the loans made by the firm and their method of doing business are fully set forth, together with such detailed information as will direct those who may wish to make investments through them. The method of conducting the business by Messrs. Hodges & Knox appears to be exceedingly careful and conservative. Loans are made on real estate to the amount of one-third of its reasonable valuation. The annual rate of interest is 8 per cent., payable semi-annually. The lender has no expenses to pay, all charges connected with the loan being liquidated by the borrower. The utmost precautions are taken as to the title of the property upon which money is advanced. The loans made vary from \$200 to \$10,000. Interest is paid upon money from the time it is received until permanent investment is secured. For those not having a sum large enough to make a real estate loan, a savings department has been established by the firm, where deposits in amounts of not less than \$25 nor more than \$200 are received, for which time certificates of deposit are issued, on which 7 or 8 per cent. interest is paid, according to the time the money is left. For further details, attention is directed to the advertisement in this issue of the JOURNAL.

COMMERCIAL PAPER.**A PLAN TO VERIFY THE SIGNATURES OF MAKERS AND INDORSERS.**

The action of the Board of Presidents of the Philadelphia banks, taken on April 4th, by which notices of all notes and acceptances received by them will be sent to the makers forthwith, is a step in the right direction. The crime of forgery has within recent years become a serious menace in banking. Bankers and money-lenders take the most elaborate precautions to ascertain the standing, capital and worth of business firms or individuals on whose paper they lend money, but heretofore the extremely confidential character of transactions of this kind has, to some extent, precluded the complete protection against forgeries and over-issues which should be provided. The banks of Philadelphia in the Clearing-House have nearly ninety millions of loans.

The private banks and bankers, Trust companies and money-lenders have many millions more. It is quite probable that these loans are represented by at least one hundred thousand separate promissory notes or acceptances of drafts, some with collaterals, but a large portion of them without. In making each transaction the banker has carefully scrutinized the paper with reference to the financial standing of the borrower, maker or indorser, but in many cases without the absolute knowledge of the genuineness of signatures. The confidential relations of borrower and lender have heretofore largely prevented this, and it has been the knowledge of this shortcoming that has enabled the skilful business men who have successfully conducted the recent forgeries to carry on their systems of crime. In banking the lender deals only with his customer, who may be either a depositor at bank or a broker who brings him the note or acceptance. The piece of paper is made or accepted usually by a stranger, and often indorsed by a stranger, in the sense of having no direct dealings with the lender in the particular transaction. In many cases the maker and indorser, when the note passes from them to the broker, never know until maturity where the money has been borrowed. The banker who has loaned the money may be personally acquainted with the borrower or maker of the note, but so confidential is the matter that it is rarely spoken of. The broker, of course, guarantees the signatures as to their genuineness, but recent developments show that even the most experienced brokers have not had the accurate knowledge necessary to fortify their guarantee.

The shortcomings of the system are shown by the method pursued in conducting recent successful forgeries. In Hilgert's case forgeries were made of the signatures of some of the most prominent sugar dealers in the country, and not only their signatures but also their peculiar styles of paper, printing and inks were imitated; and one of the most careful and prominent firms of note brokers was duped by Hilgert's artistic villainy. In Hunter's case the forger successfully dovetailed a line of forged paper into a line of genuine paper, even imitating private marks upon which the maker of the genuine notes relied as a test, and he thus for years hoodwinked another firm of note brokers of high standing who usually placed this paper at the head of their list. In Holl's case the forged notes and acceptances were not directly discounted at bank, but were used as collaterals for his own discounts. In each case the forger depended for the success of his crime upon the knowledge that the confidential character of banking would prevent the money-lender from communicating with the maker or acceptor until maturity, and if at maturity the note or draft was taken up or renewed he would be safe. The long careers of both Hilgert and Hunter showed the shrewdness of their calculation. In Holl's case detection came through the banker opening communication with an alleged borrower, and thus discovering the forgery. The new rule, by notifying makers and acceptors immediately upon receipt of their paper, will thus be a protection all around, and it is a commendable addition to the safeguards of banking.

The following is the resolution adopted by the unanimous vote of the banks of the Philadelphia Clearing-House Association:

Resolved, By the Associated Banks of the city of Philadelphia, that, as soon as practicable after discounting paper for customers and others, notice of the maturity of such paper shall be sent to the maker or makers thereof, whether payable at bank or elsewhere.

STATE BANKS OF MINNESOTA.

The following is an abstract of the reports made to the Hon. Henry M. Knox, Superintendent of Banks, by the State banks of Minnesota of their condition on Saturday, March 12, 1887. The abstract of the condition of the same banks on July 31, 1886, is added for the purpose of comparison:

RESOURCES.	March 12, 1887. 50 banks.	July 31, 1886. 41 banks.	Changes.
Loans and discounts.....	\$13,769,101 98	\$12,375,050 78	Inc., \$1,394,051 20
Overdrafts.....	102,925 09	108,827 90	Dec., 5,902 81
United States bonds on hand...	10,950 00	8,000 00	Inc., 2,950 00
Other stocks and bonds.....	588,094 49	265,241 96	Inc., 322,852 53
Due from banks.....	2,310,505 40	1,654,639 55	Inc., 655,865 85
Banking house furniture and fixtures.....	575,265 48	352,403 20	Inc., 222,862 28
Other real estate.....	227,401 16	214,081 31	Inc., 13,319 85
Expenses paid.....	100,377 45	47,784 41	Inc., 52,593 04
Taxes paid.....	43,749 05	9,842 56	Inc., 33,906 49
Checks and cash items.....	49,648 49	54,153 28	Dec., 4,509 79
Exchanges for Clearing-House.	214,342 09	228,958 28	Dec., 14,608 19
Cash on hand.....	1,436,625 86	1,261,806 41	Inc., 174,811 45
Other resources.....	126 33	430 67	Dec., 304 34
Total resources.....	\$19,429,112 87	\$16,581,225 31	Net inc., \$2,847,887 56
LIABILITIES.			
Capital stock paid in.....	\$4,877,000 00	\$4,363,600 00	Inc., \$513,400 00
Surplus fund.....	659,893 71	554,094 05	Inc., 105,799 66
Other undivided profits.....	429,155 23	281,725 78	Inc., 147,429 45
Dividends unpaid.....	3,638 00	5,805 00	Dec., 2,167 00
Due to depositors.....	12,210,275 93	10,416,216 93	Inc., 1,794,059 00
Due to banks.....	942,558 69	724,506 53	Inc., 218,052 16
Re-discounts.....	195,058 20	195,154 20	Dec., 96 00
Bills payable.....	111,370 00	23,156 00	Inc., 88,214 00
Other liabilities.....	163 11	16,966 82	Dec., 16,803 71
Total liabilities.....	\$19,429,112 87	\$16,581,225 31	Net inc., \$2,847,887 56

A. B. Mygatt, Esq., until recently National Bank Examiner for the State of Connecticut, in which position he was both efficient and popular, and now President of the First National Bank, of New Milford, Conn., is pleased to speak highly of the JOURNAL. He says: "I regard the JOURNAL as a work of great value, and it is so regarded by all bankers who are familiar with it."

A Valuable Book.—"THE BANKERS' DIRECTORY AND COLLECTION GUIDE, published by Bradford Rhodes & Co., is a valuable book for bankers. It contains a list of all banking institutions throughout the United States and Canada. It also publishes in the same volume the law on many points as it exists in each State, which is of great benefit to all business men throughout the country."—*Chautauqua* (N. Y.) News.

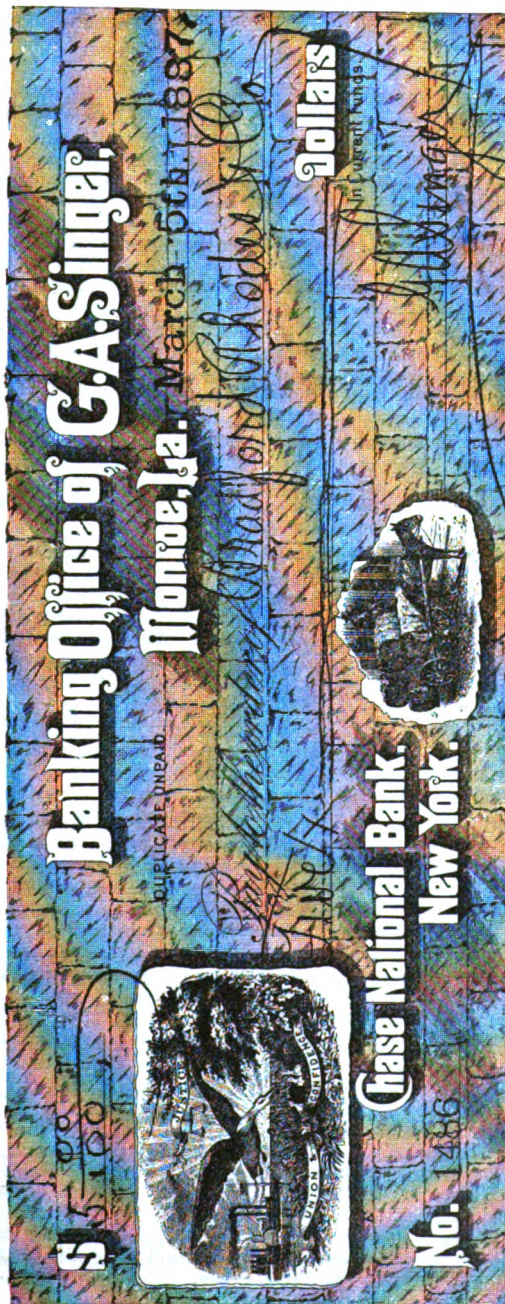
Mr. Claudius B. Patten, referred to in the following notices from Boston papers, was well known to our readers as the author of the valuable series of articles on "Practical Banking," which appeared from month to month in the JOURNAL, and will shortly be issued in book form:

Americans who write books about visits to England are fond of telling of their enjoyment of the hospitalities of the nobility. By-and-by we hope some American will return from that country able and not ashamed to tell us something about the homes of the bluff, hospitable common people.—*Traveller*.

This was done in a series of sketches by the late Claudius B. Patten, which was recently published in book form. Mr. Patten travelled on foot through many interesting portions of England, mixed and talked with laborers, farmers, workmen, and the common people generally, and gave the results of his investigations.—*Commercial Bulletin*.

UNIQUE CHECKS AND DRAFTS.—Signatures, although oftentimes difficult to decipher, do not monopolize all that is curious in banking. Dealing with bankers in every section of the country, we have an opportunity of inspecting a great variety of checks and drafts which reflect, in many cases, individual traits and peculiarities, but are frequently remarkable for the beauty and good taste displayed. We have received checks that, in the gorgeousness of their make-up, fairly eclipsed "Solomon in all his glory." The greatest ingenuity is often shown, in indicating in the design of the check the character of the business in which the banker drawing it is chiefly engaged.

The illustration shown herewith is a *fac-simile* of the draft used by Mr. G. A. Singer, Banker, Monroe, La. As he lives in the cotton-growing section his business is largely with those who handle that commodity. The background of the check, therefore, is intended to represent a pile of cotton bales. The artist, perhaps, was not quite equal to the occasion, for we understand that the representation is not as good as Mr. Singer expected it would be. On the whole the check is striking in its appearance, and combines the useful with the beautiful in an admirable manner.



BANKING AND FINANCIAL NEWS:

WITH COMMENTS ON THE MORE IMPORTANT MATTERS. THIS DEPARTMENT ALSO INCLUDES: RAILROAD AND INVESTMENT NEWS, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

Appointment of Second Comptroller.—Sigourney Butler, a young Massachusetts lawyer, and son of the Receiver of the Pacific National Bank, of Boston, has been appointed Second Comptroller of the Treasury, in place of Judge Maynard, made Assistant Secretary.

Deposits of U. S. 4½ % Bonds.—The deposits of four and four and a half per cent. bonds to secure National Bank circulation continues to exceed in amount the estimates and expectation of the Treasury officials. The New York, Philadelphia and New England Banks especially are manifesting a disposition to increase their circulation.

New Bankruptcy Law.—A bill is in preparation in the Massachusetts Legislature, amending the Bankrupt Law of the State. The chief defect sought to be removed is the inability of Trustees of a bankrupt to make a sale of his property, which will give a good title as against an assignee appointed by the Court in subsequent proceedings against the bankrupt.

The Bank of Tennessee.—This is an old institution, chartered in 1837, the capital of which was owned by the State. It made an assignment in 1866, and the State seized its funds, leaving the depositors unpaid. The Senate of the State has passed a bill for the relief of the depositors by the issue of bonds to the amount of \$800,000. This sum, in bonds, is to be divided pro rata among the depositors.

Inter-State Commerce Commissioners appointed by the President are: Thomas M. Cooley, of Michigan, for the term of six years. William R. Morrison, of Illinois, for the term of five years. Augustus Schoonmaker, of New York, for the term of four years. Aldace F. Walker, of Vermont, for the term of three years. Walter L. Bragg, of Alabama, for the term of two years. Mr. Chas. P. Young, of New York city, has been appointed Secretary and Stenographer.

Suits Against the United States.—The Act of March 3, 1887, permits suits to be brought against the Government, in the Court of Claims or United States District Courts, where the claim does not exceed \$1,000, and in the Circuit Courts where it exceeds \$1,000 and does not exceed \$10,000. The suits are to be tried without a jury, and appeals may be taken. Four per cent. interest is allowed on judgments until Congress makes appropriation to pay them.

Election of officers of Boston Clearing-House.—The annual election of officers of the Boston Clearing-House recently resulted as follows: Chairman, James H. Beal; Secretary, N. G. Snelling. Clearing-House Committee: R. E. Demmon, Charles O. Billings, George Ripley, George S. Bullens, and Walter S. Blanchard. The annual report shows the aggregate exchanges for the year ended March 31st to have been \$4,128,333,964; this is \$406,667,012 larger than the exchanges for the preceding year. The balances were \$486,470,140, an increase of \$8,838,220 over those of the year before.

Dead Savings Bank Depositors.—There is a popular belief in New York that a large part of the \$300,000,000 deposited in the Savings Banks of the State is the property of dead people who have left behind no evidence of their deposits. The officers of the Banks, however, say that the unclaimed deposits are small. The fact is that deposits are sometimes made secretly, and are left undisturbed for years, by persons who hope to make some provision for old age, and do not care to have their friends know how much they have saved. The secret is with the bank and it ought to be kept. There are cases, doubtless, of deposits belonging to deceased persons, and Savings Banks should endeavor to find out and notify the heirs in such cases, if they do not appear of their own accord.—*Springfield Mass. Union.*

Over-payments on Checks.—An interesting question has just been decided by the Supreme Court. It appears that in 1879 the bookkeeper of a prominent business house went to a bank and received cash on a check. The paying teller by mistake handed him \$200 over the sum called for. In time the bank accounts showed a deficit. The loss was finally located. Suit was brought against the firm, to whom the bookkeeper had faithfully handed over the money. The statute of limitations was pleaded by the firm ineffectually. That \$200 mistake of the bank teller must be paid for with interest. —*Boston Commercial Bulletin*.

Stock Exchange Nominations.—The nominating Committee of the New York Stock Exchange have named the following regular ticket to be voted on at the election in May: President, J. D. Smith; Treasurer, D. C. Hays; Secretary, Geo. C. Ely; Chairman, James Mitchell; Vice-Chairman, Alex. Henriques; members of the Governing Committee for four years, Donald Mackay, W. B. Lawrence, James Weeks, A. B. Hill, W. H. Johnson, J. B. Williams, Charles Minzesheimer, H. T. Cary, A. J. Ormsbee, W. H. Donald; for three years, W. H. Granberry; for one year, R. B. Whittemore, and trustee of the gratuity fund, W. E. Strong.

Curious Redemptions of Mutilated Notes.—About \$100 in National Bank notes had been placed in a small tin can for security, and afterwards caught fire and were burned to a crisp. When recovered they were a black, charred mass. The package was submitted to experts, and notes to the amount of \$50 were taken from it in small sections and easily identified. A check for that amount was mailed to the owner. In another case the experts were called upon to examine small pieces of pulp, which, it was explained, were all that remained of a pocketbook containing about \$200, which a Western farmer had dropped in a field while at work, and which had been torn to pieces by a pig, which had chewed it until it began to taste badly, and then spit it out in pieces as he trudged along the pasture. All that could be found were sent to the Treasury, where enough remnants were discovered to entitle the farmer to \$40 in good money. —*Boston Transcript*.

Bank Legislation in Dakota.—The JOURNAL's Western Correspondent, writing from Bismarck, says: "The Dakota Legislature adjourned without the passage of a law adverse to the interests of the banks and bankers; but, much to the surprise of those not acquainted with the situation, they repealed the misdemeanor clause of the statute on usury, which was a step in the right direction. The friends of the banks thought it almost a hopeless case at the beginning, with thirty-two farmers in the lower House of forty-eight members; but the Dakota Bankers' Association had appointed a Committee on Legislation at their last convention, and this committee took steps to have a bill for the repeal of the obnoxious section of the statute on usury introduced early in the session, and pushed it through. Later on in the session, when the members who were inimical to the banking interest realized what they had done, there were two or three bills introduced, the passage of any one of which would have re-enacted the provision they had repealed, with other objectionable features. The Committee from the Bankers' Association then directed their efforts to defeat unfriendly legislation, and were successful. The bankers of Dakota now realize more than ever before the value of their Association.

"A bill authorizing the incorporating of banks was passed, which contains some very good provisions and no objectionable features."

Never Saw a Gold Coin.—The San Francisco *Examiner* thus closes an account of an interview with ex-Senator James G. Fair: "I had occasion to go down to Georgia on some business. I got off at a little station, and after stopping a day went up to the ticket agent to buy a ticket back to Washington. I had nothing but gold in my pocket, and threw down a twenty-dollar gold piece. The agent, a young fellow, picked it up, turned it over deliberately, and then looked me squarely in the face and said: 'That may be all right, mister, but I never saw one of those things before, and as I'm only getting a small salary, I can't take the risk of accepting it. If the company would not accept it, I would have to plank down the full amount.' Here was an amusing dilemma. As I did not have any other kind of money with me, I started out to find some one who knew a gold piece when he saw one. Luckily I ran across an old man, and brought him back with me to see the agent. The old fellow said he had not seen any gold since the war, but he knew the twenty-dollar gold piece was all right. Both of us finally persuaded the agent to take the gold in payment for a ticket. But, don't you know, that agent

was still in doubt, for he carefully took down my name and address, and made me promise to send \$20 'in good money' if the company refused to take the gold."

Artistic Coinage.—The following circular has been sent out by the Director of the Mint for the purpose of securing designs for the coins of the United States. This is an appeal to the artists of the country in accordance with provisions of the Coinage law of 1873, which have never been acted on. The designs in use are behind the times:

TREASURY DEPARTMENT, BUREAU OF THE MINT, {
WASHINGTON, D. C., April 9, 1887.

SIR:—Under the provisions of Section 3,510 of the Revised Statutes, and with the approval of the Secretary of the Treasury, you are respectfully invited to submit designs for the obverse and reverse of such of the coins of the United States as it may in future be decided to apply them to, in case of their acceptance. The following is announced as the conditions under which designs will be entertained:

(1.) Six sets of designs are now sought for the silver and minor coins, except the three-cent piece. Acceptance of designs will be limited to that number, except on further notice.

(2.) They will be presented in the form of medallions in plaster, of the diameter of two and one-half inches, an obverse and reverse medallion being submitted in the case of each coin, free from lettering for denomination, such lettering to be decided only subsequent to the acceptance of the designs.

(3.) The relief should be in what is known as "low relief," in conformity with the universal requirement in the coinage of the present day, on account of the excessive abrasion found to follow from the employment of "high relief."

(4.) The designs will be submitted in sealed parcels to the undersigned, on or before July 6, 1887. Judges invited to open and pass upon the same will also be desired to recommend to the Director of the Mint to what coins of the United States accepted designs or existing patterns be applied.

(5.) The "date" of the coin will be omitted.

(6.) An award not to exceed \$500 will be made for each accepted set of designs—that is, for obverse and reverse patterns. For an obverse design accepted to the exclusion of a reverse design rejected, a sum not to exceed \$400 will be paid. For a reverse design accepted to the exclusion of an obverse design rejected will be paid a sum not to exceed \$100.

To artists who may desire to study the coins belonging to the cabinet of the Mint at Philadelphia an opportunity will be given. This collection includes several pattern pieces, the designs of which are believed to be superior to those of several of the current coins. I shall be happy to give you any further information on the subject of this circular, or to confer with you in person at Washington, or on such occasions as I may be present at the Assay Office in New York or at the United States Mint at Philadelphia.

Very respectfully yours,

JAMES P. KIMBALL, *Director of the Mint.*

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

- Palestine, Tex., is to have a new bank.
- Two new banks are to be started at Polo, Mo.
- A safe depository is to be built at St. Joseph, Mo.
- A bank building will be erected at Carson City, Mich.
- A new bank is soon to be established at Uloia, Ia.
- Some talk of establishing a bank at West Atchison, Kana.
- Local capitalists are about to start a bank at Augusta, Illa.
- Eastern parties contemplate organizing a bank at West Bend, Wis.
- The Union Bank at Greenly, Col., intends to erect a new building.
- Mr. Reville and others will establish a bank soon at Greenville, Ga.
- The business men of Somerset, O., are to organize and start a bank.
- A bank will, it is understood, be established this spring at Sargent, Dak.
- The Seville Bank has been organized at Seville, Volusia County, Florida.
- The Elk National Bank is in process of organization at Fayetteville, Tenn.
- The First National Bank of Marquette is preparing to build at a cost of \$17,000.
- A new bank, it is expected, will be opened at Mentone, Ind., with a capital of \$80,000.
- The Dime Savings Bank of Peoria, Ill., has contracted for a new fire-proof building.
- St. Joseph, Mo., has been designated as a National bank reserve city, under the new law.

- A revised estimate of the public debt reduction for March makes it about \$11,500,000.
- The stock has all been taken for a new National bank, with \$50,000 capital, at Atlanta, Ills.
- Mr. John Howard Latham became a partner in the firm of Winalow, Lanier & Co., April 1st.
- A building to be put up in Knoxville, Tenn., will be occupied by the Third National Bank.
- The Duluth National Bank building about to be constructed will be fire-proof six stories high.
- It is said that capitalists from Kansas City, Mo., purpose opening a national bank at Decatur, Ala.
- They are putting up a bank building at Horton, Kan., and the organization of a bank will follow.
- Steps have been taken to establish a National bank at Knoxville, Tenn., with a capital of \$150,000.
- The State Bank of Florida, at Jacksonville, has opened a safe deposit vault, the only one in that city.
- A bill is before the New York Legislature for abolishing days of grace upon notes and bills of exchange.
- Bray & Choate and W. A. Scott, of Merrill, Wis., are endeavoring to organize a National or State bank.
- The Woodson National Bank, of Yates Centre, Kans., contemplates the erection of a new bank building.
- C. S. Dyer, Examiner of National banks in the State of Michigan, has resigned to go into private business.
- At Des Moines, Ia., a banking house will, it is understood, be put up by the Citizens' National Bank.
- The National Revere Bank, of Boston, Mass., has been appointed a United States depository for public money.
- The National Security Bank of Philadelphia will soon commence operations on a new building to cost \$40,000.
- The United States National Bank of Atchison, Kan., propose to build. It will be a building of four or five stories.
- Bridgeton, N. J., is to have a new hotel and bank building, the latter to be occupied by the Cumberland National Bank.
- The Hon. J. J. Sullivan, of Millersburg, O., has been appointed a Bank Examiner in place of Mr. R. C. Parsons, who resigned.
- The Commercial Bank of St. Joseph, Mo., has just elected directors for its first year. A new building is to be constructed for it.
- The Commercial National Bank of Dubuque, Ia., are contemplating the erection of a new building for the occupation of the bank.
- New safe deposit vaults have been fitted up in the building of the North River Bank, corner Dey and Greenwich streets, New York.
- The Comptroller of the Currency has authorized the Merchants' National Bank of Rome, Ga., to begin business with a capital of \$100,000.
- A new National institution at Cincinnati will be called the Brighton National Bank. It will be located at Colerain and Harrison avenues.
- The Secretary of the Treasury has decided that National bank depositaries are not required to redeem trade dollars under the recent Act.
- A movement has been started by Jacksonville (Fla.) bankers to establish a State Association, and a convention is likely to be called for that purpose.
- On March 28, the Massachusetts House of Representatives passed the bill to incorporate the Commonwealth Safe Deposit and Trust Company of Boston, after

amending it in some particulars. The chief amendment was that raising maximum limit of capital from \$500,000 to \$1,000,000.

— The Chattanooga National Bank is about ready to commence business. The Fourth National is the name of a new bank projected at Chattanooga.

— The ground left vacant by the Insolvent Maritime bank of St. John, New Brunswick, is being occupied by agencies established by the Halifax banks.

— Exchange on New York has been introduced in Berlin, the price of one dollar being 4.18 $\frac{1}{4}$ in marks. This is a new feature of international exchange.

— Proposals for \$400,000 stock of the City of New York, bearing interest at 3 per cent. per annum, were received at the Comptroller's office on April 8th.

— All the capital amounting to \$50,000 of the new Sussex National Bank of Seaford, Del., has been subscribed and the bank will open for business about May 15th.

— The new Market Street National Bank, Philadelphia, Pa., has purchased the property 1,107 Market street, and intends erecting a handsome building there.

— Bank of Commerce of Grand Island, Neb., has filed articles with the County Clerk to commence business with a capital of \$50,000. It may increase to \$500,000.

— From the Montreal *Stockholder* it appears that some opposition to the Government Savings banks in St. John, New Brunswick, is developing among bankers in that place.

— The Committee on Banks and Banking of Massachusetts House reported favorably on petition for incorporation of the Manufacturers' Loan and Trust Co. of Holyoke.

— Trade dollars come in so slowly for redemption at the Sub-Treasury that the clerks no longer require that a customer shall wait indefinitely to get new money or exchange.

— The stockholders of the Rahway (N. J.) National Bank have decided to put the bank into liquidation. A new bank will be organized under the State law by Rahway capitalists.

— Virginia is still hunting around for means that will enable her to pay her debts at forty cents on the dollar and at the same time keep her conscience at par.—*Philadelphia Press*.

— Mr. H. L. Sturdee, Mayor of Portland, New Brunswick, has been appointed professional liquidator of the Maritime bank of St. Johns, New Brunswick, under the laws of Canada.

— It is stated that John C. Eno's father has made restitution to the Second National bank of New York city of the full amount of his son's defalcation, amounting to upwards of \$5,000,000.

— Mr. Northcote, son of Lord Iddesleigh, and son-in-law of Hamilton Fish, is fitting up the Cunard mansion on Staten Island for residence. He is a member of the banking firm of J. Kennedy Tod & Co.

— The Boise City National Bank, of Boise City, Idaho, has been designated for the reception, safe-keeping and disbursement of public funds advanced to disbursing officers of the War Department.

— The Banking Committee of the Massachusetts House of Representatives on Savings Banks reported it as inexpedient to pay deposits to foreign executors, administrators or guardians of depositors.

— Senator Vedder's bill provides that stockholders in every Trust company in the State of New York shall be taxed on their shares as personal property at the place where the company's chief office is situated.

— President Cleveland has commuted to five years the sentence of imprisonment of Douglass W. Vanderhoof, of Minnesota, who was sentenced to ten years for embezzling the funds of a bank in which he was a clerk.

— The new banking room of the Emigrant Industrial Savings Bank, at 49 and 51 Chambers street, New York, occupies the first story of the building, and is beautifully finished in marble and bronze. The building itself is entirely fire-proof, with two elevators and all the most modern appliances. It was built by the Trustees of the bank because greater facilities were needed in the transaction of business.

— Another indication that the demand for small silver certificates in some portions of the South has been supplied was afforded by the return of some \$1,000 packages of these notes from Texas for redemption.

— The Comptroller of the Currency has declared a fourth dividend, 20 per cent., in favor of the creditors of the Lancaster National Bank, of Clinton, Mass. This makes in all 70 per cent. on claims proved, amounting to \$170,384.

— Blair & Co., private bankers, of St. John, N. B., have made an assignment. The firm suspended at the time of the Maritime Bank's failure. It is feared that the assignment will bring disaster on other business people of that city.

— The Bank of Horton, Kans., with \$50,000 capital, has been organized. The following Directors have been mentioned: H. A. Parker, C. F. Jilsen, J. W. Parker, M. A. Low and W. W. Guthrie, of Atchison, and E. W. Sandison, of Horton.

— Parties in Boston have petitioned the Legislature of Massachusetts for the formation of an investment company. The plan is to borrow money on bonds and debentures to be issued by the company to invest in bonds, mortgages, etc.

— There is now in the United States Treasury \$180,000 in cash belonging to the Pacific railroads which will be invested in the first mortgage bonds of the companies. The amount already invested in United States bonds aggregates \$8,000,000.

— The National banks of Jersey City, which have been contesting the legality of the State tax on their shares, since the decision of the United States Supreme Court in the case of the Mercantile National bank will pay up the amount in arrears.

— An unknown quantity of forged bonds of Virginia of the class known as Riddleburger threes, have, it has recently been discovered, been offered for sale in Northern cities. Since attention has been called to them, they are not calculated to deceive.

— The promissory notes, mining stocks and other securities of John M. Masterton, late owner of the defunct Mount Vernon (N. Y.) Bank, valued in the schedule of assets at \$30,000, have been sold, and realized only \$12,000. The deficiency will have to be borne by the depositors.

— Shipments of \$20, \$10 and \$5 silver certificates and United States notes have been made from Washington to the Assistant Treasurers at New York and Chicago to meet the demand at those points. One and two-dollar silver certificates are being issued at the rate of \$150,000 a day.

— A statement prepared at the Treasury Department in regard to the production of distinctive paper used in printing notes, bonds, etc., shows that during the fiscal year more sheets were produced than during the previous fiscal year at a cost of 13.10 cents less per pound and a cost of \$1,077 less for superintendence.

— The Third National Bank, of Jersey City, has been organized with a paid-in capital of \$200,000. John D. Carscallen was elected President and Henry Betz Vice-President. The old Fifth Ward Savings Bank building, on Pavonia avenue, was purchased for \$30,000, and will be repaired for the new bank.

— Secretary Fairchild has informed a firm of importers at New York that silver trade dollars cannot be received in payment of duties due the United States, inasmuch as section 2 of the joint resolution approved July 22, 1876, which is now in force, provides that the trade dollar shall hereafter not be a legal tender.

— Instructions have been given by the Treasury Department for the discontinuance as a United States depository of the First National Bank, of Galveston, Tex., at its own request, and the transfer therefrom to the Assistant Treasurer of the United States at New Orleans, La., of balances standing to the official credit of officers of the army.

— Mr. Wm. Sistare of New York, has been straightening out the tangled affairs of his branch office in Detroit. The exact loss through the late manager, Mr. Alexander M. Stanton, is stated to have been \$28,000, which has been reduced by the return of \$7,500 by Mr. Stanton's brother. The branch will be continued under a gentleman of Detroit who is widely acquainted, reliable and energetic.

— A letter was received at the Treasury Department recently from a farmer of Western New York, who said he had seen in the newspapers that the Government had more silver than it could care for, and as he had great need of some ready money, he was willing to relieve it of a little from its overflowing vaults—say about \$1,000. He

said he did not want more than that at present, but in case he found use for more he would let the Department know!

— The Chinese had a way of "chipping" or marking with their outlandish characters every trade dollar that came into their possession. All thus defaced are only redeemable as bullion. Another kind of mutilation was the disfiguring of the Goddess of Liberty on the face of the dollar. On some of the coins sent to the Treasury the poor goddess has been almost denuded of her flowing robes, and placed in awkward positions.

— The Treasury Department has been notified through the Department of State that in order to give additional effect to its measures relative to the circulation of foreign silver coins in the Empire, the Government of Turkey will absolutely prohibit on and after April 13, 1887, all foreign silver coins from entering any of its custom-houses or post offices. All such coins will be returned to the place whence they came, unless fraudulently entering, when they will be confiscated.

— Secretary Fairchild has determined to protect claimants before the Treasury Department from the extortionate demands of attorneys. He recently ordered the cancellation of a check issued in payment of the back pay and bounty of a soldier which was held by an attorney in order to secure what the Secretary considered an exorbitant and illegal fee. The Secretary then directed that a duplicate check be issued and sent direct to the claimant. This course will be adopted in all cases where the attorney asks more than fair compensation for his legal services.

— According to the *New York Times*, the idea of safe deposit companies, so common and successful, originated with the proprietor of a drinking saloon near Washington Market. The butchers used to bring their tin boxes to him for storage over night in his safe, until finally he could not accommodate them all. Attending an auction sale one day, he purchased a large safe, had it fitted into compartments, and assessed the cost among his patrons. Shortly after the first safe deposit company was opened on lower Broadway, one of the promoters having watched the working of the system described. Several attempts have been made to introduce the system in London, but have been unsuccessful excepting as concerns the "city."

— The Receiver of the Pacific Bank, which suspended five years ago, has declared the sixth dividend. It is to the amount of 10 cents on \$1. This brings the total amount declared to the depositors to 40 cents on \$1, which amount has been paid from money collected from the stockholders after much litigation. About \$500,000 has already been collected, and from this 40 per cent. of dividends have been paid. There remains, as yet to be collected, about \$100,000 or \$170,000, and from this sum, as it is paid in, a dividend of 10 per cent. and possibly one more of 5 per cent. will be declared, making a total of from 50 to 55 per cent. for the benefit of the depositors. Of the amount now uncollected about 50 per cent. is good to the fullest amount. Nearly all the remainder, however, is good for a large part of the amount due, and so far there have only been eight cases that are practically worthless.

NEW COUNTERFEITS, SPURIOUS COINS, ETC.

[Readers of the JOURNAL have frequently been informed that much of the news published in newspapers and in so-called "Counterfeit Detectors" regarding bogus bills and coin is either wholly or in a large part unreliable. The Secret Service Bureau of the Treasury Department is so well organized that it is now almost impossible for rogues to either make or put in circulation any considerable amount of bogus money. If bankers exercise proper care and read the information furnished by the Department they will have no trouble in promptly rejecting counterfeits.—EDITOR.]

GREEN GOODS SWINDLERS.—The Cashier of a bank in Alabama sends to the JOURNAL the following letter, recently received by him from swindlers belonging to the class known as "Boodlers" or "Green goods dealers." The last number contained a letter on the same subject from Chief Brooks, of the United States Secret Service:

DEAR SIR:

Do you want to make money fast and safely? The goods are really *bona fide*, printed from genuine plates, and upon genuine paper, and the most skillful expert cannot detect the least particle of a flaw. Any bank or store will accept of them, without the least hesitation. Sizes are 1s, 2s, 5s, 10s and 20s. Also a large supply of Canadian bank bills, and the new series of U. S. silver certificates. If you conclude to write for terms and full particulars, sign No. 68 S. instead of your name, for *safety* sake.

If you desire samples, you must send \$1 for a 1, \$2 for a 2, \$5 for a 5, \$10 for a 10, and \$20 for a 20. This proves to me your sincerity and honest intentions to purchase

the goods if they suit, and at same time puts a stop to parties asking for samples to merely satisfy a morbid curiosity, when they have neither capital, or any intentions to engage in the business. All correspondence must be returned, otherwise I won't deal with you. Address as per slip that is enclosed.

The following is the address given:

A. S. SHAW, 33 Bowery,
Care of Pacific House.

On April 18th a gang engaged in this business was arrested in this city. The police found the largest assortment of stock in the "green goods" business that it has been their luck to capture in twenty years. The invading officers found 80,000 stamped envelopes addressed to people in Western States, a Dun's mercantile reference list from which addresses were obtained, letters printed by the cyclostyle process, inviting the receiver to buy at low rates splendidly engraved bank bills, printed from genuine plates on genuine paper. There were thick piles of genuine one, two, five and ten-dollar bills, in all amounting to \$1,420 of United States money and \$640 in Canadian currency, which, packed in a black gripsack, were shown to the avaricious purchaser, and for which he would plank down his own honest money on a basis of \$100 of the "queer" for \$10 dollars of the good, only to have the black gripbag which he saw filled with the genuine green goods adroitly exchanged for an exactly similar black gripbag loaded with a brick and old papers. And there were thick piles of green slips of paper, the size and color of bank bills, fastened with a narrow ribbon of paper like Cashiers put up their money, on the top and bottom of which were placed a real bank note, so that each pile looked as if it were a pile of the honest stuff. There were memoranda of the progress of transactions like these:

Jesse M. Nolan, Fine's Creek, N.C.—Offered State right for \$25: afraid to come; coaxed; son: father will not deal; Rosemore.

H. S. Montgomery, Long Island, Kan.—State right, \$500; has friends who want to do biz; will take them in after first deal.

W. A. Black, Kennedy, Ala.—Wants to do biz in room; will let him name hotel; leave money with clerk and pay at hotel; wrote him not in public place.

ANOTHER SWINDLE.—Akin to the preceding are the operations carried on by some of the "Bucket Shops." Bankers and others receive documents issued by — & Co., of New York, who it appears are stock operators on 1 per cent. margins, opening up a highly attractive scheme of converting their business into a stock corporation, limited, and taking in their country customers as shareholders. The amount of capital is placed at \$250,000, in shares of \$50 each. Those stockholders who wish to receive a fixed income from their investment can have stamped upon their certificates of stock a guaranty of interest at the rate of 7 per cent. per annum, while on the shares not guaranteed, the holders will be entitled to receive dividends up to 25 per cent. per annum, payable quarterly, and a handsome profit beyond 25 per cent. is confidently predicted. It is the first instance, says the rosy-hued memorandum accompanying a scarcely less rosy prospectus, "where customers have been admitted into any degree of copartnership with their brokers." It is also stated that "there exist several limited liability corporations doing a similar business to Messrs. — & Co., but the capital is closely held in a few hands. The most important one is a company in New York with a nominal share capital of only \$100,000 held by three or four persons, who have divided as much as \$1,300,000 in profits in one year recently." Of course, the fact that these operators offer to speculate in small lots on 1 per cent. margin is sufficient notice to warn off men at all acquainted with business, but it is quite possible that the enterprising speculators will find some very unsophisticated "lambs" who will send in their orders and subscriptions. They will wait in vain, however, for a remittance from a Kentucky correspondent of the JOURNAL who asks indignantly, "Can nothing be done with them?" Our answer must be similar to the one always sent in like cases—*Let them severely alone.*

Cattle Ranches.—The attention of those desiring to invest in cattle and cattle ranches is directed to the advertisement of THE BANK AT HAIGLER, Nebraska, in this issue. The opinions of those who understand the situation agree that now is a favorable time to purchase, affording a good opportunity for the employment of some of the idle capital of the East. Young men looking for business which is profitable, highly respectable, and at the same time conducive to health, would do well to correspond with above-named bank.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

NATIONAL BANKING AGAIN.

Editor Rhodes' Journal of Banking:

SIR:—I have just read with some interest, and more surprise, in your April number, under the signature of "Subscriber," a reply (?) to my brief paper in your February number. That article was intended to be merely tentative and suggestive, not exhaustive; therefore, I did not expect any criticism of it. However, "as iron sharpeneth iron, so doth the countenance of a man his friend."

"Subscriber" says: "While it is quite true that the necessities of the Government acted as a potent influence in the passage of the National Bank Act," etc., I reply that the necessities of the Government were of paramount consideration, *the potent factor* in passing the Act establishing National banks; the providing a uniform currency for the whole was altogether a secondary consideration. The currency was the *quid pro quo* to induce the formation of National Banking Associations; and, further, to facilitate that object a law prohibitory in its nature was passed against circulation of State banks.

"Subscriber" does not give the National Bank Act much, if any, credit for originality—referring to the well-known fact of its being based upon the State-banking system of New York. So, after all, the salient and wholesome features of the National Currency Act are borrowed, more or less, from the banking laws of a State—notwithstanding it is so common to sneer at bank corporations under State charters. As progress was the characteristic of the social organism, so banking, an important factor in working out this progress, was likewise developing and improving under State charter. Therefore I do not agree with "Subscriber" as to the probability, "without the pressure of war times," of establishing banks under National charter.

"Subscriber" takes issue with me as to the etymology of bank from the Italian of *banco*—a bench—and prefers to derive the word, as in ordinary use, from massing things together—"as a bank of sand, stones, or money." I would say here, *par parenthesis*, that the article written by me last July, and published in your February number, was written on scraps of paper, during the intervals of business at my desk in bank, in midsummer dullness. Certain dates, etc., given were verified by me at home from books in my library. But I do not remember specially looking into the dictionary for bank; but, of course, I had come across, years ago, somewhere, the derivation as I gave it. Since reading "Subscriber's" derivation, as above given, I have had recourse "to the law and the prophets." What say the lexicographers? First, we will take our great American lights.

Webster. "Bank derived from Italian *banco*; derived from German. See Bench."

Worcester. "Bank from Italian *banco*, a bench or table on which the Venetian money-changers displayed their money."

Now we will take dictionaries recently issued by English authors or editors.

Stormonth's.—"A Dictionary of the English Language," by Rev. James Stormonth, author of "Etymological, etc., Dictionary."

He says: "Bank—French *ban*; German *bank*, a bench or bank; Italian *banco*, a bench, a merchant's place of business."

Skeat's "Etymological Dictionary of the English Language," by the Rev. Walter W. Skeat, Professor of Anglo-Saxon in the University of Cambridge.

Skeat says: "Bank—the word is, in fact, a doublet of bench—a place for depositing money, a money-changer's table or bench."

Finally I quote from a dictionary just publishing—a dictionary, as far as the English language is concerned, that will be in the line of lexicography the master-work of the nineteenth century—in every respect a work as monumental as the great dictionary of Littré for the French. I refer to "A New English Dictionary on Historical Principles," founded mainly on materials collected by the Philological Society; edited

by James A. H. Murray, LL.D., sometime President of the Philological Society; printed at Oxford, Clarendon Press.

In treating of the word bank, this dictionary has at least four times as much as all the four preceding dictionaries quibbled combined—enough to fill a few pages of your JOURNAL. There are three extensive divisions of bank used as a substantive. Under the third division I briefly quote: "Bank—early modern English *banke*, from French *banque*, from Italian *banca*, feminine; *banco*, masculine." General definition under this heading: "The original meaning shelf, bench was extended in Italian to that of tradesman's stall, counter, money-changer's table (*mensa argentaria*), whence money-shop, bank, a use of the word which passed, with the trade of banking, from Italy into other countries." Not to pun, I will say that the italics are mine. Under this third division there are eight sub-divisions. Sub-division seven defines the word, "in the ordinary modern sense, as an establishment for the custody of money, etc.—a bank of deposit, a bank of issue of circulation"—giving, also, Bank of England as an example. Among other derivations of bank we have bankrupt, from the Italian *banco rotta*—that is, bank-broken or bench-broken. Also I would cite, as an *obiter dictum*, the law term *in banc*, or *in banco*, denoting a full Court, before all the Judges on the Bench, for the hearing of arguments, as distinguished from a *nisi prius*, or Circuit Court, before one Judge and a jury. But enough of the *lucus a non lucendo* of "Subscriber."

Yes, I say that the two-fold objects have been subserved, to carry out which the National Bank Act was enacted. People do not engage in banking, actuated primarily by philanthropic or patriotic motives. Self-interest (the more enlightened the better) is here, as elsewhere, the *primum mobile*. Therefore, if there is but one advantage, *per se*, in the National system, that of circulation, and it has well nigh, if not altogether, ceased to be a source of profit, then people engaged in the business of banking will endeavor to get into a more profitable system, or go out of it. Ergo, circulation ceasing to be profitable, "the beginning of the end" of the National Banking system is at hand.

"Subscriber" thinks that the Government ought "to pay a bounty to banks as an inducement to remain in the system." A confession of weakness this that yields the whole point at issue. If there are any words in the relation of Government to people that are odious to right thinking persons they are bounty, monopoly, and protective tariff—means devised by Government, intermeddling to enrich the few at the expense of the many. All legislation making statutory laws of this character is legalized iniquity. Pray, how does "Subscriber" expect this bounty to be paid by the Government to be raised? The Government has no talismanic touch, no peculiar power of getting money other than by way of taxes from the citizens at large. Shall they be taxed that National banks may fatten and batten on the bounty at somebody else's expense? Thus it is evident, like all people who want bounties out of others' pockets, that "Subscriber" is in favor of paternal Government—of holding on to the apron strings and enjoying all the pap possible. I not only do not "want the earth," but I also don't want this. In this respect I differ with him not only as to the earth, but *in toto cælo*.

War is a barbarism, and none the less so if carried on by ways and means devised through National banks; unworthy of people living in the latter part of the nineteenth century. We are passing out of the militant stage, and wars are destined, ere long, to cease. The fulfilment of the prophecy, made more than twenty-five centuries ago, is drawing near at hand, when "they shall beat their swords into ploughshares and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war any more." The lugubrious view of the probability of another war, and the continuance of National banks to meet such a contingency, reminds one of an illustration of the improbable, if not impossible, where Hume, in one of his essays, refers to a worthy rector in rural England, who, while perambulating his parish, comes across two of his very estimable parishioners, two pious old maids, *well stricken in years*, standing on the bank of a stream, looking mournfully into, and mingling their own tears with, its flow. The old rector was much concerned and wanted to know the source of their troubles. One of the "unwedded maidens old" said that she and Sarah Jane were thinking that if either of them had a little baby and it should fall into the stream and be drowned what a dreadful thing it would be, and how sad would be their bereavement—booh-hooh! So much for conjuring up the improbable or impossible, and wasting one's fears and tears over a pessimistic future.

"Subscriber" says: "Surely your correspondent does not need to be told that the law does not require the reserve agents of National banks to be themselves National

banks; that they are uniformly so is simply a usage of the Comptroller," etc. Yes, your correspondent does require to be told so, and then does not accept it as a fact. In the National Bank laws, Sections 5,191-5,192 (R. 8.), make provision by naming certain cities as redeeming and reserve cities no less than sixteen in number, in alphabetical order, beginning with Albany and ending with Washington. The banks referred to in those cities are National Banking Associations—stating that the legal-tender reserve to be kept (25 per cent.) on both deposits and circulation. National banks located elsewhere are required to have a reserve of 15 per cent.—three-fifths of which may consist of balances due from an association (in the cities named) to an association elsewhere. Now, what does the word association here mean? Manifestly every National banking association in the cities named. Any and all other banking associations are therefore excluded. The only modification or amendment made to these two sections was by the Act of June 20, 1874, rescinding the requirement of a reserve on circulation other than a deposit of 5 per cent. with the Treasurer of the United States.

Yes, I repeat, "Subscriber" to the contrary, that in the reserve cities, especially in New York, the National banks have, taken as a class, only a minimum deposit of United States bonds as security for circulation, as by law allowed.

In the city of New York there are forty-five National banks, with a capital of more than \$45,000,000, a surplus of—say \$26,000,000, and undivided profits of more than \$10,000,000, aggregating more than \$81,000,000, depositing bonds with the Treasurer of the United States to secure circulation of \$10,000,000 with a circulation of \$8,000,000. Five of the forty-five National banks in New York have no circulation whatever, among them one bank with a capital of \$5,000,000.

The less "Subscriber" says about the panic in New York in May, 1884, the better. It was decidedly odorous of foul fish, especially so at the *Marine National Bank*. The Metropolitan *National* collapsed after having weathered many a storm as a *State* bank. The Second *National*, if it had not been for certain rich Directors putting their hands into their pockets and pulling out millions (for the defalcation of an absconding Eno), would have gone irredeemably to smash, despite its being a National bank under Government surveillance. I forbear to give many other no less humiliating examples (among them the National Exchange Bank, of Norfolk) going to show that the "National Bank Act" cannot put brains into empty skulls or honesty into dishonest hearts.

No, it is not "a curious error to speak of the Government as an indorser"—especially so in the ordinary conventional use of that word—on the notes of National banks. The Treasurer of the United States holds in trust United States bonds deposited as security for circulation, and to that extent is a Trustee. But the National currency bears the imprint of the seal of the United States Treasury and the signatures of two officers of the Treasury, viz: of the Register and of the Treasurer of the United States. So in business parlance, referring to the notes as negotiable instruments, it is not amiss to speak of the Government as an *indorser* even to the most pedantic purists.

It would be better, perhaps, for "Subscriber" to read, learn and inwardly digest (rather than take hearsay or second and third dilutions of) Huxley and Spencer (especially the latter in his essay on "State-tamperings with Money and Banks"), and perhaps he would be more chary in vaunting himself in his proud "humility" in neither reading nor learning from them.

In conclusion, as I do not know whom the *nom de plume* of "Subscriber" represents, I am at a loss as to construing his closing lines—whether complimentary or whether after the style of what Pope calls *damning with faint praise*—otherwise I might give "Subscriber" "a Roland for an Oliver."

CLAYTON CANNON.

BALTIMORE, April 13, 1887.

COUNTRY COLLECTIONS.

Editor Rhodes' Journal of Banking:

SIR:—The practice of remitting for collections on day of payment is so generally followed by banks that were it not for an exception now and then this splendid rule would be universally observed. Occasionally, however, we run across a country bank that fails to remit promptly, indeed not until several tracers are sent out by the forwarding bank can an answer be obtained. This is a bad practice and if followed to any extent will eventually prove ruinous. When a banker holds the money received as

payment of a collection for thirty or fifty days without reporting to his correspondent, it proves him guilty of nothing more or less than a breach of trust not to speak of the impure banking indulged in, and though country bankers as a class are not charged here with such unbusiness-like proceedings, instances of this kind are too often found in the records of modern banking.

If a country banker uses the funds so received for his own purposes (as he evidently does) he is virtually charging himself a more exorbitant rate of interest than was ever exacted from an unfortunate borrower, though he may not be aware of it at the time.

When we find a banker guilty of such an act the first best thing to do is to strike his name off the list of correspondents. Our little red book contains other than printer's ink. And now the question arises how can we make our collections at certain points? Forward them by express charging the customer with the extra expense. Most business men are reluctant to pay exchange or collection charges at all, but as soon as they are informed that by this means the proceeds will be certainly and promptly remitted, they are willing to pay the expense. O yes! you can easily satisfy the greatest economist by tendering him on one hand, promptness at a premium, on the other, uncertainty at par, and by the way the best method to break a country banker's high rate of exchange is through the unstinted use of an express company. One correspondent charged us for remitting as high as 1 per cent. until we surprised him one day by sending our checks and other collections through an express company. His rate is now $\frac{1}{4}$ of 1 per cent., and sometimes as low as 1-10 of 1 per cent. A good article on this subject can be found in the October, 1886, number of the JOURNAL at page 795.

Another bad practice is that of holding collections after maturity unless otherwise instructed by the forwarding bank. This is, however, such thoroughly rotten banking that an intelligent banker cannot fail to see the folly of it at a glance. The drawer of a draft often regulates a customer's commercial credit and good standing by the promptness exercised in meeting his collections on day of maturity, and here the banker by not reporting promptly assumes a dangerously responsible position. Returning unpaid collections on day of maturity is as necessary to correct banking as remitting for paper on day of payment; it gives the drawer of the collection or holder of a note chance for prompt action against a delinquent customer, saves the forwarding bank many tracers and no end of trouble.

WORICH.

DETROIT, April 22, 1887.

CANCELLED CHECKS.

Editor Rhodes' Journal of Banking:

SIR:—In a recent issue of your JOURNAL one of your correspondents seems to detect a source of danger in the common practice of banks returning to their customers, when pass books are balanced, the cancelled checks without receiving a receipt for same. His idea seems to be that a dishonest man might destroy a check and then claim that he never issued it, and so compel the bank to refund him the money paid out. I do not see any force in this criticism, because the check in question could be readily traced from the bank back to the depositor, and through him could be followed from hand to hand until it reached the drawer himself.

Yours truly,

C. D.

ST. LOUIS, APRIL 18, 1887.

PAPER IN MARKET.

Editor Rhodes' Journal of Banking:

SIR:—In the January number of the JOURNAL I suggested the propriety of the banks in the Clearing-House cities forming an association for the purpose of keeping themselves informed as to the amount and character of the single name and accommodation paper on the market.

I would suggest in this number, if your space will permit, a definite plan for such an association. There should be a manager, with one or more clerks, located in a central office convenient to the greater part of the members. At the close of each day, the discount clerk at each bank should forward a detailed statement of his discounts for that day, showing the maker, the endorser, time, date and amount and whether with or without collateral. The rate need not be named. For the sake of convenience, notes under \$1000 might be omitted. The manager received these reports on the following morning proceeds to enter them in detail in a day book ruled for that purpose, and from that posts to two ledgers, one for makers and one for endorsers. The original

memorandum may be preserved for reference, returned or destroyed. The day book is not to show in any way the distribution of the paper entered, so that as far as the record goes, the business of the banks remains confidential with the manager himself. By such an arrangement, each member of the association will be able to ascertain at any time the amount and character of the paper which any applicant for a loan may have at that time upon the local market. Of course this system does not provide for loans floated outside of that particular city. The importance and value of such information can scarcely be over-estimated, but the arguments in favor of some such arrangement were presented in such length in my previous letter that it would be abusing your time and space to repeat them here.

I trust that the attention which everything in your JOURNAL receives from the banking community will be attracted to this scheme, and that something practicable will grow out of it.

Yours respectfully,

BANK OFFICER.

PROVIDENCE, April 23, 1887.

SIGNATURES.

Editor Rhodes' Journal of Banking:

SIR:—I find articles on "Queer Signatures" very interesting. Although one of the winners on the "Hazen" signature I was surprised at the large number entitled to the prize.

Your offer in that case as well as others to send the JOURNAL for 1887 free to bank Tellers, Cashiers, etc., was very liberal on your part. At the same time I think you could not advertise the real value of the publication in a more profitable way, for any wide-awake and progressive bank officer who has had it for a year will see that he cannot get along without it after that.

The way I found out W. P. Hazen's name was thus: The fact that Kansas officers were debarred from competing led me to believe it belonged to that State. I used a glass on it, turning it in all directions, then taking the "z" for a cue looked over the list of Kansas Cashiers and decided that W. P. Hazen was the one. Some might not call that a fair way of doing, but you placed no restrictions on manner of obtaining it.

I claim it is impossible for any one to read some of the signatures you have published if they have never seen them before and have no means of verifying a guess. Take the signature of Carmon Parse, for instance, shown in the March JOURNAL; one might make out the Parse, but they would certainly have to pass the Carmon. The name of Wm. D. Mussenden, Cashier, in same number, I don't believe anybody can read it without knowing it. These names have long been noted in our bank as being the most illegible signatures known to us.

The "mark" of a business firm shown with the above names I cannot read. The Cashier's name in the April JOURNAL might be "E. Holm, Cashier." The business man's name might be a number of different names. If I was to guess at the last name of the gentleman, should say it was "Early." If he should say it was "Late" I shouldn't contradict him.

The "Treasurer's" signature I wouldn't venture even a guess on, but I have seen a picket fence look a good deal like that when riding by on a railroad train.

Shall look forward with interest for the May article on the same subject and hope to have better luck in deciphering the signatures.

HERBERT B. BAILEY.

BOSTON, Mass., April 22, 1887.

Southern Investment Securities.—We have received from John L. Williams & Son, Richmond, Va., a copy of their "Manual of Southern Investment Securities." It presents in a carefully classified form a list of very desirable State, municipal and railroad securities dealt in by this firm, and at the same time giving sufficient variety to please the most particular. It shows the rapid development and almost unlimited resources of that section of the country in connection with the inducements offered to investors. A valuable feature of the "Manual" is a map, prepared under the personal supervision of the firm, showing in distinct colors the route of five great Southern railroads with their properties easily identified and traced, together with a stock and bond investment table. The book also contains other useful information. Messrs. Williams & Son have placed a few copies of the "Manual" on sale with the Arcade News Company, Richmond, at \$1.00 each.

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

REDEEM THE GREENBACKS.

[Edward Atkinson's Letter, published in N. Y. *Evening Post*.]

SIR:—With the near approach to the time when, the 3 per cent. bonds having been called in, there may be some difficulty in getting out from the Treasury of the United States such money as may be received for taxes and duties, an interesting problem is presented.

In all the current discussion of the National banking system, it is popularly assumed that a bank cannot exist unless it issues notes which serve the purpose of money, or of instruments of exchange, passing from hand to hand in the settlement of small transactions.

Of course all persons who are conversant with banking know that the functions of a bank of issue are wholly distinct and separate from the functions of a bank of deposit and discount, and are not essential thereto.

Our trust companies are really more like banks according to the technical limitation of the term "banking" in England than the National banks themselves, the issue of notes being simply a supplementary function of a bank, entered into for the purpose of making additional profit, and also serving the convenience of the public, especially in this country, where the public prefers paper notes to coined money.

We now have four kinds of instruments of exchange, each of which passes for money; or, rather, I may say, six kinds of such instruments of exchange:

- (1.) Gold coin.
- (2.) Silver coin.
- (3.) Government certificates of the deposit of gold.
- (4.) Government certificates based on silver dollars.
- (5.) Legal-tender notes of the United States.
- (6.) National-bank notes.

These various forms of what passes for money are practically interchangeable, because they have not yet been issued in excess of any demand, and are all substantially receivable by the Government in liquidation of duties and taxes. They are all practically redeemable in gold coin, at the present time, and are therefore used without discrimination, although they are in part only representatives of actual capital saved and now in existence.

Each gold certificate is intrinsically worth its face in gold.

Each silver certificate is intrinsically worth what the number of dollars which it represents would bring if the dollars were melted and sold as silver bullion.

Each bank note is secured by Government bonds, but is also issued by the bank upon the discount of securities which are based on property of one kind or another, valued at a gold standard.

The legal-tender notes are simply evidences of debt due from the Government of the United States to the people thereof.

Entirely aside from this mass of instruments of exchange is the actual capital of the United States, excessive in its abundance, consisting of products of every name and nature; never greater in proportion to the demand for its use than it is at the present time.

It is this capital, this actual substance, these products of labor, the title to which passes from one man to another by the use of instruments of exchange almost wholly consisting of checks and drafts; it is in very small part transferred by the actual use of what passes for money.

A disturbing element in the consideration of the case is to be found in the fact that banks have been permitted to make use of the legal-tender notes of the United States as a part of their reserves, in place of coined money or certificates of deposit of gold bullion. In all the popular discussions, and in most of the discussions in Congress, it

has been assumed that if these legal-tender notes were paid into the Treasury of the United States and were not reissued, being thereby withdrawn from the bank reserves, the effect would be like a great withdrawal of actual capital from its customary use, or like a great withdrawal of so much coin from the banks to be piled away idle in the Sub-Treasury of the United States.

Can this view of the matter be sustained?

What is a legal-tender note when it has come back into the Treasury of the United States in liquidation of a tax? Is it anything more than a bond, note, or promise of the Government which the Government has redeemed and paid, and which it does not need to reissue because it is no longer borrowing or in need of borrowing? This note is not even representative money. There is no actual capital behind it; nothing but the power of taxation in order to pay it. It is not capital itself. It is nothing but a note or evidence that under the assumed necessity of war the Government of the United States was obliged to make a forced loan and issued these notes as evidences of the debt incurred; when the Government has become possessed of such a note by the liquidation of a tax due to it, it has simply paid the debt, and that is the end of it. It has not heretofore been the end of it, because members of Congress have been under the delusion that in time of peace and plenty the Government was still under the necessity of reissuing this note in order to make *another* forced loan even while it is struggling to find out a way to get rid of a surplus revenue.

Is not this country rich enough in its excess of capital to furnish itself with all the coin it needs for its bank reserves or for any other purpose? May it not, therefore, happen that all fears of a stringency in the money market or of a general financial disturbance, in case no Act is passed by Congress for the reduction of the revenue, will prove to have no foundation when the time comes? May it not prove perfectly feasible for the Government to apply the \$100,000,000 of gold coin which it now holds for the redemption of the legal-tender notes, and so much more of its excess of revenue as it will receive in gold coin after the greenbacks become scarce by not being reissued, as will suffice to pay the remainder of this demand, *without* bringing about any hardships, scarcity of capital, or other disturbance?

In other words, cannot the Treasury of the United States avail itself of its abundant resources to pay a debt which is due on demand, and mark it off as paid on the books of the Treasury without injuring any one, but benefiting all?

Are the bankers of this country, who are in possession of such an excess of capital, either their own or that, the title to which has been deposited with them, incapable of providing the instruments of exchange which are required (if I am correct in my memory of the statistics) only in about 3 per cent. of the transactions which are carried on over their counters? Is it not as absurd to assume that this country, with its enormous wealth, cannot furnish itself with true money as to assume that a railroad corporation might come to grief in constructing a railroad for want of wheelbarrows upon which to move the gravel from its grade?

Can a country which possesses so much capital that the chief complaint has been of "over-production" and such an excess of revenue that its most difficult problem is how *not* to tax, come to grief because it pays its debts due on demand?

If such a course is followed—*i. e.*, payment of all legal-tender notes—the excess of revenue may suffice to pay off the whole demand debt in the interval between the date when all the 3 per cents. have been called and the date when the next interest-bearing bonds fall due.

ENGLISH FINANCIAL VIEWS.

[London *Statist.*]

It is not easy to understand why the Directors of the Bank of England lowered their rate of discount to $2\frac{1}{4}$ per cent. Practically, they might as well have kept it at 3 per cent. for all the business they are likely to do, and as they will probably put it down to 2 per cent. in a week or two, they might as well have done so at once. Perhaps the answer to us will be that they would obtain just as little business at 2 per cent. as at $2\frac{1}{4}$, and that it really matters very little. Possibly this may be so; but it is clear that if the danger of war has passed, and if no great drain of gold is likely, the Directors would have been fully justified in lowering the rate to 2 per cent. The reserve is considerably over 15 $\frac{1}{4}$ millions, and its proportion to liabilities is over 50 per cent. At the same time gold continues to be received, while the stock of the metal

exceeds twenty-four millions. Further, the outside market has repaid its whole debt to the Bank. At the beginning of March, and again this week and last week, the repayments have amounted to very nearly five millions, while from the early part of February the advances have but slightly exceeded $4\frac{1}{4}$ millions. It seems clear, therefore, that the whole of the debt due by the outside market to the Bank has been paid off, and yet the 'other deposits' exceed 24 millions. The probability appears to be, then, that if peace is maintained, and if no accident happens, the value of money will continue very low throughout the summer. On this anticipation there has been a rise in prices on the Stock Exchange going on for weeks past, and speculation in every department is springing up, likewise on the same calculation. The danger, of course, is that the stock of gold held by the Bank is still very small, notwithstanding the increase to it of recent months.

A few weeks ago we called the attention of our readers to the immense stocks of bullion now held in France and in the United States, and also to the comparatively large stocks held in Germany and in Russia. We pointed out what a complete change in the money markets of the world was thus being effected, and we added that it was clear the position of the country, both as a banking centre and as a commercial country, must be effected thereby. Now, bearing all this in mind, it is obvious that 24 millions is a very small stock of the metal with which to begin a summer that may be fraught with difficulties and dangers of an unusual kind. Peace seems now likely to be preserved, but yet no one can foresee what a moment may produce. Bulgaria is like a powder-barrel in the midst of Europe. At any moment there may be an explosion. And there are other quarters likewise in which there is danger. Further, the economic condition of Russia, as we have frequently insisted, is very critical; and, lastly, there is an extraordinary situation in the United States, brought about by the monetary and banking legislation of the country. In spite, therefore, of the general expectation that money will continue both cheap and abundant, it is by no means certain that we may not see the money market disturbed, and it is to be borne in mind that the supply of loanable capital in the outside market is really small. Even after the repayment to the Bank, it is true that the 'other deposits' exceed 24 millions; but on the settling day this week the demand for the Stock Exchange, though not very great, and the falling due of a few instalments of loans and company issues sufficed to raise the rate for short loans for the day to $2\frac{1}{4}$ per cent. The rate, of course, is a moderate one, and no applications had to be made to the Bank; but yet the fact is evidence that the excessive supply in the outside market which is forcing rates down so rapidly is not very great, and that a comparatively moderate demand would so reduce the excess as to change the whole current of the market. It is further to be recollected that the stock of gold held by the Bank has been maintained at its present level to a very large extent by withdrawing coin from the internal circulation, and the internal circulation must be increased as trade improves. It is true that the improvement is still slow; but yet those who are interested should bear in mind all the perils of the situation, and not count too confidently that no accident will occur.

A WAY TO REDUCE THE SURPLUS.

[From the *New York Sun*.]

The simplest and most sensible step is for the Secretary of the Treasury to purchase in the open market as many as he can of the \$250,000,000 $4\frac{1}{4}$ per cent. bonds due in 1891. These bonds are now selling at a premium of about 10 per cent., while the interest yet to accrue on them is 18 per cent. Purchasing them now would save 8 per cent. during the next four years in interest; and, besides, since but a small part of them are held by National banks, most of the money paid for them would go at once into the hands of people who would invest it again, and thus set it in motion.

GIVE THEM A HOLIDAY.

[From the *London Bullionist*.]

This week a charge of embezzlement was made against the secretary of four building societies in Lancashire, and an official of gas works in that shire is also in trouble about money. Whenever the embezzlement may be, or through whatever means it may be accomplished, there is one general feature which is hardly if ever absent. The person

who commits the fraud never takes a holiday, or allows any other person to have the care of his books or accounts. There are no doubt hundreds, it may be thousands, of honorable men who never leave their work and would not be happy away from it. It is the action of these men the rogues copy. If there never was a good sovereign there never would be a counterfeit. This part of a rogue's conduct being always the same, it behoves all Trustees, directors, managers and others with officials in places of trust under them, to see that each has a holiday, covering such an amount of time from work as will be fairly sufficient to prove the integrity of the cash, books or accounts in his charge. If they do not ask for holidays they ought to be made to take them.

An Embezzler Captured.—On May 15, 1886, E. H. Abbott, Supreme Secretary of the Order of the Royal Templars of Temperance, Buffalo, New York, made application to the American Surety Company, of New York, for a bond of \$10,000 to secure the Order for any dishonest act of his as such secretary. The company made the necessary investigation and issued the bond to Abbott on his payment of the premium thereon. Abbott had previously filed a bond with personal sureties, and it has been ascertained that at the time of taking out the bond of the American Surety Company he had concealed an embezzlement of at least \$1,000 so artfully as to escape detection by his superiors. It is presumed that his motive in applying to the Surety Company was to transfer, if possible, the liability from his personal friends, the bondsmen, to said company. After taking out the bond of the American Surety Company he ascertained that the company had a summary way of dealing with defaulters, and that he could more safely repose under the personal surety, than under the corporate bond. He accordingly did not file the American Surety Company's bond with the Order, but allowed the bond of his friends to remain in its place. The Order rested under the belief that Abbott had furnished the American Surety Company's bond, but neglected even to see that it had been filed.

Just sixteen days prior to the expiration of the Surety Company's bond, namely, on Sunday, Feb. 27, 1887, Abbott absconded to Canada with \$16,000 of the funds of the Order, and took with him, also, the bond of the Surety Company, which he had purchased but never put in force. He thought he could save himself from prosecution, and accordingly mailed the following letter, without date, but which was posted on the train of the Hamilton & Toronto Railway Post Office:

Richard A. Elmer, President, 160 Broadway, N. Y.:

DEAR SIR: The amount of my shortage was \$15,800. I do not think your company should pay, for the reason that my bond (10,708) was never accepted or filed. It was never out of my possession. If the bond was in your possession would it relieve the company from paying the loss? A letter will reach me at Montreal, Quebec.

[Signed,]

E. H. ABBOTT.

It would seem to have been the height of injustice on the part of the Surety Company to pursue Abbott for the benefit of the Order after he had taken pains to save the company from liability, but such was the fact. The American Surety Company assumed that there was a moral obligation resting upon it to prosecute Abbott, if possible, in Canada, and compel him to return such portion of the funds embezzled as had not been squandered. Abbott had taken with him a certain portion of the funds in draughts drawn to his own order on New York for \$9,000, and these the Surety Company captured before the proceeds got into his possession. After a three weeks' chase, in which Quebec, Montreal and Toronto were thoroughly searched, the Surety company's operator located Abbott at a point near the northern shore of Lake Erie, and at once arrested him under the laws of Canada (32-38 Victoria) for carrying stolen property into the Dominion. It was not clear, however, that a conviction under that statute was certain, and Abbott was allowed to restore, for the benefit of the Order, \$3,500 in cash and property valued at \$1,500. In the meantime four indictments have been found by the Grand Jury of Erie County, New York, and Abbott, in consequence, remains an exile in Canada.

By the prompt and voluntary action of the American Surety Company the Order loses only a little more than \$2,000, instead of \$16,000, as originally taken. This is the third absconder that the Surety Company has captured in Canada within the past year, and during the same period it has secured the conviction of many defaulters in the United States, who have received sentences of from one to five years in the penitentiary, while others yet await trial.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National banks organized since our last report:
(Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.)

- 2658—First National Bank, Caldwell, Kansas. Capital, \$50,000.
 2659—First National Bank, Red Lake Falls, Minnesota. Capital, \$50,000.
 2660—First National Bank, South Pittsburgh, Kansas. Capital, \$50,000.
 2661—First National Bank, Glenwood Springs, Colorado. Capital, \$100,000.
 2662—First National Bank, Helena, Arkansas. Capital, \$50,000.
 2663—First National Bank, Gadsden, Alabama. Capital, \$50,000.
 2664—Fourth National Bank, Dallas, Texas. Capital, \$200,000.
 2665—Pendleton National Bank, Pendleton, Oregon. Capital, \$50,000.
 2666—Charter National Bank, Media, Pennsylvania. Capital, \$100,000.
 2667—First National Bank, Greensburg, Kansas. Capital, \$50,000.
 2668—Mechanics' National Bank, New Britain, Connecticut. Capital, \$100,000.
 2669—First National Bank, Lisbon, Dakota. Capital, \$50,000.
 2670—Merchants' National Bank, Rome, Georgia. Capital, \$100,000.
 2671—New Iberia National Bank, New Iberia, Louisiana. Capital, \$50,000.
 2672—Carthage National Bank, Carthage, New York. Capital, \$50,000.
 2673—First National Bank, Mayville, Dakota. Capital, \$50,000.
 2674—First National Bank, Rulo, Nebraska. Capital, \$50,000.
 2675—First National Bank, Parker, Dakota. Capital, \$50,000.
 2676—First National Bank, Arlington, Oregon. Capital, \$50,000.
 2677—United States National Bank, Chicago, Illinois. Capital, \$200,000.
 2678—Merchants' National Bank, Tuscaloosa, Alabama. Capital, \$100,000.
 2679—Birmingham National Bank, Birmingham, Alabama. Capital, \$250,000.
 2680—Third National Bank, Jersey City, New Jersey. Capital, \$200,000.
 2681—First National Bank, Edmeston, New York. Capital, \$50,000.
 2682—First National Bank, Statesville, North Carolina. Capital, \$50,000.
 2683—Fourth National Bank, Wichita, Kansas. Capital, \$200,000.
 2684—Market Street National Bank, Philadelphia, Pennsylvania. Capital, \$600,000.
 2685—Fond du Lac National Bank, Fond du Lac, Wisconsin. Capital, \$100,000.
 2686—First National Bank, Chillicothe, Missouri. Capital, \$50,000.
 2687—First National Bank, Norton, Kansas. Capital, \$50,000.
 2688—First National Bank, Starkville, Mississippi. Capital, \$50,000.
 2689—Commercial National Bank, St. Paul, Minnesota. Capital, \$500,000.
 2690—Kineo National Bank, Dover, Maine. Capital, \$50,000.
 2691—Chattanooga National Bank, Chattanooga, Tennessee. Capital, \$300,000.
 2692—Ouachita National Bank, Monroe, Louisiana. Capital, \$50,000.

ALABAMA.

- ANNISTON.**—First Nat'l Bank; A. D. Smith, Assistant Cashier, in place of O. H. Parker.
BIRMINGHAM.—Birmingham National Bank has been authorized to commence business. Capital, \$250,000. President, John W. Read; Cashier, H. C. Ansley. —
 First National Bank; 2d Assistant Cashier, Thomas M. Bradley.
DADEVILLE.—Tallapoosa County Bank; Z. Jones Wright, Jr., has been elected Cashier.
DECATUR.—Decatur National Bank has been organized. Capital, \$100,000. President, H. G. Bond; Cashier, W. K. P. Wilson.
GADSDEN.—Bank of Gadsden (Glenn & Brockway); succeeded by First National Bank. Capital, \$50,000. President, A. L. Glenn; Vice-President, R. O. Randall; Cashier, W. G. Brockway.
TUSCALOOSA.—Merchants' National Bank has been authorized to commence business. Capital, \$100,000. President, George A. Scarcey; Cashier, E. N. C. Snow.

ARIZONA.

- FLAGSTAFF.**—Arizona Central Bank; name of Cashier is J. H. Hoskins, Jr.

ARKANSAS.

- BENTONVILLE.**—Benton County Bank; W. A. Terry, President, in place of J. Mack.
HELENA.—Phillips County Bank; succeeded by First National Bank. Capital, \$50,000.
 President, F. B. Slinger; Cashier, Lycurgus Lucy.
JONESBORO.—Bank of Jonesboro is reported here. Capital, \$25,000. President, Wm. H. Cate; Vice-President, Geo. W. Culberhouse; Cashier, Oscar M. Nilson.

CALIFORNIA.

- GRASS VALLEY.**—First National Bank; Vice-President, C. E. Clinch.
LOS ANGELES.—First National Bank; Vice-President, J. F. Crank.

COLORADO.

- COLORADO SPRINGS.**—First National Bank; no Asst. Cashier in place of A. A. Welch.
GLENWOOD SPRINGS.—First National Bank has been authorized to commence business. Capital, \$100,000. President, J. J. Hagerman; Cashier, J. H. Fesler.
IDAHO SPRINGS.—First Nat. Bank; F. F. Osbaston, Vice-Pres., in place of Dennis Faltre.
ROCKY FORD.—State Bank has been incorporated. Capital, \$20,000. President, John F. Godding; Cashier, Frank Clendenin.
YAMPA.—Breeze & Breeze; discontinued banking and collection business.

CONNECTICUT.

HARTFORD.—Aetna National Bank; A. R. Hillyer, President, in place of W. R. Cone; A. C. Loomis, Cashier, in place of A. R. Hillyer.
 LITCHFIELD.—First National Bank; H. W. Buel, President, in place of Henry R. Colt; Charles B. Andrews, Vice-President, in place of H. W. Buel; no Assistant Cashier in place of Chas. H. Colt.
 MIDDLETOWN.—Central Nat'l Bank; A. C. Markham, Pres., in place of J. G. Baldwin.
 NEW BRITAIN.—Mechanics' National Bank has been authorized to commence business. Capital, \$100,000. President, Valentine B. Chamberlain; Cashier, William E. Atwood.

DAKOTA.

CLARK.—First National Bank; Vice-President, Frank Clendenin.
 DEADWOOD.—Merchants' National Bank; Wm. Selbie, Cashier, in place of Alvin Fox. No change in President or Assistant Cashier.
 DE SMET.—First National Bank; P. Lawrence, Cashier, in place of Walter N. Carroll.
 FARGO.—Dakota Guaranty Savings Bank has been incorporated. Capital, \$25,000. President, P. B. Smith; Secretary & Treasurer, B. F. Spalding; Assistant Secretary & Treasurer, W. C. Laizure.
 LAKOTA.—Nelson County Bank; T. G. Turner, Assistant Cashier, resigned.
 LISBON.—Ransom County Bank; succeeded by First National Bank. Capital, \$50,000. President, Rush S. Adams; Vice-President, B. M. Frees; Cashier, H. Kirke Adams.
 MAYVILLE.—First National Bank has been authorized to commence business. Capital, \$50,000. President, G. S. Albee; Cashier, J. Rosholt.
 PARKER.—Geo. W. Stone & Co.; succeeded by First National Bank. Capital, \$50,000. President, L. K. Lord; Cashier, Geo. W. Stone.
 PARKSTON (P. O.: Kirk).—Bank of Parkston; Bowdle, Newcomer & Co. have sold out. New officers are, President, Jacob Schaezel, Sr.; Cashier, Wm. Schaezel.
 VERMILION.—Clay County Bank (Downing & Lumley); now incorporated. Capital, \$25,000. President, L. T. Swezey; Cashier, C. H. Barrett.

DISTRICT OF COLUMBIA.

WASHINGTON.—National Metropolitan Bank; Vice-President, Wm. Thompson.

GEORGIA.

ROME.—Merchants' National Bank has been authorized to commence business. Capital, \$100,000. President, R. G. Clark; Vice-Pres., J. A. Glover; Cashier, J. King.

IDAHO.

KETCHUM.—First Nat'l Bank; Geo. J. Lewis, Asst. Cashier, in place of Thomas Lavelle.

ILLINOIS.

CHICAGO.—Home National Bank; J. C. McMullin, Vice-President, in place of C. N. Holden. — Lincoln National Bank; Vice-President, Edw. Hammett. — United States Bank (Jackson, Dwiggs & Co.); succeeded by United States National Bank. Capital, \$200,000. President, Zimri Dwiggs; Cashier, James M. Starbuck.
 FARMER CITY.—John Weedman National Bank; A. T. Kincaid, Vice-President, in place of V. S. Lindsay.

GARDNER.—Bank of Gardner; F. L. Root, Cashier, in place of W. V. D. Bishop.

LEXINGTON.—First National Bank; Assistant Cashier, W. H. Claggett.

MATTOON.—First National Bank; C. E. Wilson, Cashier, resigned.

OLNEY.—Olney National Bank; in liquidation.

PEKIN.—German-American National Bank has been organized here. Capital, \$100,000.

President, Henry Feltman; Vice-President, C. W. Wilson; Cashier, A. H. Purdie.

PEORIA.—Commercial National Bank; G. T. Barker, President, in place of Eliot

Callender; Eliot Callender, Vice-President, in place of G. T. Barker.

ROCHELLE.—Wm. Stocking & Co.; A. J. Bird, Cashier, in place of J. T. Miller.

VIRGEN.—Walworth & Heaton (Bank of Virgen); succeeded by Caldwell, Henderson & Co.

INDIANA.

FRANKLIN.—Franklin Nat'l Bank; John W. Ragsdale, Vice-Pres., in place of T. B. Wood.

IOWA.

AMES.—Union National Bank; D. A. Bigelow, Vice-President, in place of Geo. F. Tilden.

CEDAR RAPIDS.—Cedar Rapids National Bank; Vice-President, G. F. Van Vechten;

CHARLES CITY.—Charles City National Bank; no Vice-President in place of E. Austin;

Assistant Cashier, F. V. Taylor.

CLARINDA.—Clarinda National Bank; W. D. Merriam, Vice-President, in place of N. L. Van Sandt.

DES MOINES.—Des Moines National Bank; no Asst. Cashier in place of V. F. Newell.

FAYETTE.—Lakin, Baker & Co.; Cashier, Chas. R. Carpenter.

GREENE.—First National Bank; J. Perrin, President, in place of A. Slimmer; Andrew Glodery, Vice-President, in place of J. Perrin.

NEOLA.—Farmers' & Merchants' Bank has just been opened. Capital, \$50,000.

President, Chas. R. Hannan; Cashier, T. G. Turner.

PETERSON.—Farmers Bank; Assistant Cashiers, Lewis Voight and N. R. Lyon.

SIOUX RAPIDS.—Bank of Sioux Rapids; Assistant Cashier, C. B. Mills.

TIPTON.—First National Bank; C. W. Hawley, Cashier, in place of Clarence Jewett.

KANSAS.

ANTHONY.—Harper County National Bank; L. C. Bidwell, President, in place of P. Anderson; no Assistant Cashier in place of F. M. Anderson.

BURLINGAME.—Burlingame Savings Bank; Levi Emple, President, deceased.

CALDWELL.—Caldwell Savings Bank; succeeded by First National Bank. Capital,

\$50,000. President, S. P. J. Lewis; Cashier, T. E. Neal; Asst. Cashier, S. S. Richmond.

DWIGHT.—Bank of Dwight will shortly open for business. Capital, \$50,000. Cashier, S. F. Boyd.

ERIE.—Farmers & Merchants' Bank; W. P. Hazen succeeds Sophie F. Grubb as one of the proprietors and Arthur Grubb as Cashier. Capital, \$10,000.

FRANKFORT.—First National Bank: F. F. Rhodes, President, in place of J. P. Pomeroy J. S. Warden, Cashier, in place of J. T. Phinney.
GIRARD.—First National Bank: D. Corning, Vice-President, in place of H. P. Grund.
GREENSBURG.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Thomas J. Ross; Cashier, George S. Murphy.
HABER.—First National Bank; no Assistant Cashier in place of F. R. Zacharias.
HOWARD.—First National Bank: W. H. Gibson, Vice-Prs., in place of D. L. Campbell.
LUKA.—Pratt County Bank: President, C. E. Merriam; Cashier, J. L. Metcalf.
JEWELL CITY.—First National Bank; Vice-President, Fred Beeler.
KINGMAN.—First National Bank: D. B. Cook, President, in place of R. W. Hodgson; W. E. Maynard, Cashier, in place of D. B. Cook; Assistant Cashier, M. W. Chamness.
LIBERTY.—Bank of Liberty; discontinued.
NORTON.—State Bank of Norton; succeeded by First National Bank. Capital, \$50,000. President, Aaron S. Raymond; Cashier, Elhanan V. Peterson.
OSWEGO.—First National Bank; F. W. Keller, Cashier, in place of H. C. Cook; no Assistant Cashier in place of F. C. Wheeler.
PLEASANTON.—Bank of Pleasanton; President, W. P. Rice; Cashier, G. R. Saunders.
PRATT.—First National Bank; Vice-President, C. S. Calhoun.
ST. JOHN.—First National Bank; no Vice-President in place of Henry Rohr.
WAMEGO.—First National Bank: L. C. Prunty remains Vice-President. Change reported in April JOURNAL was an error.
WETMORE.—Wetmore State Bank: H. C. De Forest, President, in place of Willis Brown; John Thornburrow, Vice-President, in place of H. C. De Forest.
WICHITA.—Fourth National Bank has been authorized to commence business. Capital, \$200,000. President, W. K. Carlisle; Cashier, J. H. Slater. — Sedgwick County National Bank has been organized. Capital, \$200,000.

KENTUCKY.

CARROLLTON.—Carrollton National Bank; O. W. Grier, Vice-President, in place of John Howe.
CYNTHIANA.—Farmers' National Bank; Jno. G. Montgomery, Cashier, in place of Paul King, deceased.
ELIZABETHTOWN.—First National Bank; J. S. Grimes, Cashier, in place of S. R. Robertson.
HUSTONVILLE.—National Bank of Hustonville; J. P. Riffe, Vice-President, in place of T. J. Robinson.
LOUISVILLE.—Bank of Commerce; John B. Smith, President, deceased.
OWENSBORO.—Citizens' Savings Bank; C. H. Todd, President, in place of J. F. Kimbley; J. Q. Haynes, Vice-President, in place of M. V. Monarch.
OWENTON.—Farmers' National Bank; no Assistant Cashier in place of R. C. Davis.
RUSSELLVILLE.—N. Long & Co.; Nimrod Long deceased.

LOUISIANA.

MONROE.—Breard & Millsaps; succeeded by Ouachita National Bank. Capital, \$50,000. President, D. A. Breard, Jr.; Cashier, T. F. Millsaps.
NEW IBERIA.—Breaux & Renoudet; succeeded by New Iberia National Bank. Capital, \$50,000. President, Joseph A. Breaux; Vice-President, Felix Patout; Cashier, P. L. Renoudet.

MAINE.

AUGUSTA.—Granite National Bank; no Vice-President in place of James W. Bradbury.
BANGOR.—Merchants' National Bank; Samuel H. Blake, President, deceased.
DOVER.—Kineo National Bank has been authorized to commence business. Capital, \$50,000. President, Elbridge A. Thompson; Cashier, C. B. Kittredge.

MARYLAND.

BALTIMORE.—Hopkins Place Savings Bank has just been opened. President, Benjamin F. Smith; Vice-President, Henry King; Treasurer, Robt. M. Rother.

MASSACHUSETTS.

ABINGTON.—Abington National Bank; Vice-President, M. N. Arnold.
BOSTON.—Central National Bank; President, Chas. H. Allen. — Massachusetts National Bank; Wm. A. French, President, in place of Abraham O. Bigelow, resigned on account of ill health. — Old Boston National Bank; T. F. Pratt, Assistant Cashier, until September 1, 1887. — Bay State Trust Co.; President, F. W. Hunnewell. — D. H. Darling & Co.; partnership expires by limitation.
CONWAY.—Conway Savings Bank; President, J. B. Packard; Treasurer, W. G. Avery.
HOLYOKE.—Manufacturers' Loan & Trust Co.; application for incorporation of this company has been favorably reported by the Legislative committee. — People's Savings Bank; President, William Skinner; Treasurer, F. H. Chamberlin.
NEWBURYPORT.—Ocean National Bank; President, Philip H. Lunt; Cashier, Moses H. Fowler.
SHELburne FALLS.—Shelburne Falls National Bank; C. W. Hawks, Cashier, in place of O. R. Maynard.
WALTHAM.—Waltham Savings Bank; Charles F. Stone, Treasurer, in place of F. M. Stone, resigned.
WELLFLEET.—Wellfleet Savings Bank; President, Simeon Atwood.
WESTMINSTER.—First National Bank; F. W. Fenn, Cashier, in place of Wm. Mayo.

MICHIGAN.

CARSON CITY.—State Bank of Carson City has been organized. Capital, \$50,000. President & Cashier, E. C. Cummins.
DOWAGIAC.—D. Lyle & Co. (Dowagiac City Bank); now incorporated. Style, City Bank. Capital, \$50,000. President, John Lyle; Cashier, F. W. Lyle.

DETROIT.—Detroit National Bank; Wm. C. Colburn, Vice-President, in place of C. H. Buhl. — Merchants & Manufacturers' National Bank; Wm. E. Reilly, Assistant Cashier, in place of J. Henry Cleveland. — American Banking & Savings Association has filed articles of incorporation. Paid-up capital, \$200,000. President, W. H. Stevens; Vice-President, J. B. Moran; Secretary, John M. Nicol. — American Trust Co. has also filed articles of incorporation. — Exchange Bank; closed. — Preston Bank; David Preston, President, deceased.

EAST TAWAS.—Benj. Richards & Co.; succeeded by J. H. Schmeck & Co.

ISHPEMING.—Ishpeming National Bank; Assistant Cashier, E. R. Hall.

KALKASKA.—Bleazby's Exchange Bank (A. A. Bleazby); James Harriot, Cashier, in place of J. C. Gray.

ST. JOHN'S.—State Bank; Edward Brown, Cashier, in place of Alvin Shaver.

MINNESOTA.

ANOKA.—First National Bank; A. C. Franman, Vice-President, in place of R. M. Taylor.

CHASKA.—Carver County Bank; O. W. Lunsten, Cashier, in place of G. M. Houghton.

CROOKSTON.—Merchants' National Bank; John McLean, Vice-President, in place of B. Sampson.

LUVERNE.—First National Bank; W. H. Halbert, Cashier, in place of W. P. Hulbert; C. C. Brown, Assistant Cashier, in place of W. H. Halbert.

RED LAKE FALLS.—Sweet, Wyer & Atwood; succeeded by First National Bank. Capital, \$50,000. President, Charles E. Sweet; Vice-President, Joseph Smith; Cashier, James I. Wyer; Assistant Cashier, James I. Wyer, Jr.

SAUK RAPIDS.—Benton County Bank; President, F. E. Searle; Cashier, Herman Berg.

ST. PAUL.—Commercial National Bank has been authorized to commence business. Capital, \$500,000. President, Albert Scheffer; Cashier, Herman Scheffer. — Bank of Minnesota; William Dawson, Jr., Cashier, in place of Albert Scheffer, resigned.

— The D. S. B. Johnston Land Mortgage Co.; H. K. Taylor, Secretary, in place of Chas. L. Johnston.

MISSISSIPPI.

ABERDEEN.—First National Bank; Vice-President, Joel M. Acker; Assistant Cashier, John C. Wicks.

MACON.—W. F. Redwood; succeeded by A. T. Dent.

STARKVILLE.—Starkville Bank; succeeded by First National Bank. Capital, \$50,000. President, H. C. Powers; Cashier, E. L. Tarry.

VICKSBURG.—First National Bank; Assistant Cashier, James M. Phillips.

MISSOURI.

CHILLICOTHE.—First National Bank; President, J. M. Davis.

FOREST CITY.—Frazer & McDonald Bank; J. M. Ford, Pres., in place of B. B. Frazer.

GREENFIELD.—Dade County Bank; Geo. W. Gilmore, President, in place of J. M. Tarrant.

KANSAS CITY.—National Bank of Kansas City; 2d Assistant Cashier, W. F. Sargent. — German-American Exchange Bank has been organized. Capital, \$50,000. — National Loan & Trust Co.; capital, \$500,000. Manager, Geo. F. Putnam. — Union Investment Co.; Treasurer, C. N. Seidlitz.

KIRKSVILLE.—Kirksville Savings Bank; Samuel Reed, President, in place of T. C. Campbell.

POLO.—Bank of Polo will shortly be started here. Capital, \$20,000. — Exchange Bank will be opened for business soon. Capital, \$10,000.

ST. JOSEPH.—Commercial Bank has been organized. — German-American Bank has recently commenced business. Capital, \$100,000. President, John Donovan, Jr.; Vice-President, T. H. Beekman; 2d Vice-President, Henry Krug, Jr.; Cashier, Geo. E. Black; Assistant Cashier, J. G. Schneider.

ST. LOUIS.—Fifth National Bank; James Green, 2d Vice-President, in place of Louis Espenscheid.

UNIONVILLE.—Marshall National Bank; N. B. Marshall, Cashier, in place of F. E. Marshall; W. A. Shelton, Jr., Assistant Cashier, in place of N. B. Marshall.

NEBRASKA.

ASHLAND.—National Bank of Ashland; Vice-President, S. S. Fales.

ATKINSON.—Bank of Atkinson; N. W. Deering, Cashier, in place of S. W. Morgan.

BERTRAND.—Bank of Bertrand; President, R. T. McGrew; Cashier, Jno. G. Ballard.

BLAIR.—A. Castetter; Manager, F. M. Castetter; Cashier, F. H. Claridge.

CHADRON.—Chadron Banking Co.; A. C. Putnam, President, in place of Burr Shelton.

EXETER.—First National Bank; P. J. Faling, Vice-President, in place of T. H. L. Lee.

FAIRBURY.—First National Bank; D. B. Cropsey, President, in place of J. A. Buckstaff; E. E. McDowell, Cashier, in place of D. B. Cropsey; no Assistant Cashier in place of E. E. McDowell.

GRAND ISLAND.—Bank of Commerce has filed articles of incorporation. Capital, \$50,000, with privilege of increasing to \$500,000. President, T. P. Lanigan; Vice-President, J. D. Moore; Cashier, J. M. March.

HASTINGS.—City National Bank; C. F. Parmele, Cashier, in place of W. G. Clark.

HAY SPRINGS.—Farmers & Merchants' Bank; A. McKinney, President, in place of L. F. Reinhard; D. T. Taylor, Cashier, in place of J. E. Gillespie; J. E. Gillespie, Assistant Cashier, in place of Geo. L. Rockwell.

LAWRENCE.—The name of bank here is Bank of Lawrence, and Post-office is Lawrence. In April JOURNAL printer, by error, set the name Laurence.

NORTH PLATTE.—W. E. Beach & Co.; succeeded by State Bank of North Platte (not incorporated). Capital, \$30,000. President, A. D. Buckworth; Cashier, James Sutherland.

OGALLALA.—First National Bank; Vice-President, A. P. Anderson; Assistant Cashier, J. A. O'Brian.

SUTTON.—First National Bank; Isaac N. Clark, Vice-President, in place of John E. Bagley. — Sutton National Bank; Vice-President, Albert K. Marsh.
RULO.—Bank of Rulo; succeeded by First National Bank. Capital, \$50,000. President, S. B. Miles; Cashier, F. O. Edgecombe.
SEWARD.—First National Bank; Edmund McIntyre, Vice-President, in place of J. Zimmerer; W. E. Langworthy, Cashier, in place of T. E. Sanders; no Assistant Cashier in place of W. E. Langworthy.
TAMORA.—Tamora State Bank; F. F. Mead, President, in place of E. P. Warner; J. T. Jones, Cashier, in place of L. L. McIlvain; Assistant Cashier, L. L. McIlvain.
TOBIAS.—People's Bank; Cashier and owner, Stanley Larson.
WAKEFIELD.—Farmers & Traders' Bank; now incorporated. Paid capital, \$10,000. President, W. P. Manley; Cashier, F. B. Moore.
WEEPING WATER.—First National Bank; B. A. Gibson, President, in place of C. N. Baird; S. B. McEwen, Vice-President, in place of B. A. Gibson; C. N. Baird, Cashier, in place of J. Henderson.
WILSONVILLE.—Farmers & Merchants' Bank has recently commenced business. Capital, \$10,000. President, J. W. Tomblin; Cashier, W. L. Tubbs.
YORK.—York National Bank; Lee Love, Cashier, in place of E. M. Batts.

NEW HAMPSHIRE.

DOVER.—Cocheco National Bank; no Vice-President in place of Geo. W. Tash. — Dover Five Cents Savings Bank; Isaac F. Abbott, Treasurer, in place of Calvin Hale. — Savings Bank for County of Strafford; Charles W. Woodman, President, in place of Zimri S. Wallingford.
MEREDITH VILLAGE.—Meredith Villages Savings Bank; President, George G. Hoyt.

NEW JERSEY.

HAMMONTON.—People's Bank; Pres., Richard J. Byrnes; Cashier, William R. Tilton.
JERSEY CITY.—Third National Bank has been authorized to commence business. Capital, \$200,000. President, John D. Carscadden; Cashier, William M. Laws.
NEW BRUNSWICK.—People's Bank is reported here.
WOODBURY.—First National Bank; G. G. Green, Pres., in place of Amos J. Peaslee.

NEW YORK.

ATTICA.—C. B. Benedict & Son; H. L. Doty, Cashier, in place of F. D. Cady.
BUFFALO.—White's Bank; title changed to American Exchange Bank by special act of Legislature. John L. Williams, President, in place of James D. Warren, deceased.
CARTHAGE.—Carthage National Bank has been authorized to commence business. Capital, \$50,000. President, G. B. Johnson; Vice-President, O. Holcomb; Cashier, Mark S. Wilder.
CORTLAND.—Second National Bank; E. D. Barker, Cashier, instead of Acting Cashier.
EDMONTON.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Caleb Clark; Vice-Pres., H. C. Brockway; Cashier, T. Bootman.
FORT PLAIN.—Fort Plain National Bank; Andrew Dunn, Vice-President, in place of J. B. Haslett; Assistant Cashier, F. S. Haslett.
GLOVERSVILLE.—Manufacturers & Merchants' Bank has been authorized to commence business under State laws. Capital paid in, \$50,000.
NEW YORK CITY.—Commercial National Bank; no Assistant Cashier in place of Francis Voufflon. — Third National Bank; H. C. Chapin, Jr., Assistant Cashier, in place of F. Blankenhorn; no 2d Assistant Cashier in place of H. A. Smith. — Columbia Bank; D. H. Rowland, Cashier, in place of H. J. Hubbard, resigned. — Bachem, Thompson & LeRoy; dissolved. Conrad H. Bachem and D. G. Coly succeed, under style of C. H. Bachem & Co. — Boody, McLellan & Co.; Wm. F. Lesslie and Henry T. Boody admitted. — Wm. H. Cox & Co.; Wm. H. Cox withdraws. Remaining partners continue under style of Cox & Sharp. — Crane, Seabury & Co., dissolved. Same partners form new firm, under style of Culbert, Crane & Seabury. — Fitch & Lorillard; dissolved. Wm. Fitch continues on his own account. — Charles L. Fleming; deceased. — Golcoursia, Le Roy & Co.; A. V. de Golcoursia, Fredk. G. Le Roy and Robt. M. Helfenstein have formed a partnership under above style. — Gould & Taylor; dissolved. — Harris, Hardy & Fuller; succeeded by Harris, Fuller & Bickley. Partners: Chas. H. Harris, Henry C. Fuller, Lawrence W. Bickley, Smith W. Harris. — Wm. P. Humbert & Co.; dissolved. New firm formed by former partners and Allison B. Hopkins. Style, Humbert, Hopkins & Co. — H. T. Imbrie; readmitted to Stock Exchange. — A. M. Kidder & Co.; Wm. C. Hill retires. Charles D. Marvin admitted. — Knoblauch & Co.; succeeded by A. R. Pick & Co. — Lawrence Bros. & Co.; Richard H. and Henry C. Lawrence have been admitted. — R. W. Leonard; readmitted to Stock Exchange. — Meeker, Wildes & Co.; dissolved by limitation. Former partners, excepting D. H. Darling, form new firm under same style. — Neesslage, Colgate & Co.; John H. H. Neesslage, M. Starr Colgate and Edward H. Fuller, under above style, succeed to the bullion and specie business heretofore carried on by Jas. B. Colgate & Co. — Albert Netter & Co.; Albert Netter, A. A. Hyneman, Carl A. G. Adal and John R. Long have formed a partnership under this style, with branch at Cincinnati, O. — Palmer & Lowengard; succeeded by Lowengard & Stern. Partners: Otto Lowengard, George W. Stern. — Edward & Charles Randolph is style of new firm. — Robins & Robinson; dissolved. — Schlesinger, Lichtenstein & Co.; partnership expires by limitation. F. G. Schlesinger continues on his own account. Paul Lichtenstein and J. C. C. Knoblauch form a new partnership under style of Paul Lichtenstein & Co. — Smith, Ryan & Co.; succeeded by Smith, Oakman & Ryan. Partners: Lenox Smith, Walter G. Oakman, Thomas F. Ryan. — B. L. Smyth & Co.; Bernard L. Smyth, Chauncey Stillman and Sydney L. Smyth have formed a partnership under this style. — W. B. Taylor & Co.; dissolved. — Tinker & Weston; Francis Lee Morrill

admitted. — Geo. H. Watson & Co.; style now, Watson Brothers. — W. B. Wheeler & Co.; dissolved. New firm under same style by W. B. Wheeler and Emile Guillaudeu. — E. K. Willard & Co.; Gerard B. Scranton retires. — Theodore Wilson & Co.; Frederick G. Lee retires. Remaining partners continue under same style. — Worden & Co.; Daniel T. Worden and H. De Selding have formed a partnership under this style.

NORWOOD. — State Bank; capital, \$25,000.

OXFORD. — First National Bank; Peter W. Clarke, Cashier, in place of J. Fred Sands.

PHOENIX. — Phoenix Bank; Amos Dean, President, in place of E. G. Hutchinson.

TOMKINSVILLE. — Bank of Staten Island; Otto Ahlman, Cashier, in place of Thos. Byrne.

TROY. — State Savings Bank; Willard Gay, President, in place of Charles Warner; Julius S. Hawley, Treasurer, in place of Willard Gay.

WALDEN. — Walden National Bank; George W. Stoddard, President, in place of John C. Scofield, resigned; Thomas W. Bradley, Vice-President, in place of J. M. Wilkin, resigned; W. C. Stevens, Cashier, in place of W. G. Rutherford, resigned; no Assistant Cashier in place of W. C. Stevens.

NORTH CAROLINA.

HICKORY. — Bank of Hickory; M. Mershon, Pres., in place of Henry Mershon, deceased.

LEXINGTON. — Bank of Lexington is style of bank just opened here. President, Seth Ketcham; Cashier, G. Homer Jones.

MT. AIRY. — Planters' Bank; title changed to Exchange Bank. H. C. Brown, Cashier, in place of G. D. Hensley.

REIDSVILLE. — Citizens' Bank; R. L. Watt, Cashier, in place of J. M. Cox.

STATESVILLE. — First National Bank has been authorized to commence business. For names of officers, etc., see March JOURNAL. — Wallace Brothers; Cashier, M. H. Lowenstein.

OHIO.

AKRON. — City National Bank; A. Wagoner, Cashier, in place of F. W. Butler.

BUYTRUS. — Monett & Co.; G. Domenwith, President, in place of E. B. Monett.

CAMBRIDGE. — Central National Bank; Jno. C. Beckett, Cashier, in place of W. E. Boden.

CANFIELD. — Farmers' National Bank; Assistant Cashier, S. W. Brainard.

CINCINNATI. — Atlas National Bank; Vice-President, Julius Engelke. — Market National Bank; Vice-President, Frank A. Grener. — Albert Netter; succeeded by Albert Netter & Co. (Cincinnati and New York).

CIRCLEVILLE. — Third National Bank; Jno. Groce, President, in place of Cyrus Benford; Assistant Cashier, W. G. Jacob.

CLEVELAND. — Cleveland Clearing-House Association; Manager, Louis Smies.

FINDLAY. — Farmers' National Bank; Milton Gray, President, in place of Peter Hosler; Jno. A. Scott, Vice-President, in place of Milton Gray; Chas. Williams, Assistant Cashier, in place of W. F. Hosler.

FLUSHING. — First National Bank; Vice-President, Wm. H. Watson.

FOSTORIA. — First National Bank; William Ash, Vice-President, in place of L. B. Harris.

GALLIPOLIS. — First National Bank; no Vice-President in place of J. H. Evans; no Assistant Cashier in place of C. A. Deletombe.

GENEVA. — Savings Exchange Bank; Cashier, L. E. Morgan.

GRANVILLE. — Bank of Granville; President, E. Sinnott.

HICKSVILLE. — Merchants & Farmers' Bank; F. N. Horton, President, in place of James Casebeer; W. E. Dittenbaver, Cashier, in place of F. N. Horton.

NEW ATHENS. — John Dunlap, Jr.; assigned.

RIPLEY. — Ripley Nat'l Bank; G. Brust, Acting Vice-Pres., in place of G. Bambach, Jr.

SOMERTON. — Belmont Bank; in liquidation. New bank to be formed under style of Belmont Bank of E. J. Hoge & Co.

STUEBENVILLE. — National Exchange Bank; Vice-President, W. P. Peters.

OREGON.

ARLINGTON. — First National Bank has been authorized to commence business. Capital, \$50,000. President, David P. Thompson; Cashier, Jesse E. Frick.

LA GRANDE. — La Grande National Bank; President, M. F. Honan, not M. F. Homan; Vice-President, M. Baker.

PENDLETON. — Pendleton National Bank has been authorized to commence business. Capital, \$50,000. President, James Steel; Vice-President, Lehman Blum's; Cashier, George V. Hamilton.

PENNSYLVANIA.

ALLEGHENY. — German National Bank; L. Walter, Sr., President, in place of Adam Weise; Fred. H. Eggers, Vice-President, in place of L. Walter, Sr.

BOYERTOWN. — Farmers' Nat'l Bank; M. L. Hartman, Cashier, in place of W. R. Grim.

DU BOIS. — First National Bank; J. E. Long, President, in place of F. K. Arnold; M. J. McCright, Assistant Cashier, in place of L. A. Brady.

EAST GREENVILLE. — Perkiomen National Bank; John M. Jacobs, President, in place of David G. Clemmer; F. L. Fluck, Cashier, in place of Jno. N. Jacobs.

HAWLEY. — J. I. Ames & Co.; Cashier, G. W. Ames.

LANCASTER. — People's National Bank; Vice-President, Robert A. Evans.

MEDIA. — Charter National Bank has been authorized to commence business. Capital, \$100,000. President, George Drayton; Vice-President, Horace P. Green; Cashier, Theo. P. Saulnier.

PHILADELPHIA. — Chestnut Street National Bank is being organized. President, Robert E. Pattison. — Independence National Bank; Charles Lennig, President, in place of P. A. Keller; Jno. C. S. Davis, Vice-President, in place of Charles Lennig. — Market Street National Bank has been authorized to commence business. Capital, \$600,000. President, Charles H. Barnes; Cashier, Benjamin F. Dennison. — Seventh National Bank; John J. Zeigler, Vice-President, in place of Wm. Mathews. — Hill & Kennedy; succeeded by R. H. C. Hill.

POTTSVILLE.—Government National Bank; A. L. Boehmer, President, in place of Henry H. Huntzinger, deceased; Vice-President, W. H. Huntzinger.
 ROCHESTER.—Beaver County Banking & Safe Deposit Association; G. C. Speyerer, President, in place of L. H. Oatman.
 SHEAKLEYVILLE.—Morrison & Couse; not in banking business.
 WILKES-BARRE.—Wilkes-Barre Deposit & Savings Bank; J. C. Bell, Cashier, in place of Adolph Voight, deceased.
 WILLIAMSPORT.—Merchants' National Bank will shortly open for business. Cashier, J. H. Boyer.

RHODE ISLAND.

NEWPORT.—National Bank of Rhode Island; Fredk. Tompkins, President, in place of Wm. A. Clarke, deceased.
 PROVIDENCE.—Providence National Bank; Vice-President, R. I. Gammell.

TENNESSEE.

CHARLESTON.—Bank of Charleston; removed to Cleveland.
 CHATTANOOGA.—Chattanooga National Bank has been authorized to commence business. Capital, \$300,000. President, Chas. A. Lyerly; Cashier, J. S. O'Neale.
 CLEVELAND.—Bank of Charleston, formerly at Charleston, now located here.
 FAYETTEVILLE.—Elk National Bank is newly organized bank here.
 KNOXVILLE.—Third National Bank; capital, \$250,000. President, R. N. Hood; Vice-President, R. P. Gettys; Cashier, J. A. McKeldin.
 MARTIN.—Bank of Martin; B. F. Ross, Assistant Cashier, in place of Jno. W. Moran.
 SOUTH PITTSBURG.—First National Bank has been authorized to commence business. Capital, \$50,000. President, W. M. Duncan; Cashier, L. R. Eastman.

TEXAS.

ALVARADO.—First National Bank; Vice-President, M. Sansom.
 AUSTIN.—Stewart & Habicht (German-American Bank); succeeded by A. E. Habicht.
 COLORADO.—First National Bank; A. B. Robertson, Vice-Pres., in place of John Harris.
 CORSICANA.—Corsicana National Bank; Vice-President, E. W. Johnson.
 DALLAS.—Fourth National Bank has been authorized to commence business. Capital, \$200,000. President, W. L. Griggs; Vice-President, T. J. Oliver; Cashier, Samuel B. Hopkins; Assistant Cashier, H. B. Strange.
 DENTON.—First National Bank; S. R. Davis, Vice-President, in place of A. E. Graham.
 FORT WORTH.—City National Bank; no Assistant Cashier in place of D. D. Wall.
 GREENVILLE.—Greenville National Bank; Vice-President, J. W. Rainey.

UTAH.

OGDEN.—Commercial National Bank; J. C. Armstrong, President, in place of H. O. Harkness; Henry Conant, Vice-President, in place of J. C. Armstrong; O. E. Hill, Cashier, in place of Wm. V. Helfrich; Assistant Cashier, Wm. V. Helfrich.

VERMONT.

BRATTLEBORO.—Brattleboro Savings Bank; C. A. Harris, Treas., in place of C. W. Wyman.
 HYDE PARK.—Lamoille County National Bank; E. L. Noyes, Acting Cashier, in place of Albert L. Noyes, Cashier, deceased.
 RUTLAND.—Killington National Bank; E. P. Gilson, President, in place of Redfield Proctor; H. H. Dyer, Vice-President, in place of E. P. Gilson.
 WINDSOR.—Windsor Savings Bank; N. G. Hale, President, in place of Alfred Hall.

VIRGINIA.

ABINGDON.—Exchange & Deposit Bank; Assistant Cashier, Henry Preston.
 LIBERTY.—Bank of Bedford; O. P. Bell, President, in place of J. R. Thurman.
 Liberty Savings Bank; M. P. Burks, President, in place of R. P. Clayton.
 RICHMOND.—R. H. Maury & Co.; succeeded by Richard W. Maury.

WASHINGTON TERRITORY.

FARMINGTON.—Bank of Farmington has recently commenced business. Capital, \$50,000. Pres., Alfred Coolidge; Vice-Pres., John Burke; Cashier, J. J. Humphrey.

WISCONSIN.

ASHLAND.—Ashland National Bank; Thomas Bardon, Vice-President, in place of Edwin Ellis; Assistant Cashier, Carl E. Street.
 FOND DU LAC.—Fond du Lac National Bank has been authorized to commence business. Capital, \$100,000. President, Charles A. Galloway; Cashier, Gaines A. Knapp.
 KAUKAUNA.—First National Bank; Vice-President, M. A. Hunt; H. Kuckensted, Cashier, in place of J. S. Vilas.
 MILWAUKEE.—Wisconsin Marine & Fire Insurance Co. Bank; President, John L. Mitchell, in place of Alexander Mitchell, deceased; Vice-President, David Ferguson; John Johnston, Cashier, in place of David Ferguson; no Assistant Cashier in place of John Johnston.
 MONROE.—First National Bank; Henry Ludlow, Cashier, in place of Julius B. Galusha, resigned; C. W. Twining, Assistant Cashier, in place of Henry Ludlow.
 WEST SUPERIOR.—First National Bank is being organized here. Capital, \$250,000.—Bank of West Superior; Cashier, Edwin H. Brown.

ONTARIO.

SAULT STE. MARIE.—Central Bank of Canada has opened a branch here.

NEW BRUNSWICK.

ST. JOHN.—Blair & Co.; assigned.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, May 2, 1887.

The action of the Commissioners appointed under the Inter-State Commerce Bill has had a tendency to quiet apprehension as to the effect the attempt to regulate the business of the railways of the country might have upon prices. It is plain the Commissioners intend to apply the law very conservatively, and make such changes as may be required by it as gradually as possible. The effect, so far, has been a rise in freight charges. The general tendency of prices has been toward greater firmness, but there has been no marked advance. The earnings of the railroads for the month of March were larger than during any corresponding month since 1882.

A list of twenty-three cities, where there has been a marked advance in the price of real estate, is given in *Bradstreet's*, for April 23. Apart from local causes, this is ascribed to a revival in general trade and the investment of funds heretofore locked up awaiting investment. The rates for money abroad are low—the Bank of England rate was reduced first to $2\frac{1}{2}$ per cent. and since to 2 per cent. The currency of the country has increased about \$60,000,000 within the last eight months, and there seems to be no reason to expect any serious contraction. The rates for money in New York appear to have been higher than would be expected under all the circumstances. The surplus reserves of the banks showed an increase during the last two weeks. The revival of business, of which there are so many indications, appears to be beginning in the interior, and money seems to be tending in that direction. The influence of the Treasury has not been a prominent feature, although there seems to be a belief that the Secretary will be compelled to purchase the fours and four and a halves at their market price, which has evidently kept Governments advancing. Perhaps, too, the fear that after the threes are redeemed the surplus revenues may be locked in the Treasury at such a rate as to cause a contraction of the currency, has had a tendency to deter speculation. It has been anticipated that money would soon return to the East, but there has been no great change in this respect. The changes in prices are insignificant; the advances are followed by very prompt falling off. A large amount of the increase in circulation consists of small silver certificates, which have been issued to the amount of about \$20,000,000, in denominations of one, two and five dollars.

FOREIGN EXCHANGE for the first two weeks of the month was extremely dull. The scarcity of commercial bills and the low rates of money in London had a strengthening effect on the market, and the rate slightly advanced. There was, however, very little increase in the demand, until the last of the month, when it became moderately active. The supply of commercial bills has continued small. The Bank of England lost specie during the month to the amount of £255,000, but the proportion of reserve to liabilities has increased from 45.51 to 50.90. The discount rate at the beginning of the month was 3 per cent. It was reduced on the 14th to $2\frac{1}{2}$, and finally on the 28th to 2 per cent. The Bank of France during the month lost 8,125,000 francs in gold and gained 4,975,000 francs in silver, a net loss of specie of 3,150,000 francs. The following are the latest posted and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.87@ \$4.87½; sight, nominal, \$4.89; 60 days, actual, \$4.86½@ \$4.86½; sight, actual, \$4.87½@ \$4.88; Cable transfers, \$4.88@ \$4.88½; Prime commercial sterling, long, \$4.85¼@ \$4.85¾; Documentary sterling, 60 days, \$4.85@ \$4.85¼; Paris, bankers', 60 days, 5.20@ 5.19¾; sight, 5.17½@ 5.16¾; Paris, commercial, 60 days, 5.22½@ 5.21¼; sight, 5.19¾@ 5.18¾; Antwerp, commercial, 60 days,

5.22½@5.21½; Swiss, bankers', 60 days, 5.20@5.19½; sight, 5.17½@5.16½; Reichsmarks (4), bankers', 60 days, 95¼@95¾; sight 95¾@95¾; Reichsmarks (4), commercial, 60 days, 95@95½; sight, 95¾@95½; Guilders, bankers', 60 days, 40@40 5-16; sight, 40½@40 9-16; Guilders, commercial, 60 days, 40½@40 8-16; sight, 40 5-16@40¾; Copenhagen, Stockholm and Christiania, krona, 60 days, 26¾@26 13-16; sight, 27@27 1-16. Paris dispatches quote exchange on London 25f. 25c.

The following shows the posted rates for prime bankers' sterling bills on London at 60 days, and sight, cable transfers and prime commercial sterling, together with exchange on Paris on April 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of March and April:

March.	BANKERS		Cable		PARIS	
	60 days.	Sight.	Transfers.	Commercial.	60 days.	Sight.
Highest...	4.86	4.88½	4.88½	4.84	5.21½	5.19½
Lowest...	4.84½	4.87	4.86½	4.83½	5.23½	5.21½
April 1.....	4.85	4.88	—	4.83½	5.22½	5.19½
" 6.....	4.86	4.88	—	4.84	5.21½	5.19½
" 11.....	4.86½	4.88½	—	4.84½	5.21½	5.19½
" 15.....	4.86½	4.88½	—	4.84½	5.20½	5.18½
" 20.....	4.86½	4.88½	4.87½	4.84½	5.20½	5.17½
" 22.....	4.86½	4.88½	4.87½	4.85½	5.20½	5.17½
" 26.....	4.87	4.89	4.88½	4.85½	5.19½	5.17½
Highest.....	4.87	4.88	4.88½	4.83½	5.19½	5.17½
Lowest.....	4.85	4.89	—	4.85½	5.22½	5.19½

COINS AND BULLION.—Bar silver is quoted in London at 44d. per ounce. At this quotation for silver the bullion value of the standard dollar is 74.60 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars.....	\$ 99¾ @ \$ 1 00	Twenty francs	3 85 @ 3 89
New (412½ grains) dollars	99¾ @ 1 00	Twenty marks	4 74 @ 4 76
American silver ½s & ¼s.	99¾ @ 1 00	Spanish doubloons.....	15 55 @ 15 70
American dimes	99¾ @ 1 00	Mexican doubloons.....	15 55 @ 15 70
Mexican dollars	75 @ 76	Ten guilders	3 96 @ 4 00
Peru soles & Chilean pesos	73 @ 74½	Com'l silver bars, per oz.	94¾ @ ..
English silver.....	4 80 @ 4 84	U. S. Assay silver bars. .	95¾ @ 97
Five francs	93 @ 95	Fine gold bars par @ ¼ % premium on the	
Victoria sovereigns... ..	\$4 85 @ \$4 88	Mint value.	

MONEY AND DOMESTIC EXCHANGE.—The rates for call money were for the first week from 3½ to 7 per cent.; for the second, from 3 to 9 per cent.; for the third, from 3 to 6 per cent.; and for the last week from 2½ to 6 per cent. The usual rates were early in the month from 5 to 7, and later ruled 4 to 5 per cent. Prince commercial paper has been from 5 to 5½ per cent. Other grades ruled from 7 to 9 per cent. The total reserve of the New York city banks on April 30 was \$100,061,400, showing an increase of about \$3,000,000 during the month. The excess of reserve above the legal requirements was \$7,139,925, as against an excess of \$12,025,850 at the corresponding date in 1886. The following are the rates of domestic exchange on New York: Savannah, par, selling ½@¼ premium. Charleston, buying ½; selling 3-16 premium. New Orleans commercial, 50c. per \$1,000 premium; bank, \$1.50 per \$1,000 premium. St. Louis, 25c. per \$1,000 premium. Chicago, 60c. per \$1,000 discount. Commercial paper is in better demand.

NEW YORK BANKS.—Loans have decreased during the month \$5,047,800 and deposits \$728,800. The surplus reserve has, however, increased, showing a tendency of money to return to the banks, not as yet sufficiently marked to decide whether a change in the current since last month has really taken place. During the month of April the gross exchanges at the leading Clearing-Houses of the United States amounted to \$4,584,833,694, of which \$1,471,961,305 were outside of New York city. For the corresponding month in 1886 the exchanges at the same Clearing-Houses were \$3,611,068,502 of which

\$1,190,096 were outside of New York city. The increase in total exchanges was 25.6 per cent., and in exchanges outside of New York 23.7 per cent. In New York city the increase was 26.5 per cent. Outside of New York city the most noticeable increases were in Boston, 28 per cent., San Francisco, 44.2 per cent., Pittsburg, 30.6 per cent., Kansas City, 35.4 per cent., St. Paul, 55.7 per cent., Minneapolis, 29.8 per cent., Omaha, 106.1 per cent., Denver, 78 per cent., Cleveland, 34 per cent., Columbus, 27.3 per cent., Indianapolis, 47.9 per cent., St. Joseph, Mo., 75.9 per cent., Peoria, Ills., 42.4 per cent., Springfield, Ills., 46.6 per cent. The following shows the condition of the New York Clearing-House banks for a number of weeks past, as well as about the same dates in 1885 and 1886:

1887.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
Apr. 30....	\$360,611,900	\$77,627,600	\$22,433,800	\$371,685,900	\$8,365,500	\$7,139,925
Apr. 23....	362,712,200	77,670,100	21,786,000	371,181,200	8,388,700	6,660,800
Apr. 16....	367,562,300	77,688,700	20,617,300	376,469,400	8,358,700	4,488,650
Apr. 9....	370,917,500	79,408,800	18,989,500	377,130,900	8,309,200	4,115,575
1886.						
May 1....	351,298,400	72,976,600	32,249,700	372,801,800	7,888,900	12,025,850
1885.						
May 1....	296,616,400	111,484,200	32,243,800	358,349,400	10,418,800	55,139,650

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of April and the highest and lowest during the month. Actual sales marked *:

APR.	4½s. '91, coup.	4s. 1907, coup.	3 per cents.	C'y 6s. 1895.	C'y 6s. 1899.	APR.	4½s. '91, coup.	4s. 1907, coup.	3 per cents.	C'y 6s. 1895.	C'y 6s. 1899.
1	110	128½	100	126½	137	18	110	* 129	100	126	137
2	109¾	* 128¾	99¾	126½	137	19	* 110½	129½	100	125¾	137
3	109¾	* 128¾	99¾	126½	137½	20	110	* 129¼	100	125¾	137
4	109¾	128¾	99¾	126½	* 137½	21	* 110¼	129¼	100	125¾	136¾
5	109¾	128¾	100	126½	* 137½	22	110½	129½	100	125¾	137
6	109¾	129	100	126½	137½	23	110¼	129¼	100	125¾	137
7	110	129	100	126½	137½	24	110¼	129½	100	125¾	137
8	.....	.....	.....	.....	.....	25	* 110¼	129½	100	* 125½	136
9	110	129	100	126½	137½	26	110½	129½	100	125½	136
10	110	129¼	100	126½	137½	27	110½	129½	100	125½	136
11	* 110½	* 129¼	100	* 126½	137½	28	110¼	* 129½	100	125½	136
12	110¼	* 129¼	100	126½	137½	29	110½	* 129½	100	125½	136
13	110¼	* 129¼	100	126	137	30	110½	129½	100	125½	136
14	110¼	129½	100	126	137	High	110¼	129¼	100	126½	137½
15	110¼	129½	100	126½	137½	Low	109¾	* 128¾	99¾	125½	136

THE PUBLIC DEBT STATEMENT of May 2d shows that during the month of April there has been a decrease of the debt of \$13,053,098. The outstanding interest-bearing debt amounted, on May 2d, to \$1,094,678,712, on which \$8,780,656 of interest was due. The debt on which interest has ceased was \$6,504,015. The total debt, less cash in the Treasury, was \$1,305,170,459. The total demand liabilities of the Government, as given by the Treasurer's statement of April 30th, were \$509,440,887. This does not, however, include all of the legal-tender notes, but only \$100,000,000 of them, an amount equal to the gold reserve required by the Act of July 12, 1882. There are outstanding, in addition to this \$100,000,000, \$246,681,016 in legal-tender notes, which belong as properly to the demand liabilities of the Government as any item given in the Treasurer's statement. Adding this amount, therefore, the total demand liabilities of the Treasury on April 30th were \$756,121,903. This includes \$109,044,565 liability for the redemption of National bank notes. Against these demand liabilities the Treasury held reserves of gold, silver, United States notes, National bank notes, and deposits in National banks, etc., amounting to \$544,326,925, and, in addition, \$27,028,658 of fractional silver and minor coin. The total reserve of the Treasury may therefore be said to

be about 75 % of its demand liabilities. On April 14th the gold and silver held by the Bank of France amounted to about 70 % of the demand liabilities of the bank, including its circulation. The cash reserve of the Bank of England on the 13th amounted to about 44 % of its demand liabilities and increased to about 50 % by the end of the month. The following table shows the net gold and silver held by the United States Treasury on the 2d of May and on the 1st of March and April :

	May 2, 1887.	April 1, 1887.	March 1, 1887.
Gold coin and bullion.....	\$275,336,915	\$275,965,962	\$275,068,626
Gold certificates outstanding.....	94,434,485	94,046,015	99,958,365
Gold owned by Treasury.....	\$180,902,430	\$181,939,947	\$175,130,261
Silver dollars and bullion.....	\$209,960,748	\$206,452,230	\$202,812,943
Silver certificates outstanding.....	187,740,430	181,930,459	121,130,755
Silver owned by Treasury.....	\$72,220,818	\$74,521,741	\$81,682,188

On April 18th the Bank of England held £22,697,765 in gold coin and bullion, and £1,487,800 of gold and silver coin—equal to about \$115,000,000.

The Bank of France, on April 14th, held £47,494,100 in gold and £45,974,000 of silver, equal to about \$235,000,000 of each. The amount both of net gold and silver in the United States Treasury has slightly decreased since April 1st.

THE NATIONAL BANK CIRCULATION outstanding has decreased during last month by \$2,118,175, the decrease during the past year having been \$28,801,263. The statement made by the Office of the Comptroller of the Currency, on April 30th, shows that the amount of lawful money deposited with the United States Treasurer to redeem notes of insolvent and liquidating banks, and banks retiring circulation under Acts of June 20, 1874, and July 12, 1882, was \$108,715,305, while the statement of the United States Treasurer, on the same date, gives this item at \$100,433,496 only. The following shows the amount of each description of bonds held by the Treasurer to secure National bank circulation on or about the dates indicated :

	May 1, 1887.	Apr. 1, 1887.	Mar. 1, 1887.	Feb. 1, 1887.	Jan. 1, 1887.
Currency 6 per cents	\$3,245,000	\$3,241,000	\$3,241,000	\$3,201,000	\$3,680,000
4½ per cents	64,621,250	62,973,300	60,667,400	60,206,400	59,636,200
4 per cents	114,351,750	113,637,800	112,836,950	113,387,000	113,903,200
3 per cents	20,228,550	27,085,900	36,894,800	47,132,250	52,218,950
Total.	\$202,446,550	\$206,938,000	\$213,639,150	\$223,926,650	\$229,438,350

In addition to the above the National bank depositories have with the United States Treasurer \$24,435,500 (including \$2,081,000 threes) United States bonds to secure deposits, making a total deposited by the National banks for all purposes on May 1 of \$226,882,050.

The rate of interest realized to investors in 4 per cent. bonds of 1907, at a market price of 129.75, is computed by E. B. Elliott, Esq., Government Actuary, at 2.29 per cent., and the rate realized on 4½ per cent. bonds of 1891, at 110 is 2.03 per cent. At these rates for bonds, and assuming 6 per cent. as the rate for bank loans, there is virtually a loss in depositing either class of bonds for the purpose of taking out circulation.

THE EXPORTS OF SPECIE since January 1, 1887, have amounted to \$3,463,664, and the imports during the same period to \$4,715,452. For the corresponding period in 1886, the exports were \$25,865,830, and the imports \$5,412,680.

RAILROAD AND MISCELLANEOUS STOCKS.—The reports of the earnings of railroads continue encouraging, but there has been no pronounced advance either in railroad or other stocks. If anything, there has been a slight tendency to better prices.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of April, the highest and lowest since January 1, 1887, and also during the year 1886:

	APRIL, 1887.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Atlantic & Pac.....	145 $\frac{1}{2}$	123 $\frac{1}{2}$	137 $\frac{1}{2}$	145 $\frac{1}{2}$ —Apr. 18	107 $\frac{1}{2}$ —Feb. 1	..	..
Canadian Pacific.	66	62	65 $\frac{1}{2}$	68 $\frac{1}{2}$ —Jan. 13	59 $\frac{1}{2}$ —Mar. 5	73	61
Canada Southern.....	63	59 $\frac{1}{4}$	61 $\frac{1}{2}$	63 $\frac{1}{4}$ —Jan. 3	52 $\frac{1}{4}$ —Feb. 1	71 $\frac{1}{2}$	34 $\frac{1}{2}$
Central of N. J.....	86 $\frac{1}{4}$	72 $\frac{1}{2}$	81	86 $\frac{1}{4}$ —Apr. 13	55 $\frac{1}{2}$ —Jan. 3	64	42 $\frac{1}{2}$
Central Pacific.....	43 $\frac{3}{4}$	39 $\frac{3}{4}$	41	43 $\frac{3}{4}$ —Apr. 12	33—Feb. 3	51	38
Chic., Burl. & Quincy	147 $\frac{1}{2}$	139 $\frac{1}{2}$	147	147 $\frac{1}{2}$ —Apr. 26	136 $\frac{1}{2}$ —Jan. 13	141	128 $\frac{1}{2}$
Chic., Mil. & St. Paul.	93 $\frac{3}{4}$	91 $\frac{1}{2}$	91 $\frac{1}{2}$	93 $\frac{3}{4}$ —Apr. 7	85 $\frac{1}{4}$ —Feb. 1	99	82 $\frac{1}{2}$
do preferred..	122	120	120 $\frac{1}{2}$	122—Mar. 19	117 $\frac{1}{4}$ —Jan. 8	125 $\frac{1}{2}$	116
Chic. & Northwest'n.	121 $\frac{1}{4}$	119	121 $\frac{1}{4}$	121 $\frac{1}{4}$ —Apr. 29	110—Feb. 1	120 $\frac{1}{2}$	104 $\frac{1}{2}$
do preferred..	151 $\frac{1}{2}$	146	151	151 $\frac{1}{2}$ —Apr. 28	138 $\frac{1}{4}$ —Jan. 29	144	135
Chic., Rock I. & Pac..	128 $\frac{1}{2}$	125 $\frac{1}{2}$	128 $\frac{1}{2}$	128 $\frac{1}{2}$ —Apr. 29	124 $\frac{1}{4}$ —Mar. 18	131	120 $\frac{1}{2}$
Chic., St. P., M. & O..	53 $\frac{3}{4}$	51 $\frac{1}{2}$	52 $\frac{3}{4}$	53 $\frac{3}{4}$ —Apr. 12	45 $\frac{1}{2}$ —Feb. 1	55	35 $\frac{1}{2}$
do preferred..	113 $\frac{1}{2}$	111 $\frac{1}{2}$	113 $\frac{1}{2}$	113 $\frac{1}{2}$ —Apr. 29	106—Feb. 1	116 $\frac{1}{2}$	97
Clev., Col., Cin. & Ind	68	65	66	68—Apr. 11	59—Feb. 1	75 $\frac{1}{2}$	43 $\frac{1}{2}$
Col. H. Val. & Tol...	34	30	31 $\frac{1}{2}$	39 $\frac{1}{4}$ —Jan. 11	28 $\frac{3}{4}$ —Mar. 14	..	..
Del., Lack. & West'n	138 $\frac{1}{2}$	134 $\frac{1}{4}$	137 $\frac{1}{2}$	138 $\frac{1}{2}$ —Apr. 23	131 $\frac{1}{4}$ —Feb. 1	144	115
Denv. & R. Grande a.p.	32 $\frac{3}{4}$	30	31 $\frac{1}{2}$	32 $\frac{3}{4}$ —Apr. 14	21 $\frac{1}{2}$ —Feb. 3	35 $\frac{1}{2}$	21 $\frac{1}{2}$
E. Tenn., Va. & Ga..	14 $\frac{1}{4}$	12 $\frac{3}{4}$	13 $\frac{3}{4}$	17—Jan. 3	12 $\frac{3}{4}$ —Mar. 14	6 $\frac{1}{2}$	5 $\frac{1}{2}$
do 1st preferred	77	74	74	82 $\frac{1}{2}$ —Jan. 13	71 $\frac{1}{4}$ —Feb. 1	11 $\frac{1}{2}$	2 $\frac{1}{2}$
Illinois Central.....	135 $\frac{1}{4}$	128 $\frac{1}{2}$	134 $\frac{1}{2}$	135 $\frac{1}{4}$ —Apr. 21	128 $\frac{3}{4}$ —Feb. 24	143 $\frac{1}{2}$	131
Ind., Bloom. & W'n*.	27 $\frac{3}{4}$	24	25	27 $\frac{3}{4}$ —Apr. 1	17 $\frac{1}{4}$ —Feb. 4	28 $\frac{3}{4}$	12
Lake Shore.....	96 $\frac{1}{2}$	94 $\frac{1}{2}$	95 $\frac{3}{4}$	96 $\frac{1}{2}$ —Jan. 14	90—Feb. 1	100 $\frac{1}{2}$	76 $\frac{1}{2}$
Long Island.....	97 $\frac{3}{4}$	95 $\frac{1}{2}$	95 $\frac{1}{2}$	98—Feb. 8	93—Jan. 15	100	80
Louisville & Nashv'e	70 $\frac{1}{4}$	65 $\frac{1}{2}$	68 $\frac{1}{2}$	70 $\frac{1}{4}$ —Apr. 14	57—Feb. 3	69	35 $\frac{1}{2}$
Manhattan consol....	161 $\frac{1}{2}$	155	159 $\frac{1}{2}$	161 $\frac{1}{2}$ —Apr. 20	154—Jan. 5	175	120
Michigan Central....	93 $\frac{1}{2}$	91	91 $\frac{1}{2}$	93 $\frac{1}{2}$ —Apr. 4	86—Jan. 27	98 $\frac{1}{2}$	61 $\frac{1}{2}$
Mineap's & St. Louis.	20 $\frac{1}{4}$	17 $\frac{1}{2}$	18 $\frac{1}{2}$	20 $\frac{1}{4}$ —Apr. 2	17 $\frac{1}{2}$ —Feb. 1	23 $\frac{1}{2}$	16 $\frac{1}{2}$
do preferred..	45 $\frac{1}{2}$	41	43 $\frac{1}{2}$	45 $\frac{1}{2}$ —Jan. 13	40 $\frac{1}{2}$ —Feb. 1	52 $\frac{1}{2}$	40 $\frac{1}{2}$
Mo., Kan. & Texas...	34 $\frac{1}{4}$	31 $\frac{1}{2}$	32 $\frac{1}{2}$	34 $\frac{1}{4}$ —Apr. 9	26 $\frac{1}{2}$ —Feb. 1	38 $\frac{1}{4}$	21
Missouri Pacific.....	109 $\frac{1}{2}$	107 $\frac{1}{2}$	108 $\frac{1}{2}$	110 $\frac{1}{4}$ —Feb. 25	104 $\frac{1}{2}$ —Feb. 1	119	100 $\frac{1}{2}$
Nash. Chat. & St. L.	87	82 $\frac{1}{4}$	82 $\frac{1}{4}$	88 $\frac{1}{4}$ —Jan. 3	79 $\frac{1}{4}$ —Feb. 1	105 $\frac{1}{2}$	43 $\frac{1}{2}$
N. Y. Cent. & H. R.	113 $\frac{1}{2}$	112 $\frac{1}{2}$	113 $\frac{1}{2}$	114 $\frac{1}{4}$ —Jan. 17	110—Feb. 1	117 $\frac{1}{2}$	98 $\frac{1}{2}$
N. Y., Chic. & St. Louis†	20 $\frac{1}{4}$	18 $\frac{1}{2}$	18 $\frac{1}{2}$	20 $\frac{1}{4}$ —Apr. 4	16 $\frac{1}{4}$ —Mar. 15	17 $\frac{1}{2}$	4 $\frac{1}{2}$
do preferred‡.	35	31	35 $\frac{1}{2}$	35—Apr. 6	27—Mar. 12	31	11
N. Y., Lake E. & Westn	35 $\frac{1}{2}$	33 $\frac{1}{2}$	34 $\frac{1}{2}$	35 $\frac{1}{2}$ —Apr. 12	29 $\frac{1}{2}$ —Feb. 1	38 $\frac{1}{2}$	22 $\frac{1}{2}$
do preferred..	74 $\frac{1}{2}$	72 $\frac{1}{2}$	74 $\frac{1}{2}$	74 $\frac{1}{2}$ —Feb. 25	65 $\frac{1}{2}$ —Jan. 20	81 $\frac{1}{2}$	50 $\frac{1}{2}$
N. Y. & New Eng....	65 $\frac{1}{2}$	56 $\frac{1}{4}$	58 $\frac{1}{2}$	66—Mar. 29	51—Jan. 12	68 $\frac{1}{2}$	30 $\frac{1}{2}$
N. Y., Ont. & West'n	19 $\frac{1}{2}$	18 $\frac{1}{2}$	18 $\frac{1}{2}$	20 $\frac{1}{4}$ —Jan. 3	15 $\frac{1}{4}$ —Feb. 4	22 $\frac{1}{2}$	15
do preferred..	13 $\frac{1}{2}$	13	13 $\frac{1}{2}$	14—Feb. 14	11—Feb. 1	12 $\frac{1}{2}$	6
Norfolk & Western..	38 $\frac{1}{2}$	36 $\frac{1}{4}$	37 $\frac{1}{4}$	38 $\frac{1}{2}$ —Feb. 14	31—Feb. 1	33 $\frac{1}{4}$	17 $\frac{1}{2}$
do preferred..	22 $\frac{1}{2}$	20	21	23 $\frac{1}{2}$ —Jan. 3	17 $\frac{1}{2}$ —Feb. 8	27 $\frac{1}{4}$	8 $\frac{1}{2}$
Northern Pacific....	54 $\frac{1}{4}$	50	52	54 $\frac{1}{4}$ —Apr. 14	43 $\frac{1}{2}$ —Feb. 3	59 $\frac{1}{2}$	25
do preferred..	30 $\frac{3}{4}$	28 $\frac{1}{2}$	29 $\frac{1}{2}$	30 $\frac{3}{4}$ —Apr. 20	26 $\frac{1}{2}$ —Feb. 1	31 $\frac{1}{2}$	22
Ohio & Mississippi..	62 $\frac{1}{2}$	60	62	62 $\frac{1}{2}$ —Apr. 18	56 $\frac{1}{2}$ —Feb. 1	66 $\frac{1}{2}$	53 $\frac{1}{2}$
Oregon & Transc....	32 $\frac{1}{2}$	30 $\frac{1}{4}$	30 $\frac{3}{4}$	32 $\frac{1}{2}$ —Apr. 4	22 $\frac{1}{2}$ —Feb. 1	35 $\frac{1}{2}$	19 $\frac{1}{2}$
Peoria, Dec. & Evnsv.	35 $\frac{1}{2}$	33 $\frac{1}{2}$	34 $\frac{1}{4}$	35 $\frac{1}{2}$ —Apr. 7	29 $\frac{1}{2}$ —Jan. 24	38	25
Phila. & Reading....	36 $\frac{1}{4}$	34 $\frac{1}{2}$	35 $\frac{1}{4}$	36 $\frac{1}{4}$ —Feb. 10	30 $\frac{1}{4}$ —Jan. 3	34 $\frac{1}{2}$	16
Richm'd & W. Point.	47 $\frac{1}{4}$	39	45 $\frac{1}{4}$	47 $\frac{1}{4}$ —Apr. 18	34—Feb. 1	53 $\frac{1}{2}$	18 $\frac{1}{2}$
St. L. & San F. pref.	42	37 $\frac{1}{2}$	39 $\frac{1}{2}$	53—Jan. 17	37 $\frac{1}{4}$ —Mar. 15	77 $\frac{1}{4}$	27 $\frac{1}{4}$
do 1st pref....	80 $\frac{1}{2}$	69	77 $\frac{1}{4}$	80 $\frac{1}{2}$ —Apr. 15	61 $\frac{1}{2}$ —Feb. 2	72 $\frac{1}{2}$	37 $\frac{1}{2}$
St. Paul & Duluth...	118 $\frac{1}{2}$	115	117 $\frac{1}{2}$	118 $\frac{1}{2}$ —Apr. 16	112—Jan. 28	118 $\frac{1}{2}$	97 $\frac{1}{2}$
do Minn. & Man	69 $\frac{1}{2}$	62 $\frac{1}{2}$	66 $\frac{1}{2}$	69 $\frac{1}{2}$ —Apr. 9	55 $\frac{1}{2}$ —Jan. 7	..	..
Texas & Pacific.....	118 $\frac{1}{2}$	113 $\frac{1}{2}$	115 $\frac{1}{2}$	119 $\frac{1}{4}$ —Feb. 19	113—Feb. 1	124 $\frac{1}{2}$	106 $\frac{1}{2}$
Union Pacific.....	31 $\frac{1}{2}$	27 $\frac{1}{2}$	31 $\frac{1}{2}$	31 $\frac{1}{2}$ —Apr. 29	23 $\frac{1}{4}$ —Feb. 17	25	7 $\frac{1}{4}$
Wabash, St. L. & Pac.	63 $\frac{1}{2}$	60 $\frac{1}{2}$	62 $\frac{1}{2}$	63 $\frac{1}{2}$ —Apr. 25	53 $\frac{1}{2}$ —Feb. 4	68 $\frac{1}{4}$	44 $\frac{1}{4}$
do preferred..	22	19 $\frac{1}{2}$	20 $\frac{1}{2}$	22—Apr. 14	13 $\frac{1}{2}$ —Feb. 1	12 $\frac{1}{2}$	6
Col. Coal & Iron Co.	37 $\frac{1}{2}$	33	36 $\frac{1}{2}$	37 $\frac{1}{2}$ —Apr. 14	23 $\frac{1}{4}$ —Feb. 1	22 $\frac{1}{2}$	14
Del. & Hudson Canal	49 $\frac{1}{2}$	41 $\frac{1}{2}$	49 $\frac{1}{2}$	49 $\frac{1}{2}$ —Apr. 29	35 $\frac{1}{2}$ —Feb. 1	..	..
Oregon R. & Nav. Co	105 $\frac{1}{2}$	101 $\frac{1}{2}$	104 $\frac{1}{2}$	105 $\frac{1}{2}$ —Apr. 18	100 $\frac{1}{2}$ —Mar. 14	108 $\frac{1}{2}$	88 $\frac{1}{2}$
Pacific Mail.....	103 $\frac{1}{2}$	100	102	104 $\frac{1}{2}$ —Jan. 3	97 $\frac{1}{2}$ —Jan. 22	109 $\frac{1}{2}$	98
Western Union Tel..	58 $\frac{1}{2}$	55	56 $\frac{1}{2}$	58 $\frac{1}{2}$ —Apr. 7	48 $\frac{1}{2}$ —Jan. 8	67	45 $\frac{1}{2}$
	77 $\frac{1}{2}$	76	77	78 $\frac{1}{2}$ —Mar. 9	70 $\frac{1}{2}$ —Feb. 1	80 $\frac{1}{2}$	60 $\frac{1}{2}$

* First assessment paid. † Assented. ‡ Coin. Repts. § Second assessment paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange. The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAY 1, 1887.	
				High.	Low.	Bid.	Asked
Alabama Class A 3 to 5.....	1906	6,728,800	J & J	108	97	108	109½
do do small.....				105	97	107	.....
do Class B 5's.....	1906	532,000	J & J	110	105	112½	115
do Class C 4's.....	1906	959,000	J & J	108½	95	104½	105½
do 6's, 10-20.....	1900	960,000	J & J	107½	104	105	108
Arkansas 6's, funded.....	1899, 1900	3,000,000	J & J	111½	5	11	14
do 7's, Little Rock & Fort Smith..		1,000,000	A & O	28	12	34½	35
do 7's, Memphis & Little Rock....		1,200,000	A & O	27	13	28½	30
do 7's, L. R., Pine Bluff & N. O....		1,200,000	A & O	27½	12½	34	35
do 7's, Miss., Ouachita & Red River		600,000	A & O	20½	12	34	35
do 7's, Arkansas Central R. R.....		1,350,000	A & O	8	5	12	14
Georgia 7's, gold bonds.....	1890	2,000,000	Q J	114	108½	108	109
Louisiana 7's, consolidated.....	1914	12,030,000	J & J	94	84	100	.....
do 7's, do stamped 4's....			.....	82½	67	88½	90
do 7's, do small bonds....			.....	78	67	84	.....
Michigan 7's.....	1890	231,000	M & N	112	108	107	.....
Missouri 6's.....	1887	3,242,000	J & J	104½	102	102½	.....
do 6's.....	1888	3,251,000	J & J	106½	103½	108½	.....
do 6's.....	1889 or 1890	1,105,000	J & J	110	107	106½	.....
do Asylum or University.....	1892	401,000	J & J	113	110	112	.....
do Funding bonds.....	1894, 1895	1,000,000	J & J	119	115	115	.....
do Hannibal & St. Joseph.....	1887	1,000,000	J & J	104	101	118	.....
New York 6's, gold, registered.....	1887	942,000	J & J	104	102	101½	.....
do 6's, coupon.....	1887	643,200	J & J	104	102	101½	.....
do 6's, loan.....	1891	4,302,600	J & J	115	110	112	.....
do 6's, loan.....	1892	2,000,000	A & O	120	112	115	.....
do 6's, loan.....	1893	473,000	A & O	122	115	118	.....
North Carolina 6's, old.....	1846-98	4,738,000	J & J	30½	30	35	.....
do do April & October.....		3,639,400	.....	30½	30	35	.....
do to N. C. R. R.....	1883-4-5	3,000,000	J & J	175	165	170	.....
do do 7's, coupon off....			.....	175	165	140	.....
do do April & October....			J & J	145	135	170	.....
do do 7's, coupon off....			.....	145	135	140	.....
do Funding Act.....	1866-1900	2,417,000	J & J	13½	10	12½	.....
do do.....	1868-1898	1,721,400	A & O	18½	10	12½	.....
do new bonds, J. & J.....	1892-1898	2,383,000	J & J	23	20	22	.....
do do April & October....		495,000	.....	23	20	22	.....
do Chatham Railroad.....		1,200,000	A & O	13	5	10	.....
do special tax, Class 1.....			A & O	14½	8	13	15
do do Class 2.....			A & O	10½	10	13	15
do do to W'n N. C. R.....			A & O	.....	.....	13	14
do do to West'n R. R.....			A & O	.....	.....	13	14
do do to W'l. C. & R'n R. R.....			A & O	.....	.....	13	14
do do to W'n & Tar R. R.....			A & O	.....	.....	13	.....
do consolidated 4's.....	1910	3,630,511	J & J	100½	88½	98	98½
do do small bonds....			J & J	98	87	95	.....
do do 6's.....	1919		A & O	129	115	123½	126
Rhode Island 6's, coupon.....	1893-4	1,372,000	J & J	124	118	116	.....
South Carolina 6's, Act March 23, 1869, non-fundable.....	1868	5,965,000	.....	7½	5	7	8
South Carolina, Brown consold'n 6's.....	1893	4,280,000	J & J	110½	104	109½	110½
Tennessee 6's, old.....	1890-2-3	4,397,000	.....	65½	53	64	66
do 6's, new bonds.....	1892-3-1900		.....	65½	53	64	66
do 6's, new series.....	1914		.....	65½	53	64	66
do compromise 3-4-5-6's.....	1912	2,014,000	J & J	75½	62	74	78
do new settlement 6's.....	1913	783,000	J & J	109	103	104	108
do do small bonds....		49,400	J & J	.....	.....	*103	.....
do do 5's.....	1913	247,000	J & J	102	100	103	105
do do small bonds....		10,100	J & J	.....	.....	.....	.....
do do 3's.....	1913	10,571,000	J & J	80	71½	77	77½
do do small bonds....		838,800	J & J	*76

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAY 1, 1887.	
				High.	Low.	Bid.	Ask d
Virginia 6's, old.....		9,427,000		47	42	48	
do 6's, new bonds.....1886		700,000		47	42	48	
do 6's, do.....1887		486,000		49	42	48	
do 6's, consolidated bonds.....		20,239,000		100	80	90	
do 6's, ex-matured coupons.....		2,442,784		60	50	52	55
do 6's, consolidated, 2d series.....				69	60	65	
do 6's, deferred bonds.....		12,691,531		133 $\frac{1}{2}$	9	10 $\frac{1}{2}$	
do Trust receipts.....				133 $\frac{1}{2}$	9	13	13 $\frac{1}{2}$
District of Columbia 3-65's.....1924			F&A	120	116	120 $\frac{1}{2}$	
do small bonds.....		14,033,600	F&A				
do registered.....			F&A				
do funding 5's.....1899			J & J	112 $\frac{1}{2}$	110	107	
do do small.....		948,400	J & J				
do do regist'd.....			J & J				
FOR. GOV. SECURITIES.—Quebec 5's.....1908		3,000,000	M&N			110	112

CITY AND COUNTY.

Brooklyn 6's.....			J & J			110	
do 6's, Water Loan.....		9,706,000	J & J			125	
do 6's, Improvement Stock.....		730,000	J & J			125	
do 7's, do.....		6,084,000	J & J			140	
do 6's, Public Park Loan.....		1,217,000	J & J			125	
do 7's, do.....		8,016,000	J & J			163	
Jersey City 6's, Water Loan.....		1,163,000	J & J			108	
do 7's, do.....		3,109,800	J & J			110	
do 7's, improvement.....		3,669,000	J & J			117	
Kings County 6's.....						128	
New York City 6's, 20, 50.....1877						130	
do 6's.....1878						101	
do 6's.....1887		3,066,000	F.M.A.N.			121	
do gold 6's, consolidated.....1896			M & N			136	
do do 6's.....1902		14,702,000	J & J			110	
do do 6's, Dock bonds.....		3,976,000				120	
do do 6's, County bonds.....						118	
do do 6's, C's, Park.....1894-6		10,343,000	J & D			120	
do 6's.....1896						115	
do 5's.....1898		674,000	Q J				

MISCELLANEOUS.

Bankers & Merchants' Telegraph.....100	3,000,000		3 $\frac{1}{2}$	2 $\frac{1}{2}$	*2 $\frac{1}{2}$		
Boston Land Co.....10	800,000						
Canton Co., Baltimore.....100	4,500,000		65	53			
Chartiers Valley Gas Co.....100	3,000,000						
Cent. New Jersey Land Improvement.....100	2,200,000				*24	28	
Consolidated Gas Co.....100	35,430,000		111	74 $\frac{1}{2}$	86 $\frac{1}{2}$	86 $\frac{1}{2}$	
Delaware & Hudson Canal.....100	24,500,000	Q M	108 $\frac{1}{2}$	87 $\frac{1}{2}$	104 $\frac{1}{2}$	104 $\frac{1}{2}$	
Equitable Gas Light Co.....100	3,000,000				*125	130	
Iron Steamboat Company.....100	2,000,000						
Philadelphia Company.....50	6,500,000	Mthy			109 $\frac{1}{2}$	107 $\frac{1}{2}$	
Pullman's Palace Car Co.....100	15,927,200	Q F	147 $\frac{1}{2}$	128	150	152	
Southern & Atlantic Telegraph.....25	948,875	A & O			*142		
Sutro Tunnel Co.....10	20,000,000						
Western Union Telegraph.....100	80,000,000	Q F	80 $\frac{1}{2}$	60 $\frac{1}{2}$	76 $\frac{1}{2}$	76 $\frac{1}{2}$	
North-Western Telegraph.....50	2,500,000						
Central & So. American Telegraph.....100	4,006,600	Q J					
Commercial Telegram Co.....100	1,800,000				*35	40	
do do preferred.....100	200,000		105	103 $\frac{1}{2}$	*102	103	
Mexican Telegraph Co.....100	1,500,000	Q J	122 $\frac{1}{2}$	110	16 $\frac{1}{2}$	17	
Joliet Steel Co.....100	2,666,000		131	105	134	140	

GOVERNMENT SECURITIES.

United States 4 $\frac{1}{2}$ registered.....1891			M.J.S&D		110 $\frac{1}{2}$	110 $\frac{1}{2}$	
do 4 $\frac{1}{2}$ coupons.....1891	250,000,000		M.J.S&D	114	109 $\frac{1}{2}$	110 $\frac{1}{2}$	
do 4's registered.....1907			J.A.J&O		129 $\frac{1}{2}$	129 $\frac{1}{2}$	
do 4's coupons.....1907	737,792,150		J.A.J&O	129 $\frac{1}{2}$	123	129 $\frac{1}{2}$	
do 3's reg'd option U. S.....	35,973,550		F.M.A.N	102 $\frac{1}{2}$	100	100	
do 6's, currency.....1895	3,002,000		J & J		125 $\frac{1}{2}$	127	
do 6's, do.....1896	8,000,000		J & J		128 $\frac{1}{2}$	130 $\frac{1}{2}$	
do 6's, do.....1897	9,712,000		J & J		131	133	
do 6's, do.....1898	29,904,952		J & J	136 $\frac{1}{2}$	133	135	
do 6's, do.....1899	14,004,560		J & J		136	138	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD STOCKS.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAY 1, 1887.	
				High.	Low.	Bid.	Askd.
Albany & Susquehanna.....	100	3,500,000	J & J	148	136	*140	150
Atchison, Topeka & Santa Fe.....	100	68,000,000	Q F	99½	84½	*97	97½
Atlantic & Pacific.....	100	25,000,000		12½	7	13½	14
Beech Creek.....	50	3,700,000				95¼	
do preferred.....	50	1,800,000					
Burlington, Cedar Rapids & Northern.....	100	5,500,000		75	45	*50	
Buffalo, Rochester & Pittsburgh.....	100	6,000,000		35¼	22¼	71	72½
Canada Southern.....	100	15,000,000	F & A	71¼	34¾	61¼	61½
Canadian Pacific.....	100	65,000,000	F & A	73	61	64¾	65½
Central of New Jersey.....	100	18,568,200	Q	64	42¾	80¼	81
Central Iowa.....	100	9,100,000		22½	12	13	14
do 1st preferred.....	100	907,000				*17	
do 2d preferred.....	100	1,187,800				10	11
Central Pacific.....	100	68,000,000	F & A	51	38	41	42
Charlotte, Columbia & Augusta.....	100	2,573,000		50	30		
Chesapeake & Ohio.....	100	15,908,138		12¼	7	8	9
do do 1st preferred.....	100	10,888,740		21¼	13	14¼	15
do do 2d preferred.....	100	10,379,350		15¼	8½	10	11
Chicago & Alton.....	100	14,091,000	Q M	146	138	*143	144
do do preferred.....	100	3,479,500	Q M	162	150	*155	160
Chicago & Northwestern.....	100	41,373,000	J & D	120½	104¼	121¼	121¾
do do preferred.....	100	22,225,200	Q M	144	135	150¼	151
Chic., St. Paul, Minneapolis & Omaha.....	100	21,402,293		55	35¼	52¼	52½
do do preferred.....	100	12,616,833	J & J	116¼	97	112¼	112½
Chicago, Rock Island & Pacific.....	100	*50,000,000	Q F	131	120¼	128	128½
Chicago, Burlington & Quincy.....	100	76,385,300	Q M	141	128¾	142¼	144
Chicago, Milwaukee & St. Paul.....	100	30,904,261	A & O	99	82¾	91¾	92
do do preferred.....	100	21,555,900	A & O	125¼	116	120¼	121
Chicago & Eastern Illinois.....	100	8,000,000					
Chicago, St. Louis & Pittsburgh.....	100	10,000,000		19¼	9¼	20	21
do do preferred.....	100	20,000,000		43¾	26½	51	51¾
Chicago & Indiana Coal Railway Co.....	100	2,197,800				63	65
do do preferred.....	100	1,435,200				96	97
Cin., New Orleans & Texas Pacific.....	100	3,000,000					
Cleveland & Pittsburgh guaranteed.....	50	11,243,738	Q M	153	146¼	*56	56¼
Cleve., Columbus, Cin. & Indianapolis.....	100	14,591,800	F & A	75¼	43½	65	66¼
Columbia & Greenville.....	100	1,000,000					
do do preferred.....	100	1,000,000		60	42		
Columbus, Hocking Valley & Toledo.....	100	11,700,000		45¼	26¾	30¼	32
Delaware, Lackawanna & Western.....	50	26,200,000	Q J	144	115	138	138½
do do preferred.....	50	15,000,000	J & J	144	122¼	139	140
do Morris & Essex.....	100	10,000,000	Q J	109	100¼	*105¼	107
do N. Y., Lackawanna & Western.....	100	10,000,000		101	60¼	*68	72
Dubuque & Sioux City.....	100	5,000,000	A & O		21¼	30¾	30¾
Denver & Rio Grande.....	100	38,650,000		35¾	58¾	63¼	64
do do preferred.....	100	23,650,000		63¾	58¾	63¼	64
Denver & Rio Grande Western.....	100	7,500,000				22½	23
Denver, South Park & Pacific.....	100	3,500,000					
Detroit, Mackinac & Marquette.....	100	4,750,000					
East Tennessee, Virginia & Georgia.....	100	27,500,000		187½	11	12¼	13¼
do do 1st preferred.....	100	11,000,000		83¾	67	73	75
do do 2d preferred.....	100	18,500,000		35¾	24	25	25¼
Elizabethht'n, Lexington & Big Sandy.....	100	5,000,000		23	15	16¼	18¼
Evansville & Terre Haute.....	50	3,000,000		91¾	67½	95	97
Flint & Pere Marquette preferred.....	100	6,500,000				*14	
Green Bay, Winona & St. Paul.....	100	8,000,000		14¾	8	16¼	16¾
do do preferred.....	100	2,000,000					
Harlem.....	50	8,518,100	J & J	240	218¼	216	224
do preferred.....	50	1,381,500	J & J				
Houston & Texas Central.....	100	10,000,000		44¼	25		39
Illinois Central.....	100	90,000,000	M & S	143¼	130	128¼	130
do leased line 4 per cent. stock.....	100	10,000,000	J & J	100¼	93	*15¼	17
Indiana, Bloomington & Western.....	100	10,000,000		28¾	12	*17¼	19
do assessed, first instalment paid.....	100	10,000,000				*23	24
do assessed, full assessment paid.....	100					25	26
Joliet & Chicago.....	100	1,500,000	Q J	150¾	150		
Kentucky Central.....	100	5,500,000				45¼	45¼
Kingston & Pembroke.....	50	4,500,000				24¼	24¼
Lake Erie & Western.....	100	11,184,000				60¾	60¾
do do preferred.....	100	11,184,000				95¾	95¾
Lake Shore & Michigan Southern.....	100	49,496,500	F & A	100¾	76¼	80	97
Long Island.....	50	10,000,000	Q F	100	80	96	97
Louisville & Nashville.....	100	30,000,000	F & A	69	33¾	68	68¼

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAY 1, 1887.	
				High.	Low.	Bid.	Askd.
Louisville, New Albany & Chicago.....	100	5,000,000		71	32	64	65
Mexican Central (limited).....	100	33,170,000				18	18½
Milwaukee, Lake Shore & Western.....	100	2,000,000		71¼	22	92	92½
do do preferred.....	100	5,000,000		103	50¼	115	115½
Milwaukee & Northern.....	100	2,155,000		42¼	40	*35	40
Manhattan Beach Company.....	100	5,000,000		21¼	13½	*14	18
Michigan Central.....	100	13,738,204		98¼	61¼	93	93½
Missouri Pacific.....	100	48,000,000	Q J	119	100¾	108½	108¾
Missouri, Kansas & Texas.....	100	46,405,000		38¼	21	32¼	32½
Mobile & Ohio assented.....	100	5,320,600		21¾	11	15½	16½
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100				18	20
Minneapolis & St. Louis.....	100	4,000,000		237½	16¼		
do do preferred.....	100	4,000,000		52¾	40	42¼	44
Manhattan consolidated.....	100	23,895,630	Q	175	120	159	159¼
New York Central & Hudson River.....	100	89,428,300	Q J	117¾	98¾	113	113½
New York, New Haven & Hartford.....	100	15,500,000	Q & J	225	204¼	222	
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000		102	96	99	101
New York, Lake Erie & Western.....	100	78,000,000		38¾	22¼	34¼	34½
do do preferred.....	100	8,536,900	Q	81¼	50¼	72¾	74½
New York, Ontario & Western.....	100	58,113,982		22¾	15	18¼	19
New York & New England.....	100	20,000,000		65¾	30¼	57¾	58½
New York, Chicago & St. Louis.....	100	28,000,000		17¾	4½		
do do assented.....	100					18½	19
do do preferred.....	100	22,000,000		31	11		
do do do assented.....	100			12¼	6	33¼	34½
New York, Susquehanna & Western.....	100	13,000,000		31¾	17¾	37¼	37½
do do preferred.....	100	8,000,000		31¾	22	29¾	30
Northern Pacific.....	100	37,936,778		66¼	53¼	62	62½
do preferred.....	100	37,868,375		105½	43¼	82	83½
Nashville, Chattanooga & St. Louis.....	25	6,868,375		27¾	8	20¼	21½
Norfolk & Western.....	100	7,000,000		59¾	25	51½	52¼
do preferred.....	100	18,000,000				31	31½
Norfolk Southern.....	100	1,000,000		35¾	19¾		
Ohio & Mississippi.....	100	20,000,000		91	79	*90¼	92½
do preferred.....	100	4,030,000		22¼	13½	*20	21
Ohio Southern.....	100	3,840,000					
Oregon & California.....	100	12,000,000					
do preferred.....	100	40,000,000		38	25	34¼	34½
Oregon & Trans-Continental.....	100	15,265,000		38	19¾	*28	29
Oregon Short Line.....	100	7,000,000		51	16	*47	
Oregon Improvement Co.....	100	24,000,000	Q J	109¾	93	102¼	103
Oregon Railway & Navigation Co.....	50			53¾	18½	36¾	37
Philadelphia & Reading.....	100	34,702,000				45¾	45¾
do assented.....	100						
do reconstruction certificates.....	100						
do reconstruction cert's pref'd.....	100	1,286,800					
do reconstruct. cert's assented.....	100						
do reconstruction certificates.....	100						
Pittsburgh, Ft. Wayne & Chic. guar'd.....	100	19,714,285	Q J	150	141	*148	150
do do special.....	100	10,776,600		140	132½		
Pitts., McK'sport & Youghiogheny con.....	100	3,000,000				*34¼	34½
Peoria, Decatur & Evansville.....	100	8,400,000		34¾	16	34¾	35
Rochester & Pittsburgh.....	100	1,682,500		7½	3¾	*34	
Richmond & Allegheny reorganiz'n cert.....	100	5,000,000		15¼	2	*14	14½
do stamped assessment paid.....	100						
Richmond & Danville.....	100	5,000,000	Q F	200	75	150	
Richmond & West Point R. & W. Co.....	100	40,000,000		77¼	27¼	39¼	39½
do do preferred.....	100	5,000,000	J & J	96	25	73	74
Rome, Watertown & Ogdensburgh.....	100	5,293,900		125	117¼	*120	
Utica & Black River guaranteed.....	100	2,223,900		25	10¼	34¼	34½
South Carolina.....	100	2,234,160		41¾	30¾	34	34½
Southern Pacific.....	100	88,076,200		46	27	33½	34¾
St. Louis, Alton & Terre Haute.....	100	2,300,000	May	95	80	72	75
do do preferred.....	100	2,468,400					
Belleville & Southern Illinois pref'd.....	100	1,275,000	M & N			37¾	37¾
St. Louis & San Francisco.....	100	11,954,300		36¾	17	37¾	37¾
do do preferred.....	100	10,000,000		72¾	37¾	77¾	77¾
do do 1st preferred.....	100	4,500,000	F & A	18¼	97	116¾	117¾
St. Louis, Arkansas & Texas.....	100	9,555,000					
St. Paul & Duluth.....	100	4,055,400		67	37	66½	67
do preferred.....	100	5,377,003	J & J	114	99¾	108¾	109¼
St. Joseph & Grand Island.....	100	4,500,000		37	25		*34

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				High.	Low.	Bid.	Ask'd
St. Paul, Minneapolis & Manitoba.....	100	20,000,000	Q F	124½	108½	114	115
Texas & Pacific.....	100			25	7½	*19½	20½
do Trust Co. certificates.....				28½	17½	*23	22½
do 1st assessment paid.....		32,188,700				*21	
do 2d do.....						22¼	28½
do 3d do.....						31	31½
Toledo & Ohio Central.....	100	1,582,000		38½	28		
do do preferred.....	100	3,108,000		33½	46¼	55	
United New Jersey R. & Canal Co.'s.....	100	21,240,400					
Union Pacific.....	100	60,868,500	Q J	68¼	44¼	61½	62
Utah Central.....	100	4,250,000		18	11		
Virginia Midland.....	100	6,000,000		51½	15	*40	42
Wabash, St. Louis & Pacific.....	100	28,419,500	Q	13	6	*6¼	7
do do full-paid p. c. cert.....				24½	12	20½	21
do do preferred.....	100	24,223,200		27	14		*17
do do full-paid p. c. cert.....				41¾	23½	36	36½
Wheeling & Lake Erie Railway.....	100	3,600,000				61¼	61½

RAILROAD BONDS.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Atchison, Topeka & Santa Fe 4½'s ..1920	4,687,000	A & O					
do do sinking fund 6's.1911	12,348,000	J & D					*115½
Atlantic & Pacific guar'd 1st gold 4's.1937	17,810,000	J & J				86½	87½
Beech Creek 1st gold 4's ..1936	5,000,000	J & J					95
Balt. & Ohio 1st 6's (Parkersb'g br'ch).1919	3,000,000	A & O	128¼	120			124
do 5's, gold.....1885-1925		F&A	114	108¼			110
do do registered.....	10,000,000	F&A	113¾	100¼			112
Boston, Hoosac Tunnel & W'n deb.5's.1913	2,000,000	M & S	93¾	92½	98		100
Bur., Cedar Rapids & Northern 1st 5's.1906	6,500,000	J & D	111	106	108¼		
do con. 1st & col. tr.5's.1934	5,000,000	A&O	110	98			102
do do do registered.....		A&O					
Minneapolis & St. L. 1st 7's, gold.....1927	150,000	J & D	136	128	133		
Iowa City & Western 1st 7's.....1909	456,000	M & S	114½	109½	*109		
Cedar Rapids, Iowa Falls & N. 1st 6's.1920	825,000	A & O	111	110¼	103¼		
do do 1st 6's.1921	1,905,000	A & O	106½	100	103		
Buffalo, N. Y. & Phila. con. 1st 6's.....1921		J & J	51	37			*57½
do do trust certificates.....	11,000,000				42		45½
do do general 6's.....1924							*45
do do trust certificates.....	3,700,000	M & S					50
Canada Southern 1st int. gold 5's.....1908	14,000,000	J & J	108¾	103¼			107
do 2d mortgage 5's.....1913	6,000,000	M & S	95	84	91½		92
do do registered.....		M & S			91		92
Central Iowa 1st mortgage 7's.....1899	3,700,000	J&J15			*112		
do do coupons off.....			111	84	92		93½
do (Eastern division) 1st 6's.1912	1,515,000	A & O	75	66	68		70
do (Illinois division) 1st 6's.1912	1,520,000	A & O	70	66	67		
Chesapeake & Ohio pur. money fund.1898	2,300,000	J & J	117	111¼	113		115
do 6's, gold, Series A.....1908	2,000,000	A & O	114	103¼			106½
do 6's, gold, Series B.....1908		M&N			*68¼		
do do coupons off.....		M&N	88	80	75		
do small bonds.....1908		M&N			*74		
do do coupons off.....	15,000,000	M&N			74		
do extension coupon 4's.1966		M&N					72½
do do reg'd 4's.....1966		M&N					*73½
do 6's, currency.....1918		J & J	41¼	25	25		
do small bonds.....1918	10,122,500	J & J			*26		
do mortgage 6's.....1911	2,000,000	A & O	108	94½			99
Ches., Ohio & S.-W. mortgage 5-6's.....1911	6,676,000	F & A	104	88½	106½		108½
do do 2d mortgage 6's.1911	2,495,000	F & A			*85		
Chicago & Alton 1st mortgage 7's.....1893	2,383,000	J & J	121¼	117	116½		
do sinking fund 6's.....1903	2,655,000	M & N	125	121	125		129
Louisiana & Missouri River 1st 7's.....1900	1,785,000	F & A	124	120	121¼		
do do 2d 7's.....1900	300,000	M & N	116¼	116			122
St. Louis, Jacksonville & Chic. 1st 7's.1894	2,365,000	A & O	122	116½	116½		
do 1st guarantee (564) 7's.1894	564,000	A & O			116¼		
do 2d mortgage (300) 7's.1896	44,000	J & J			*117		
do 2d guarantee (188) 7's.1898	188,000	J & J			*117		
Mississippi River Bridge 1st 6's.1912	660,000	A & O	107	105	106½		
Chicago, Burlington & Quincy cona. 7's.1903	30,000,000	J & J	138	133½	131		133½
do 5's, sinking fund.....1901	2,500,000	A & O			110		
do 5's, debentures.....1913	9,000,000	M & N	110¼	105	108¼		

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAY 1, 1887.	
				High.	Low.	Bid.	Ask d
do (Iowa div.) sinking f'd 5's. 1919	3,000,000	A & O	113%	112%	111%	.....
do do do 4's. 1919	10,591,000	A & O	103	99 1/4	98 1/4	98 3/4	
do Denver division 4's. 1922	7,968,000	F & A	101 1/4	97 1/4	97	98	
do do 4's. 1921	4,300,000	M & S	101 1/4	92 1/4	*97	.....
Chic. Burlington & Northern 1st 5's. 1926	9,000,000	A & O	104 1/4	102 1/4	104 1/4	106	
do do debentures 6's. 1896	2,250,000	J & D	.....	.....	.....	.....
Chic., Rock Island & Pacific 6's, coup. 1917	+12,500,000	J & J	140	128 1/4	.....	126	
do 6's, registered. 1917	.....	J & J	140	130	132 1/4	.....
do extension & col. 5's. 1934	4,860,000	J & J	113	109	108 1/4	.....
do do registered	.....	J & J	.....	.....	.....	*110	
Keokuk & Des Moines 1st mort. 5's. 1923	2,750,000	A & O	118	108	108 1/4	.....
do do small bonds. 1923	5,000,000	A & O	.....	.....	107	.....
Central Railroad of N. J. 1st 7's. 1890	5,000,000	F & A	114 1/4	107	106 1/4	.....
do 1st consolidated 7's. 1899	+25,000,000	Q J	118	106	115 1/4	114	
do assented. 1902	5,000,000	M & N	120	108	111 1/4	116	
do convertible 7's. 1902	5,550,000	M & N	112	103 1/4	107	118 1/4	
do assented. 1903	5,000,000	M & N	92 1/2	63	97	108	
do adjustment 7's. 1903	11,500,000	Q M	114 1/4	103	112	113	
Lehigh & Wilkes-Barre con. gold. 1900	.....	.....	.....	.....	.....	.....
do do assented	.....	.....	.....	.....	.....	.....
{ \$6,116,000 held by Central R. R. of N. J. unassented; \$5,384,000 assented.	.....	.....	.....	.....	.....	.....
Am. Dock & Improvement Co. 5's. 1921	5,000,000	J & J	103	89	103 1/4	.....
Mil. & St. Paul 1st m. 8's Pra. du Chn. 1898	3,674,000	F & A	136 1/4	132	130	.....
do 2d 7 3-10 Pra. du Chn. 1898	1,241,000	F & A	129	125	124	124	
do 1st 7's \$ gold, Riv. division. 1902	3,804,500	J & J	134 1/4	130	129 1/4	131	
do 1st 7's 2 do 1902	.....	J & J	.....	.....	.....	126	
do 1st m. La Crosse div. 7's. 1893	5,264,000	J & J	126	120	120 1/4	.....
do 1st m. Iowa & Minn. 7's. 1897	3,198,000	J & J	127 1/4	122 1/4	121 1/4	.....
do 1st m. Iowa & Dakota 7's. 1899	541,000	J & J	132	124 1/4	125 1/4	127	
do 1st m. Chicago & Milw. 7's. 1903	2,393,000	J & J	134	130	129	.....
do consolidated 7's. 1905	+35,000,000	J & J	138	128 1/4	128	130	
do 1st 7's, Iowa & Dak. exten. 1908	3,505,000	J & J	134 1/4	125 1/4	130	133	
do 1st 6's, Southwest'n div'n. 1909	4,000,000	J & J	121	115 1/4	117 1/4	118	
do 1st 5's, LaCrosse & Dav. 1919	3,000,000	J & J	109 1/4	105 1/4	105 1/4	.....
do 1st So. Minnesota div. 6's. 1910	7,432,000	J & J	121	114 1/4	117	.....
do 1st Hastings & Dak. div. 7's. 1910	5,680,000	J & J	131	124	126	127	
do do do 5's. 1910	585,000	J & J	.....	.....	.....	.....
do Chic. & Pacific div. 6's. 1910	2,500,000	J & J	124 1/4	119	121	.....
do 1st Chicago & Pac. W. 5's. 1921	21,100,000	J & J	111	103	108 1/4	106 1/4	
do Chic. & Mo. R. div. 5's. 1926	2,049,000	J & J	.....	.....	.....	.....
do Mineral Point div. 5's. 1910	2,840,000	J & J	108 1/4	103	105	106	
do Chic. & L. Sup'r div. 5's. 1921	1,390,000	J & J	.....	.....	104 1/4	.....
do Wis. & Min. div. 5's. 1921	4,755,000	J & J	109 1/4	103	108	108 1/4	
do terminal 5's. 1914	4,303,000	J & J	108 1/4	101 1/4	101 1/4	105	
do Far. & So. 6's assu. 1924	1,250,000	J & J	119	114 1/4	.....	118	
do inc. conv. sink'g fund 5's. 1916	2,000,000	J & J	.....	.....	97	.....
Dakota & Gt. Southern 5's. 1916	1,000,000	J & J	.....	.....	.....	*105	
Chic. & Northw'n consol. bonds, 7's. 1915	+12,800,000	Q F	143 1/4	138 1/4	140 1/4	141	
do coupon gold 7's. 1902	.....	J & D	140	130	131 1/4	132 1/4	
do registered gold 7's. 1902	+48,000,000	J & D	137	130 1/4	131 1/4	132	
do sink'g fund 6's. 1879-1929	6,305,000	A & O	121	115	120	.....
do do registered. 1879-1929	8,155,000	A & O	112	108	108 1/4	109 1/4	
do do registered. 1879-1929	.....	A & O	111 1/4	107	109	.....
do debenture 5's. 1933	10,000,000	M & N	110 1/4	105	110 1/4	.....
do do registered. 1909	4,000,000	M & N	110 1/4	105	.....	*109	
do 25 year debenture 5's. 1909	.....	M & N	109	104 1/4	109 1/4	109 1/4	
do do registered	.....	M & N	.....	.....	108	.....
do extension gold 4's. 1886-1926	4,385,000	F & A15	101 1/4	101 1/4	96 1/4	96 1/4	
Escanaba & Lake Superior 1st 6's. 1901	720,000	J & J	115 1/4	115	116	.....
Des Moines & Minneapolis 1st 7's. 1907	800,000	F & A	.....	.....	.....	*131	
Iowa Midland 1st mortgage 8's. 1900	1,350,000	A & O	137	134	130	.....
Peninsula 1st convertible 7's. 1898	152,000	M & S	.....	.....	130	.....
Chicago & Milwaukee 1st mortg. 7's. 1898	1,700,000	J & J	133	124	123	125	
Winona & St. Peters 2d 7's. 1907	1,592,000	M & N	.....	.....	132	.....
Milwaukee & Madison 1st 6's. 1905	1,600,000	M & S	117 1/4	116 1/4	115	.....
Ottumwa, C. F. & St. P. 1st 5's. 1909	1,800,000	M & S	111	106	108 1/4	
Northern Illinois 1st 5's. 1910	1,500,000	M & S	110 1/4	106	108	110	

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAY 1, 1887.	
				High.	Low.	Bid.	Ask d
Cin., Ind., St. L. & Chic. 1st guar. 4's...1896		1,255,000	J & F	.....	.....	.....	*99
do do registered.....			J & F	.....	.....	.....	.....
C., C. & Ind'polis 1st 7's sink. fund. 1899		3,000,000	M & N	128	123	.....	124
do consolidated mtge 7's. 1914		47,500,000	J & D	134	123½	.....	132
do sinking fund 7's.....1914			J & D	128	124	123½	.....
do gen'l consol. 6's.....1894		3,500,000	J & J	110½	100	.....	110½
do do registered.....			J & J	.....	.....	*110½	.....
Chic., St. P., Min's & Omaha con. 6's...1930		22,839,000	J & D	126½	118½	123	125
do Chicago, St. Paul & Min. 1st 6's...1918		3,000,000	M & N	130	125	126	127
do North'n Wisconsin 1st mortgage 6's...1930		800,000	J & J	.....	.....	124	127
do St. Paul & Sioux City 1st 6's...1919		6,080,200	A & O	130	125	124	124½
Chic. & Eastern Ill. 1st sink'g f'd o'y...1907		3,000,000	J & D	122	115	116	.....
do do small bonds.....			J & D	.....	.....	*118	119
do do 1st c. 6's, gold...1894		3,000,000	A & O	119	110	114½	.....
Chic., St. Louis & Pittsb. 1st con. 5's...1892		228,000,000	J & A O	100	92	100½	100½
do do do registered.....			J & A O	.....	.....	.....	.....
Chic. & West'n Ind. 1st sinking f'd 6's. 1919		2,500,000	M & N	116	112½	113	115
do do general mortgage 6's. 1892		29,886,886	Q M	113	109	.....	115
Chicago & St. Louis 1st 6's.....1915		1,500,000	M & S	108	101	.....	120
Chicago & Indiana Coal 1st 5's.....1896		2,689,000	J & J	100½	92	101½	103
Columbia & Greenville 1st 6's.....1916		2,900,000	J & J	.....	.....	106	.....
do do 2d 6's.....1928		1,000,000	A & O	.....	.....	.....	*92
Col., Hooking Valley & Toledo 1st 5's. 1891		14,500,000	M & S	94	81	79½	80½
do general mortgage gold 6's. 1904		2,000,000	J & D	97½	88½	75	.....
Col. & Cincinnati Midland 1st 6's.....1914		2,000,000	J & J	.....	.....	.....	99½
Delaware, Lackaw' & W. conv. 7's...1892		600,000	J & D	118½	114	113	116
do do mtge 7's...1907		10,000,000	M & S	140	135½	132	135
Syracuse, Bingham'ton & N. Y. 1st 7's...1906		1,750,000	A & O	137½	131½	131	135
Morris & Essex 1st mortgage 7's...1914		5,000,000	M & N	146	140½	143½	144½
do do 2d 7's.....1891		3,000,000	F & A	117	112½	110½	111
do do bonds, 7's.....1900		281,000	J & J	.....	.....	118	121
do do 7's.....1871-1901		4,991,000	A & O	123	125	124½	127
do do 1st cons. gua'd 7's...1915		25,000,000	J & D	138	130	127	137½
N. Y., Lackawanna & W'n 1st 6's...1921		12,000,000	J & J	133	125	127	129½
do do construction 5's. 1923		5,000,000	F & A	113	108½	108	109
Delaware & Hud. Canal 1st reg. 7's...1891		4,988,000	J & J	115½	110	109½	110
do do 1st extension 7's...1891		549,000	M & N	115½	112½	107	109
do do coupon 7's...1894			J & A O	121	115½	115½	118
do do registered 7's...1894		4,829,000	J & A O	120½	118	115½	.....
do do 1st Penna. Div. coupon 7's. 1917			M & S	144½	136	141	.....
do do do reg. 1917		10,000,000	M & S	141	140½	141½	.....
Albany & Susquehanna 1st 7's...1888		1,000,000	J & J	109	108½	104½	.....
do do 1st con. gua'd 7's. 1906		3,000,000	J & A O	135	128½	137	.....
do do do registered.....			J & A O	.....	.....	128	.....
do do 6's.....1906		5,449,000	J & A O	124	117½	119½	120½
do do do registered.....			J & A O	119½	118	.....	*122½
Rensselaer & Saratoga 1st coup. 7's. 1921		2,000,000	M & N	144	141½	144	145
do do do 1st reg. 7's. 1921			J & J	.....	.....	144	135
Denver & Rio Grande 1st consol. 4's...1896		22,575,000	J & J	81½	75½	78	80
do do do 1st mtge 7's...1900		6,382,500	M & N	124	114½	121	125
Denver, South Park & Pac. 1st 7's...1905		1,800,000	M & N	89	72	71	80
Denver & Rio Grande West'n 1st 6's. 1911		5,857,000	M & S	85½	72½	81½	82
do do do assented...			M & S	83½	72	.....	77
Detroit, Mack. & Marquette 1st 6's...1921		2,280,000	A & O	100	55	*90	.....
do do land grant 3½ S. A. 1911		4,560,000	.....	56	20	53½	54
Detroit, Bay City & Alp'a 1st 6's...1913		2,300,000	J & J	106½	105	.....	106
East Tenn., Virginia & Georgia 1st 7's. 1900		3,500,000	J & J	126	118½	.....	123
do do do divisional 5's...1890		3,106,000	J & J	108	105	105	.....
do do do con. let gtd 5's. 1896		12,770,000	M & N	99½	94½	100½	101
Elizab'h City & Norfolk s.f. deb. cert.. 6's.		250,000	A & O	.....	.....	.....	104
do do do 1st mtge 6's...1920		900,000	M & S	.....	.....	*52½	.....
Elizabeth'n, Lex & Big Sandy 6's...1902		3,500,000	M & S	110	99	.....	104
Erie 1st mortgage extended 7's...1897		2,482,000	M & N	127½	121	125	.....
do do 2d extended 5's...1919		2,149,000	M & S	117½	113	.....	118½
do do 3d extended 4½'s...1923		4,618,000	M & S	112½	108	.....	110
do do 4th extended 5's...1920		2,928,000	A & O	119	112½	.....	117½
do do 5th extended 7's...1888		709,500	J & D	109	103	104½	.....
do do 1st consolidated gold 7's...1920		16,890,000	M & S	139½	129	133½	134½
do do 1st cons. f'd coup. 7's...1920		3,705,997	M & S	133	120½	127
do do reorganization 1st lien 6's. 1908		2,500,000	M & N	113	108½	*113

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				High.	Low.	Bid.	Ask d
Long Dock bonds, 7's.....	1883	8,000,000	J & D	120	112½	115½
do do consolidated 6's.....	1935	4,500,000	A & O	124	114½	118
Buffalo, New York & Erie 1st 7's.....	1916	2,380,000	J & D	140	133¼	137¼	.....
N. Y., L. Erie & W. new 2d con. 6's.....	1869	33,597,400	J & D	116½	89	.....	105
do collateral trust 6's.....	1922	5,000,000	M & N	108	102	105	.....
do fund coupon 5's.....	1885-1969	4,032,000	J & D	98¼	77¼	93	.....
Buffalo & Southw'n mortgage 6's.....	1908	1,500,000	J & J	.....	90	.....	.....
do do small.....	.....	.....	J & J	.....	.....	.....	.....
Evansville & Terre Haute 1st con. 6's.....	1921	3,000,000	J & J	120½	111¼	118½	119
do Mt. Vernon 1st 6's.....	1923	375,000	A & O	112¼	108	114	115
do Indianapolis 1st con. 6's.....	1926	1,020,000	J & J	113	109	.....	112
Flint & Pere Marquette mortgage 6's.....	1920	5,000,000	A & O	122½	116	120	.....
Fort Worth & Denver City 1st 6's.....	1921	4,400,000	J & D	95½	81	94½	94½
Gal., Harrisburg & San Antonio 1st 6's.....	1910	4,800,000	F & A	116	108¼	107	.....
do 2d mortgage 7's.....	1905	1,000,000	J & D	119¼	108	.....	110¼
do Western division 1st 5's.....	1931	13,500,000	M & N	103	92	97	.....
do do 2d 6's.....	1931	6,750,000	J & J	94	80	92	.....
Grand Rapids & Indiana general 5's.....	1924	3,217,000	M & S	.....	.....	.....	93½
do do registered.....	.....	.....	M & S	.....	.....	.....	.....
Green Bay, Winona & St. Paul 1st 6's.....	1911	1,600,000	F & A	107¼	80	107¼	.....
Gulf, Col. & Santa Fe 1st 7's.....	1909	11,400,000	J & J	123¼	116¼	.....	122
do do gold 6's.....	1923	5,000,000	A & O	108¼	86¼	102¼	102½
Hannibal & St. Joseph consol'd 6's.....	1911	28,000,000	M & S	125	119¼	118¼	119¼
Henderson Bridge Co. 1st 6's.....	1931	2,000,000	M & S	112	108¼	108	108¼
Houston & Texas Cent. 1st main l. 7's.....	1881	6,896,000	J & J	114½	102	.....	113
do do do coupon off	.....	.....	.....	.....	.....	.....	117½
do do 1st West. div. 7's.....	1881	2,375,000	J & J	109	97	110	.....
do do do coupon off	.....	.....	.....	.....	.....	.....	.....
do do 1st Waco & N. W. 7's.....	1903	1,140,000	J & J	106	100	115	.....
do do do coupon off	.....	.....	.....	.....	.....	.....	.....
do do 2d c. main line 8's.....	1912	4,118,000	A & O	85¼	76	104½	109
do do gen'l mort. 6's.....	1921	4,325,000	A & O	73¼	50	73	74
Houston, E. & W. Texas 1st 7's.....	1898	1,844,000	M & N	89¼	85	788	.....
Illinois Central 1st gold 4's.....	1961	1,500,000	J & J	110	106¼	107	108
do do registered.....	.....	.....	.....	.....	.....	.....	108
do do gold 3½'s.....	1961	2,500,000	J & J	102¾	99¼	.....	98½
Springfield division coupon 6's.....	1898	1,600,000	J & J	121	117½	.....	118
Middle division registered 5's.....	1921	600,000	F & A	109¼	109½	112	.....
Chicago, St. L. & N. O. Tenn. lien 7's.....	1887	541,000	M & N	.....	.....	118	.....
do 1st consol. 7's.....	1887	867,000	M & N	122	122½	118	124
do 2d mortgage 6's.....	1907	80,000	J & D	.....	.....	118	.....
do gold 5's.....	1951	18,000,000	J & D 15	120½	112	116½	117½
do gold 5's, registered.....	.....	.....	J & D 15	.....	.....	115	.....
Dubuque & Sioux City 2d div. 7's.....	1894	586,000	J & J	119	118¼	.....	.....
Cedar Falls & Minn. 1st 7's.....	1907	1,834,000	J & J	120	106	.....	107½
Ind., Bloomington & W'n 1st pref'd 7's.....	1900	1,000,000	J & J	120¼	116	120½	123
do 1st 5's, 6's.....	1909	3,500,000	A & O	104½	89½	95	98½
do Trust Co. receipts.....	.....	.....	A & O	.....	.....	.....	.....
do 2d 5-6's.....	1909	1,500,000	A & O	90	66¼	83	86½
do Trust Co. receipts.....	.....	.....	A & O	.....	.....	83	86½
do Eastern division 6's.....	1921	3,000,000	J & D	105¼	89	95	96½
do Trust Co. receipts.....	.....	.....	J & D	.....	.....	95	96
Ind., Decatur & S. 1st 7's, ex. fund coup. 1908	.....	1,613,000	A & O	108	96½	103	.....
Internat'l & Gt. Northern 1st 6's, gold.....	1919	7,954,000	M & N	119	114	120	.....
do do coupon 6's.....	1906	7,054,000	M & S	96	84	83½	94
Kentucky Central mortgage 6's.....	1911	780,000	J & J	.....	.....	73	74
do stamped 4 per cent. 1911	.....	5,600,000	J & J	71	59¼	73	74
Knoxville & Ohio 1st 6's, gold.....	1925	2,000,000	J & J	105¼	86¼	95	99
Lake Shore & Michigan Southern.	.....	.....	.....	.....	.....	.....	.....
Cleve., Painesville & Ashtabula 7's.....	1892	920,000	A & O	119	114	111	113
Buffalo & Erie new bonds 7's.....	1898	2,784,000	A & O	120	121¼	120¼	.....
Kal'zoo & White Pigeon 1st 7's.....	1890	400,000	J & J	108	108	102	106
Detroit, Monroe & Toledo 1st 7's.....	1908	924,000	F & A	.....	.....	126¼	.....
Lake Shore div. bonds 7's.....	1899	1,356,000	A & O	126	121½	120¼	.....
do consol. coupon 1st 7's.....	1900	225,000,000	J & J	134½	127	128½	.....
do consol. registered 1st.....	1900	.....	Q J	132½	127	124	125½
do consol. coupon 2d 7's.....	1903	.....	J & D	137	119¼	124½	124½
do consol. registered 2d.....	1903	225,000,000	J & D	125	119¼	124½	124½
Mahoning Coal 1st 5's.....	1934	1,500,000	J & J	105	108
Long Island 1st mortgage 7's.....	1898	1,500,000	M & N	130	119	122¼

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				High.	Low.	Bid	Ask d
Long Island 1st consolidated 5's.....1931		\$5,000,000	Q J	115½	108	...	114
N. Y. & Manhattan Beach 1st 7's.....1897		500,000	J & J	...	...	...	*110
N. Y., B'klyn & M'n B. 1st c. g. 5's...1935		783,000	A & O	...	...	...	...
Louisville & Nashville consol'd 7's....1898		7,070,000	A & O	125	117	118½	...
do Cecilian branch 7's.....1907		1,000,000	M & S	113	107½	...	111
do N. O. & Mobile 1st 6's.....1930		5,000,000	J & J	107¾	99	109½	109½
do do 2d 6's.....1930		1,000,000	J & J	97	88	...	100
do Evans, Hend. & N. 1st 6's. 1919		2,400,000	J & D	116½	112	115	115½
do general mortgage 6's.....1930		‡20,000,000	J & D	106½	100¼	112½	...
do Pensacola division 6's.....1920		600,000	M & S	102	97½	102½	...
do St. Louis division 1st 6's...1921		3,500,000	M & S	113	108	114	...
do do 2d 3's...1980		3,000,000	M & S	57	51	...	70
do Nash. & Decatur 1st 7's...1900		1,900,000	J & J	126	121	121	...
do So. & N. Ala. sink'g f'd 6's. 1910		2,000,000	A & O	105	102	106½	...
do Louisville, Cin. & Lex. 6's. 1931		‡7,000,000	M & N	...	...	...	...
do Trust bonds, 6's.....1922		10,000,000	Q M	107	98	...	108¾
do 10-40 6's.....1924		5,000,000	M & N	100	84½	103½	107
do Penn. & At. 1st 6's, gold, gtd. 1921		3,000,000	F & A	96	82½	99	100
Lou., New Albany & Chicago 1st 6's...1910		3,000,000	J & J	120	100½	110½	...
do do consol'd gold 6's...1916		3,500,000	A & O	100	94½	95	96½
Louisville, N. Orleans & Texas 1st 5's. 1934		13,641,000	M & S	92¾	90¼	...	*91
Manhattan Beach Imp't Co., lim'd, 7's. 1909		1,000,000	M & S	90	80	...	90
Memphis & Charleston 6's, gold.....1924		1,000,000	J & J	106½	102	105	107
Metropolitan Elevated 1st 6's.....1908		10,818,000	J & J	123	115	...	118½
do do 2d 6's.....1899		4,000,000	M & N	113¾	108¼	...	113
Mexican Central 1st mortgage 7's.....1911		39,375,000	J & J	...	...	*41	42
do do ex. coupon 6-7-8.....		...	J & J	60	39	*61	...
do do new assented 4's.....		...	J & J	57	34	66½	67
do do income bonds.....1911		8,128,000	...	...	...	23½	23½
Michigan Central 1st consol. 7's.....1902		8,000,000	M & N	133	126½	130	132
do do 1st consol. 5's.....1902		2,000,000	M & N	111½	107	110	...
do do 6's.....1909		1,500,000	M & S	...	...	...	121
do do coupon 5's.....1931		4,000,000	M & S	110	107¼	...	109½
do do registered 5's.....1931		...	Q M	110	107	...	109½
Mich., Jackson, Lansing & Sag'w 6's. 1891		1,100,000	M & S	...	...	104	...
Milwaukee & Nor. 1st main line 6's...1910		2,155,000	J & D	106½	102	109	...
do do 1st extension 6's...1913		1,598,000	J & D	104	100	108	110
Milw., L. Shore & West'n 1st 6's.....1921		4,350,000	M & N	121½	112½	121½	...
do do conv. debent. 5's...1907		600,000	F & A	...	...	...	99¾
do do Mich. div. 1st 6's...1924		1,281,000	J & J	120½	106½	116	...
do do Ashland div. 1st 6's. 1925		1,000,000	M & S	117	112½	116½	...
Minneapolis & St. Louis 1st 7's.....1927		950,000	J & D	136	128	130	...
do do Iowa exten. 1st 7's.....1909		1,015,000	J & D	125	119	118	120
do do 2d mortgage 7's.....1891		500,000	J & J	102	101	...	101
do do Southw'n ext. 1st 7's...1910		636,000	J & D	...	...	*111	...
do do Pacific ext. 1st 6's...1921		1,382,000	A & O	110	108	...	108
do do imp't and equip. 6's...1922		2,000,000	J & J	100	90	85	90
Minnesota & Pacific 1st mortgage 5's...1936		3,035,000	J & J	...	...	...	106
Minnesota & N. West 1st 5's, gold.....1934		7,682,000	J & J	106	99½	103	104½
Mo., Kansas & Texas gen'l cons. 6's...1920		‡35,125,000	J & D	105½	87½	101	101½
do do cons. 7's.....1904, 5-6		8,982,000	J & D	93½	72¼	...	89
do do 2d mortgage income. 1911		14,811,000	F & A	118	108	112½	...
Hannibal & Cent. Missouri 1st 7's...1890		715,000	A & O	90	78	90	...
Mobile & Ohio new mortgage 6's...1927		729,000	M & N	115	110	...	110
do do collateral trust 6's...1892		7,000,000	J & D	116	109½	112½	113
do do 1st extension 6's...1927		59,000	J & J	...	...	*112	...
St. Louis & Cairo 4's, guaranteed...1931		‡1,000,000	Q J	106	101	...	106
Morgan's Louisiana & Texas 1st 6's...1920		4,000,000	J & J	76½	72½	72	74
do do 1st 7's...1918		1,494,000	J & J	116	104½	*108	...
Nashville, Chattanooga & St. L. 1st 7's. 1913		5,000,000	A & O	127	118	119	122
do do 2d 6's. 1901		6,800,000	J & J	131	123	129	131
N. Y. Central 6's.....1887		1,000,000	J & J	111½	110	110½	111
do debenture cert. ext. 5's...1893		2,391,000	J & D	106	101	102½	...
do & Hudson 1st coup. 7's...1903		6,450,000	M & N	108¾	104	107	107½
do do 1st registered. 1903		‡30,000,000	J & J	140½	134	136½	136½
do do deb. 5's...1904		...	J & J	137½	133½	135½	136½
do do deb. 5's, registered		7,850,000	M & S	112½	107¾	108	109
Harlem 1st mortgage 7's, coupon...1900		...	M & S	110¼	107½	107	...
do do 7's, registered. 1900		‡12,000,000	M & N	139	131	132½	132½
			M & N	139	131½	128½	130½

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886		MAY 1, 1887.	
				High.	Low.	Bid.	Askd.
N. J. Junction guaranteed 1st 4's.	1886	2,000,000	F & A	.....	.....	103	104
do registered certificates.			J & J	130	123	122	123
N. Y. Elevated 1st mortgage 7's.	1906	8,500,000	M & S	.....	.....	108	108
N. Y., Penn. & Ohio prior lien 6's.	1895	8,000,000	M & N	78½	55	78½	79½
N. Y. City & Northern gen'l mtge 6's.	1910	4,000,000	J & J	78½	54	78½	79½
do do Trust Co. receipts.			J & J	130	125	111½	72
N. Y. & New England 1st 7's.	1905	6,000,000	J & J	117½	99	98½	98½
do do 1st 6's.	1905	4,000,000	J & D	100½	84	98½	98½
N. Y., Chicago & St. Louis 1st 6's.	1905	15,000,000	M & S	109	108	108	108
do do Trust Co. receipts.			F & A	94	76½	77	77
N. Y., Ontario & W. 1st gold 6's.	1914	3,000,000	A & O	110	100	112	112
N. Y., Susquehanna & W'n eben. 6's. 1897		300,000	J & J	112½	111	111	111
do do coupons off.			J & J	120	111½	111	111
do do 1st refund g 5's. 1937		3,750,000	J & J	117½	111½	111½	111½
Midland R. of New Jersey 1st 6's.	1910	3,500,000	A & O	104	91½	105½	106
N. Y., N. Haven & H. 1st reg. 4's.	1903	2,000,000	J & J	109	105½	108	111
No. Pac. g'l 1st m. r'd and l.g. g.c. 6's.	1921	52,509,000	M & N	105	105	107½	107½
do do do reg. 6's. 1921			F & A	118½	119	119	119
do g'l 2d m. r'd and l.g. s.f. g. c. 6's. 1933		20,000,000	Q	109½	102½	105½	105½
do do do reg. 6's. 1933			J & J	85½	81	82½	83
James River Valley 1st 6's, gold.	1936	963,000	A & O	85½	73½	85½	85½
Spokane & Pal. 1st sinking f. gold 6's. 1936		388,000	A & O	115½	104	114½	114
St. Paul & North'n Pacific gen'l 6's. 1923		6,000,000	A & O	118	99½	114	114
do registered certificates.			F & A	102	87½	100	100½
No. Pacific Terminal Co. 1st gold 6's. 1933		3,000,000	Q	107	82½	100	100
New Orleans Pacific 1st 6's, gold.	1920	6,720,000	A & O	104½	96	100	100
do do coupons off.			J & J	125	118½	118½	118½
do do Trust Co. receipts.			J & J	125	118	117½	118½
N. O. & N. East'n prior lien gold 6's.	1915	1,050,000	A & O	120	113½	116	117½
Norfolk & Western gen'l mtge 6's.	1931	6,902,000	M & N	110½	91	121½	121½
do New River 1st 6's.	1932	2,000,000	A & O	108	97½	108	108
do improvement & ext. 6's. 1934		3,500,000	F & A	104½	99	104½	104½
do adjustment mortg. 7's. 1924		1,500,000	Q	119	103	113	113
Ogdensburg & Lake Champl. 1st con. 6's. 1920		3,500,000	M & N	111½	108	110½	110½
Ohio & Miss. consol. sinking fund 7's.	1898	3,435,000	A & O	104½	96	100	100
do consolidated 7's.	1898	3,086,000	J & J	125	118½	118½	118½
do 2d consolidated 7's.	1911	3,715,000	A & O	120	113½	116	117½
do 1st Springfield division 7's. 1905		3,000,000	M & N	110½	91	121½	121½
do 1st general 5's.	1932	3,216,000	J & D	84½	82	82	82
Ohio Central 1st terminal trust 6's.	1920	300,000	J & J	.....	.....	.....	.....
do 1st Mineral division 6's.	1921	300,000	J & J	.....	.....	.....	.....
Ohio River 1st 5's.	1936	2,000,000	J & D	108	97½	108	108
Ohio Southern 1st mortgage 6's.	1921	2,100,000	J & J	108	97½	108	108
Oregon & California 1st 6's.	1921	9,000,000	M & N	104½	92½	103½	104½
Oregon & Transcontinental 6's.	1882-1922	10,063,000	J & D	99	84	97	97½
Oregon Improvement Co. 1st 6's.	1910	5,000,000	J & J	114½	110	110	110½
Oregon Railroad & Navigation 1st 6's. 1909		6,000,000	J & D	108½	102	104½	108
do do consol. m. 5's.	1925	6,320,000	M & N	119	103	113	113
Panama Sinking Fund subsidy 6's.	1910	2,747,000	J & J	111½	108	110½	110½
Peoria, Decatur & Evansville 1st 6's.	1920	1,287,000	M & S	111½	108	110½	110½
do Evansville division 1st 6's.	1920	1,470,000	M & N	.....	.....	86	86
do 2d mortgage 5's.	1927		M & N	.....	.....	86	86
do incomes.	1920	2,088,000	M & N	.....	.....	86	86
do Evansville division income.	1920		Q	112	108	112½	112½
Peoria & Pekin Union 1st 6's.	1921	1,500,000	M & N	118½	112½	117	117
do do 2d mortgage 4½'s.	1921	1,499,000	J & J	118½	112½	117	117
Central Pacific gold bonds 6's.	1895		J & J	.....	.....	119	119
do do do.	1896		J & J	.....	.....	119	119
do do do.	1897		J & J	.....	.....	119	119
do do do.	1898		J & J	.....	.....	119	119
do San Joaquin branch 6's.	1900	6,080,000	A & O	112	107½	113½	113½
do California & Oregon 1st 6's. 1888		6,000,000	J & J	106	100	102½	102½
do do Series B 6's.	1892	5,360,000	J & J	107½	102½	103½	103½
do land grant 6's.	1890	9,436,000	A & O	107½	102½	107½	107½
Western Pacific bonds 6's.	1899	2,735,000	J & J	116	109	115	115
Nor. Ry. (Cal.) 1st 6's, guaranteed. 1907		3,961,000	J & J	123	116½	120	121
Southern Pac. of Arizona 1st 6's. 1905-12		38,447,000	A & O	114	105½	112½	113
Southern Pac. of Arizona 1st 6's. 1909-1910		10,000,000	J & J	112	100½	114	114½
South'n Pacific of N. Mexico c. 1st 6's. 1911		5,000,000	J & J	109½	100	106½	106½

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAY 1, 1887.	
				High.	Low.	Bid.	Ask'd
Union Pacific 1st 6's.....1896			J & J	119½	114	116½	117
do do .....1897			J & J			117	117½
do do .....1898		27,229,000	J & J			117	117½
do do .....1899			J & J			118¼	119
do land grant 7's.....1887-9		1,270,000	A & O	106¼	101½	103½	
do sinking fund 8's.....1893			M & S	123¼	116	116½	
do registered 8's.....1893		14,348,000	M & S	121	117	114¼	
do collateral trust 6's.....1908		4,423,000	J & J	108½	104	106	
do do 5's.....1907		5,583,000	J & D				101½
Kansas Pacific 1st 6's.....1895		2,240,000	F & A	114¾	110½	113½	
do 1st 6's.....1896		4,063,000	J & D	116	110	114¼	115
do Denver division 6's, ass'd. 1899		6,242,000	M & N	118	113	117	
do 1st consol. 6's.....1919		14,855,000	M & N	109¾	99½	108	108½
Central Br'ch U.P. fund coup. 7's.....1895		630,000	M & N			105	
Atchison, Colorado & Pac. 1st 6's.....1905		3,072,000	Q F	107	101½	106½	108
Atchison, Jewell Co. & West. 1st 6's 1905		542,000	Q F	105	100	106½	108
Oregon Short Line 1st 6's.....1922		14,931,000	F & A	109	97½	104¼	105
Utah South'n general mortgage 7's. 1909		1,950,000	J & J	90½	85	89	91
do extension 1st 7's.....1909		1,950,000	J & J	88	72½	87	89
Missouri Pacific 1st consol. 6's.....1920		20,184,000	M & N	117	108	118¼	118½
do 3d mortgage 7's.....1906		3,328,000	M & N	127½	116½		128
Pacific R. of Mo. 1st mortgage 6's.....1888		7,000,000	F & A	107	103¼	102½	
do 2d mortgage 7's.....1891		2,573,000	J & J	113	109		110¼
St. L. & S. Francisco 2d 6's, class A. 1906		500,000	M & N	118	108	117	
do 6's, class C.....1906		2,400,000	M & N	117	105½	117	
do 6's, class B.....1906		2,766,500	M & N	118	105¼	117	
do 1st 6's, Pierce C. & O. b. 1895		1,090,000	F & A	117	111½	108	
do equipment 7's.....1895		650,000	J & D			107	110
do general mtge. 6's. 1931		7,732,000	J & J	114	99¼	112½	113¼
do general mtge. 5's. 1931		5,000,000	J & J			100¼	100¾
South Pacific (Mo.) 1st 6's.....1888		7,144,500	J & J	106	103	102½	
Kansas City & Southw'n 1st 6's, gold 1916		744,000	J & J	107¼	105		105
Fort Smith & Van B. Bdg. 1st 6's.....1910		475,000	A & O				109
St. L., Kansas & Southw'est'n 1st 6's. 1916		735,000	M & S			100	104½
Texas & Pacific 1st 6's.....1905			M & S	105½	105½	114	
do ex coupon.....1905		3,784,000	M & S			*107	
do consolidated 6's.....1905			J & D	103¼	90	103	
do do coupons off.....1905		\$9,316,000	J & D	100¼	70	*100	102½
do do Trust Co. recpts.....1905			J & D	104	99	103¼	
do income & land grant reg. 7's. 1915		7,922,000	July	61¼	34	63¼	
do assented Trust receipts.....1905			July	63¾	53½	63¼	63½
do RioGrande 6's, Aug. '84 c.o.n. 1930			F & A	75	72½	*74	75
do do coupons off.....1905		13,028,000	F & A	75½	45½	*75	
do do Trust Co. receipts.....1905			F & A	78	66	77½	77¾
do do gen. m. & ter. 6's. 1905		\$2,859,000	A & O	62	34½	*67	70
do do Trust Co. receipts.....1905			A & O	71	49	71	72
Pennsylvania Railroad Company.							
Penna. Co.'s guar'd 4½'s, 1st coup. 1921			J & J	108½	102½		106½
do do do registered. 1921		15,000,000	J & J	108¼	101½	106¼	
Pitt., C. & St. Louis 1st coupon 7's. 1900		2,706,000	F & A	121	120¼	119	
do 1st registered 7's. 1900		4,157,000	F & A				*119
do 2d 7's.....1913		2,500,000	A & O				*124
Pitts., Ft. Wayne & Chicago 1st 7's. 1912		5,250,000	J & J	145	141	140¼	
do do 2d 7's. 1912		5,160,000	J & J	142½	138	139	142
do do 3d 7's. 1912		2,000,000	A & O	138	133½	135¼	
Clev. & Pitts. con. sinking fund 7's. 1900		2,292,000	M & N	131	126	129½	
do do 6's. 1892		1,105,000	J & J	111	109	107½	
St. L., Van. & Terre H. 1st guar. 7's. 1897		1,899,000	J & J	122	120	119	
do do 2d 7's. 1898		1,000,000	M & N			108½	
do do 2d guar. 7's. 1898		1,600,000	M & N			*112	
Pine Creek 6's.....1932		3,500,000	J & D				
Pittsburgh, Cleve. & Toledo 1st 6's.....1922		2,400,000	A & O	110¾	106½	113½	
Pittsburgh Junction 1st 6's.....1922		1,440,000	J & J			*122	
Pittsburgh, McKeesport & Y. 1st 6's. 1932		2,250,000	J & J				130
Rome, Watertown & Ogd. 1st 7's. 1891		1,021,500	J & D	117	108½	111	
do do consol. 1st ex. 5's. 1922		6,337,000	A & O	103	87½	101½	102
Rochester & Pittsburgh 1st 6's. 1921		1,300,000	F & A	117	113½	117	
do do consolidated 1st 6's. 1922		3,920,000	J & D	112	105½	114	
Richmond & Alleghany 1st 7's. 1920			J & J			*71½	
do Trust Co.'s receipts.....1920		5,000,000	J & J	80	65	76½	77
do do stamped.....1920			J & J			76½	77

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				High.	Low.	Bid.	Ask'd
Richmond & Danville consol. gold 6's. 1915		6,000,000	J & J	119½	111½	118¾	114
do do debenture 6's. 1887		4,000,000	A & O	114	88	112	113
do do do assented				113½	106½	112	
do do consol. m.g. 5's. 1896		1,500,000	A & O			92½	
Atlanta & Charlotte 1st pref'd 7's. 1897		500,000	A & O			114	
Atlanta & Charlotte income. 1900		750,000	A & O			100	
Rich. & W. Point terminal trust 6's. 1897		2,000,000	F & A			92	
San Antonio & Aran. Pass 1st g. 6's. 85-1916		1,750,000	J & J				
do do 1886-1916		1,056,000	J & J			90	93
Scioto Valley 1st consolidated 7's. 1910		603,000	J & J	73	47	*95	
do do do coupons off			J & J			60½	
St. Joseph & Grand Island 1st 6's. 1925		7,000,000	M & N	110½	104		108½
St. Louis & Iron Mountain 1st 7's. 1892		4,000,000	F & A	118	110	111½	
do do 2d 7's. 1897		6,060,000	M & N	119	111		117½
do do Arkansas branch 1st 7's. 1895		2,500,000	J & D	116½	112½		112½
do do Cairo & Fulton 1st 7's. 1891		7,555,000	J & J	118	108½		107½
do do Cairo, Ark. & Texas 1st 7's. 1897		1,450,000	J & D	116½	109½		113½
do do gen'l con. r'y & land g't 5's. 1931		‡85,347,000	A & O	100	90		98
St. L., Alton & Terre Haute 1st 7's. 1894		2,200,000	J & J	119½	115	115½	
do do 2d mortgage preferred 7's. 1894		2,800,000	F & A	114	110½		112½
do do 2d mortgage income 7's. 1894		1,700,000	M & N	108	103½	108	
Belleville & Southern Illinois 1st 6's. 1896		1,041,000	A & O	117½	116½		125
Bellev'e & Carondelet 1st 6's. 1923		485,000	J & D	110½	110½	110	112½
St. Louis, Ark. & Tex. 1st cts. 6's. 1936		10,049,000	M & N			102½	102½
do do 2d cts. 6's. 1936		9,529,000	F & A			49½	
St. Paul, Minn. & Manitoba 1st 7's. 1909		5,250,000	J & J	116	112	116	
do do small			J & J				
do do 2d 6's. 1909		8,000,000	A & O	122½	116½		121
do do Dakota extension 6's. 1910		5,676,000	M & N	122	116½	121	122
do do 1st consolidated 6's. 1933			J & J	125	115	119	120
do do do registered		18,690,000	J & J	119	114½		120
do do do reduced to 4½'s			J & J			96½	
do do do do regist'd			J & J				
Minneapolis Union 1st 6's. 1922		2,150,000	J & J			112	
St. Paul & Duluth 1st 5's. 1931		1,000,000	F & A				113
South Carolina Railway 1st 6's. 1920		5,000,000	A & O	118	102	97	98½
do do 2d 6's. 1931		1,500,000	J & J	90	81	45	65
Shenandoah Valley 1st 7's. 1909		2,270,000	J & J	100	70	101½	
do do Trust Co. receipts			J & J			106	106½
do do gen'l mtge 6's. 1921		‡8,212,000	A & O	49½	29	50½	50½
Sodus Bay & Southern 1st 5's, gold. 1924		500,000	J & J	106	101		*105
Texas Central 1st sinking fund 7's. 1909		2,145,000	M & N	80	68		81
do do 1st mortgage 7's. 1911		1,254,000	M & N				80
Toledo & Ohio Central 1st gold 5's. 1935		3,000,000	J & J	102½	92½	98	98½
Toledo, Peoria & W'n 1st 7's. 1917		4,500,000	Q J			*108	
do do Trust Co. receipts				106	81	107	108
Toledo, Ann Arbor & No. Mich. 1st 6's. 1924		2,120,000	M & N	95	90		97
Toledo, Ann Arbor & G.T. 1st 6's, gold. 1921		1,280,000	J & J	107	101	106½	112
Texas & New Orleans 1st 7's. 1905		1,620,000	F & A			115	
do do Sabine div. 1st 6's. 1912		2,075,000	M & S	107½	100½	103	
Virginia Midland mortgage inc. 6's. 1927		4,000,000	J & J	100	53½	95	98
do do gen'l mortgage 5's. 1936		432,000	M & N				92
Wabash, St. L. & Pac. gen. mtge 6's. 1920		16,000,000	J & D	62	45		*90
do do Trust Co. receipts			J & D	67	44	57	58
do do Chicago division 5's. 1910		4,500,000	J & J	97	85	100	102
do do Havana division 6's. 1910		1,800,000	J & D	88	88		*90
do do Indianapolis division 6's. 1921		2,275,000	J & D				*90
do do Detroit division 6's. 1921		2,052,000	J & J	92	78	97	
do do Cairo division 5's. 1931		3,857,000	J & J	55	55	*50	
Wabash mortgage 7's. 1879-1909		2,000,000	A & O	91	70	91	85
Tol. & Wabash 1st extended 7's. 1890		3,400,000	F & A	115½	110	115½	116
do do 1st St. Louis division 7's. 1889		2,700,000	F & A	111	100	114	114½
do do 2d mortgage extended 7's. 1893		2,500,000	M & N	105½	97	104	
do do equipment bonds 7's. 1883		800,000	M & N	8	4		94
do do consol. convertible 7's. 1907		2,000,000	Q F	100	84½		96
G't Western 1st mortgage 7's. 1888		2,500,000	F & A	114	109½	115½	116
do do 2d mortgage 7's. 1883		2,500,000	M & N	108	98	104	
Quincy & Toledo 1st mortgage 7's. 1890		500,000	M & N	97	94	90	
Hannibal & Naples 1st 7's. 1909		500,000	J & D				

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				High.	Low.	Bid.	Ask d
Illinois & So. Iowa 1st exten. 6's....1912	300,000		F & A	*97	100
St. L. Kan. C. & N. R'l E'e & R'y 7's.1895	3,000,000		M & S	116	108½	111½
do Omaha div. Trust Co. receipts	2,298,000		A & O	.....	.....	.....	118½
do Clarinda br. 6's.....1919	284,000		F & A	76½	65	.....	65
do St. Charles bridge 1st 6's....1908	1,000,000		A & O	103½	94	104	106
North Missouri 1st mortgage 7's....1895	6,000,000		J & J	120	112½	117½	118½
Wabash, St. L. & P. Iowa div. 6's.....1921	2,269,000		M&S	.....	.....	.....	60
do Trust Co. receipts.....			M&S	.....	.....	.....	103½
West Shore 1st guaranteed 4's.....	50,000,000		J & J	106	100½	103	103½
do do registered.....			J & J	105½	101½	103	.....
Western Union coupon 7's.....1900	3,920,000		M&N	123	116	120	.....
do do registered.....1900			M&N	125	117	119½	.....
North Western Telegraph 7's.....1904	1,250,000		J & J	.....	.....	102	.....
Wheeling & Lake Erie 1st 5's.....1926	3,000,000		A & O	.....	.....	.....	.....
Mutual Union Tel. sinking fund 6's..1911	5,000,000		M & N	90½	75	88	89
Colorado Coal & Iron 1st 6's.....1900	3,500,000		F & A	101½	90	103	104
Tenn. Coal, Iron & R. consol. 6's.....1901	620,000		M & N	100	97	*105	.....
do South Pittsburgh 1st 6's.....1902	720,000		F & A	98	96	107	.....
do Bir. div. 1st consolidated 6's....1917	4,000,000		J & J	.....	.....	89	90
Col. & Hocking Coal & Iron gen'l 6's.1917	1,000,000		J & J	.....	.....	*89	.....
Atlantic & Pacific West'n div. income.1910	10,500,000		A & O	31½	20½	34	34½
do do do small.....			A & O	.....	.....	.....	.....
do do Cent'l div. income.1922	2,100,000		J & D	.....	.....	30	.....
Central Iowa coupon debt certificates....	629,000		A & O	.....	.....	*20	.....
Chicago & Eastern Illinois income.....1907	1,000,000		D	.....	.....	*100	.....
Des Moines & Fort Dodge 1st inc. 6's..1905	1,200,000		J & J	.....	.....	*60	.....
Detroit, Mack. & Marquette income..1921	1,500,000		.....	43½	12	*40	.....
Elizabeth City & Norfolk 2d income..1970	1,000,000		.....	.....	.....	.....	.....
Green Bay, Winona & St. Paul 2d inc.1911	3,781,000		.....	42¾	24½	48½	.....
Indiana, Bl'n & W'n consol. inc. 6's...1921	4,680,000		J & J	41¾	21¾	33	34
do do Trust Co. receipts....			J & J	.....	.....	32½	33
Indp's, Decatur & Springfield 2d inc.1906	2,850,000		J & J	39	22	.....	*33
do do Trust Co. receipts.....			J & J	41	20	41	41½
Lehigh & Wilkesbarre Coal Co.....1888	1,119,200		M & N	100	90	100	.....
do do do small bonds...1888			M & N	.....	.....	91	.....
Milw., L. Shore & Western income.....	500,000		M & N	107	88	.....	109
Mobile & O. 1st preferred debentures....	4,763,000		.....	74¾	53	60	61
do 2d do do do.....	1,850,000		.....	44½	32	32	35
do 3d do do do.....	600,000		.....	35	30	.....	32
do 4th do do do.....	900,000		.....	31	25	25	30
N. Y., Lake E. & Western income 6's.1977	508,000		.....	76	56	72½	80
N. Y., Penn. & Ohio 1st inc. acc. 7's...1905	35,000,000		J & J	.....	.....	*48½	.....
Ohio Central (Min'l division) inc. 7's..1921	300,000		.....	.....	.....	*39½	.....
Ohio Southern 2d income 6's.....1921	2,100,000		J & D	49½	34	43½	44½
Ogdensburg & L. Champlain income..1920	800,000		Oct	.....	.....	40	.....
do do do small.....	200,000		Oct	.....	.....	*84	.....
Rochester & Pittsburg income.....1921	1,870,000		.....	.....	.....	60	.....
South Carolina Railway income 6's....1931	3,000,000		Feb	33	22½	19	24
St. Louis, I. M. & S. 1st 7's pref. int. ac'e..	348,000		Mch	.....	.....	.....	.....
Sterling Iron & Railway (series B) inc.1894	418,000		Feb	.....	.....	.....	.....
do plain income 6's.....1896	491,000		April	.....	.....	.....	.....
Sterling Mountain Railway income...1895	476,000		Feb	.....	.....	.....	.....
St. Louis, Alton & Terre H. div. bds...1894	1,357,000		June	50	33	30	40
St. Joseph & Grand Island 2d income.1925	1,880,000		J & J	77	55½	71	74
Shenandoah Valley income 6's.....1923	2,500,000		Feb	.....	.....	.....	.....

COAL AND MINING.

American Coal Co.*.....25	1,500,000	.....	.....	.....	25	26
Consolidated Coal Co. of Maryland.....100	10,250,000	.....	.....	.....	.....	.....
Cumberland Coal and Iron Co.....100	500,000	.....	.....	.....	49	49½
Colorado Coal and Iron Co.....100	10,000,000	.....	.....	.....	47½	47½
Cameron Iron and Coal Co.....100	2,720,900	.....	.....	.....	48½	.....
Columbus & Hocking Coal & Iron Co..100	4,700,000	.....	.....	.....	.....	.....
Marshall Consol. Coal Co.....100	2,000,000	.....	.....	.....	*14	.....
Maryland Coal Co.....100	4,400,000	.....	.....	.....	.....	.....
Montauk Gas Coal Co.....100	2,500,000	.....	.....	.....	70½	71½
New York & Perry Coal and Iron Co..100	1,500,000	.....	.....	.....	*16½	.....
New Central Coal Co.....100	5,000,000	.....	.....	.....	262	270
Pennsylvania Coal Co.....50	5,000,000	.....	.....	.....	6	6½
Quicksilver Mining Co.....100	5,708,700	30½	32
do do preferred.....100	4,291,300	44	46
Tenn. Coal, Iron & R. R. Co....100	10,000,000

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EXPRESS.

Adams Express.....	Par 100	12,000,000	Q M	150	136¼	142	144
American Express.....	" 100	18,000,000	J & J	111	101¼	114	115
United States Express.....	" 100	7,000,000	Q F	66	51	63	65
Wells Fargo Express.....	" 100	6,250,000	J & J	180	119	128	131
Pacific Mail Steamship Co..	" 100	20,000,000	...	67	45¼	56¼	56¼

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

NAME.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886.		MAY 1, 1887.	
			High.	Low.	Bid.	Ask d
American District Telegraph.....	100	3,000,000	45	80	.....	.....
Albany City 6's.....	100	1,586,000	.....	.....	.....	.....
Albemarle & Chesapeake 1st 7's.....	1909	500,000	J & J	.....	.....	*115
Alabama Central Railroad 1st 6's.....	1918	1,000,000	J & J	.....	.....	.....
Allegheny Central 1st mortgage 6's.....	1922	600,000	J & J	.....	.....	.....
Atlantic & Pacific (W'n div.) 1st m. 6's.....	1910	.....	J & J	.....	.....	.....
Boston, H. & Erie 1st mtge 7's.....	1900	846,000	J & J	.....	.....	.....
do do guaranteed.....	.....	.....	.....	.....	.....	.....
Boston & New York Air Line.....	100	1,000,000	.....	.....	.....	.....
Bradford, Bordell & Kinzua.....	100	500,000	.....	.....	.....	.....
do do 1st 6's.....	1932	500,000	J & D	.....	*55	60
Bradford, Eldred & Cuba.....	100	500,000	.....	.....	.....	.....
do do 1st 6's.....	1932	500,000	J & J	.....	*37	42
Brooklyn City R. R.....	10	2,000,000	Q F	.....	.....	.....
Brooklyn Gas Company.....	25	2,000,000	.....	.....	.....	.....
Brooklyn, Bath & Coney Island 1st 6's.....	1912	200,000	F & A	.....	.....	.....
Buffalo & Southwestern.....	100	471,900	.....	.....	.....	.....
do do preferred.....	100	471,900	.....	.....	.....	.....
Carolina Central 1st mortgage 6's.....	1920	2,000,000	J & J	.....	.....	*109
Cedar Falls & Minnesota.....	100	1,586,000	19¼	11	13	17
Cincinnati, Sandusky & Cleveland.....	50	4,500,000	51	32	.....	.....
do do preferred.....	.....	429,000	.....	.....	.....	.....
do do 1st 7's.....	1880	1,072,800	J & D	.....	.....	*118
Cincinnati, Lafayette & Chic. 1st 7's.....	1901	800,000	M & S	.....	.....	.....
Cia. & Sp. 1st mort. C. C. & I. 7's.....	1901	1,000,000	A & O	110	114	116¼
do 1st m. g'd Lake S. & M. S. 7's.....	1901	1,000,000	A & O	121	117¼	117¼
Cincinnati, Hamilton & Dayton.....	100	3,500,000	149	105¼	146	.....
do consol sinking fund 7's.....	1905	1,000,000	A & O	120	120	*105¼
Cincinnati, Ind., St. Louis & Chicago.....	100	7,000,000	101	70	*92	95
do do consol. 6's.....	1920	1,000,000	M & N	.....	.....	.....
Cia., W. & Baltimore prior lien 4¼'s.....	1893	500,000	A & O	.....	.....	.....
do 1st 6's.....	1931	1,250,000	M & N	.....	.....	.....
do 1st 4¼'s guaranteed.....	1931	5,022,000	M & N	106¼	108¼	*104
do 2d 5's.....	1931	3,040,000	J & J	.....	.....	.....
do 3d ¾'s.....	1931	2,270,000	F & A	.....	.....	.....
do 1st income mortgage.....	1931	3,040,000	F & A	.....	.....	.....
do 2d income mortgage.....	1931	4,000,000	.....	.....	.....	.....
do preferred stock.....	100	12,993,000	12	5	3¼	9¼
do common stock.....	100	5,886,100	6¼	2¼	5	6
Citizens' Gas Company.....	20	1,200,000	.....	.....	.....	.....
Columbus, Springfield & Cin. 1st 7's.....	1901	1,000,000	M & S	.....	.....	.....
Consolidation Coal convertible 6's.....	1897	1,250,000	J & J	.....	.....	.....
Cumberland & Penn. 1st 6's.....	1891	903,500	M & S	.....	.....	.....
do do 2d 6's.....	1888	1,392,000	M & N	.....	*102	.....
Cumberland & Elk Lick Coal.....	100	1,000,000	.....	.....	.....	.....
Chicago City 7's.....	1890	220,000	J & J	.....	.....	.....
Charlotte, Col. & Augusta 1st 7's.....	1895	2,000,000	J & J	.....	.....	.....
Chicago & Atlantic 1st 6's.....	1920	6,500,000	M & N	.....	.....	*104¼
do do 2d 6's.....	1923	2,500,000	F & A	.....	.....	.....
Des Moines & Ft. Dodge 1st mort. 6's.....	1905	1,200,000	J & J	87¼	85	*97
Dubuque & Dakota 1st 6's.....	1919	630,000	J & J	.....	.....	.....
Duluth Short Line 1st 5's.....	1916	500,000	M & S	.....	.....	.....
Danbury & Norwalk.....	50	600,000	.....	.....	.....	.....
Detroit, Hillsdale & Southwestern.....	100	1,350,000	82	79
Eighth Avenue.....	100	1,000,000

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FREE LIST—Continued.

NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAY 1, 1887.	
			High.	Low.	Bid.	Ask'd
Erie & Pittsburgh.....50	1,998,400	Q M				
do do consolidated 7's.....1898	\$2,485,000	J & J				
Farmers' Loan & Trust Company.....25	1,000,000				445	
Frankfort & Kokomo.....50	800,000					
do do 1st 7's.....1908	200,000	J & J				
Fort Worth & Denver City.....100	3,880,000		25½	15	48½	48½
Galveston, H. & H. of '82, 1st 5's.....1913	2,000,000	A & O	79	71	78½	80
Gold & Stock Telegraph Co.....100	5,000,000	Q J				
Grand Rapids & Indiana 1st 7's.....1899	505,000	A & O			*105	
do 1st guaranteed 7's.....1899	3,934,000	J & J			118	
do 1st extended land 7's.....1899	1,010,000	A & O			*113	120
Hendersen Bridge Co.....100	1,000,000					
Ind., Decatur & Sp. 1st coupon 7's.....1900	187,000	A & O				
Iron Steamboat Company 6's.....1901	500,000	J & J	90	85½		94
Int. & Great Northern 2d income.....1909	370,000					
Jefferson R. R. 1st mortgage 7's.....1889	2,000,000	J & J	107	102½	103	103½
Jerome Park Villa Site & Imp. Co.....100	1,000,000					
Keokuk & Des Moines.....100	2,600,400		16	5½	*6	8
do do preferred.....100	1,524,800		38½	28	31	31½
Little Rock & Fort Smith.....100	4,088,135					
do 1st 7's.....1905	3,000,000	J & J				
Louisville City 6's, act. of Leb. br'h.....1888	225,000	J & D				
do 6's, Leb. branch extension.....1893	333,000	A & O				
Long Island Railroad.....50			100	80		
{ Brooklyn & Montauk.....100	900,000					
do do preferred.....100	1,100,000					
{ Smithtown & Port Jefferson 1st 7's.....1901	800,000	M & S				
Louisiana & Missouri River.....100	2,272,700				*24½	25
do do preferred.....100	1,010,000				*55	
do do preferred g'd.....100	329,100	F & A			*120½	124
Louisiana Western 1st 6's.....1921	2,240,000	J & J				
Lac. & Sus. Central 1st E. side 7's.....1892	500,000	J & D				
do W. side 7's.....1892	500,000	J & D				
Metropolitan Elevated.....100	1,138,000	Q J				
Mariposa gold convertible 7's.....1896	250,000	J & J				
Memphis & Charleston.....25	5,312,725		60½	29	*128	128
do 1st consolid'd Tenn. lien 7's.....1915	1,400,000	J & J				
Missouri, Kansas & Texas.....100			38½	21		
{ Union Pacific (South branch) 1st 6's.....1899	2,298,000	J & J				
{ Tebo & Neosho 1st mortgage 7's.....1903	347,000	J & D				
{ Hannibal & Central Missouri 2d 7's.....1892	32,000	M & N				
Boonville Bridge Co. 7's, guarant'd.....1906	1,000,000	M & N				
Milwaukee & St. P. con. sink. f'd 7's.....1906	209,000	J & J				
do 1st m. Hastings & Dakota 7's.....1902	89,000	J & J				
Milwaukee & Lake Winnebago.....100	520,000					
do do preferred.....100	780,000					
do do 1st 6's.....1912	1,430,000	J & J			*106	
do do income 6's.....1912	520,000					
New York Life & Trust Co.....100	1,000,000	F & A			560	
Norwich & Worcester.....100	2,604,000					
Nash., C. & St. L. 1st 6's, T. & P. branch.....1917	300,000	J & J				
do 1st mort. 6's, McM., M. W. & A. l. b.....1902	220,000	J & J				
New London Northern.....100	1,500,000					
New York Mutual Gas Light.....100	3,500,000					
N. J. Southern Int. guaranteed 6's.....1899	1,449,800	J & J	101½	91	100½	100½
New Orleans, Mobile & Texas.....100	4,000,000					
N. Y. & Texas Land Co., limited.....50	1,500,000		180	149½	161½	
do do land scrip.....100	2,946,400		57½	50	31	45
N. Y., Texas & Mexico 1st 6's.....1912	2,103,000	A & O				
N. Y., Wood. & H. 1st 6's.....1902	800,000	J & J				
do do 2d income.....1912	1,000,000		30	10	10½	11½
N. Y., Brooklyn & Man. Beach pref.....100	650,000	A & O				
Nevada Central 1st mortgage 6's.....1904	720,000	A & O				
Oswego & Syracuse.....100	1,320,400					

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NAME.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		MAY 1, 1887.	
			High.	Low.	Bid.	Ask'd
Ohio Central incomes.....1920	642,000				1¼	5
Panama.....100	7,000,000	Q F				
Pullman's Palace Car debenture 7's..1888	1,000,000	A & O			102½	
Phila. & Reading con. coupon 6's.....1911	7,304,000	J & D				
do registered 6's.....1911	663,000	J & D				
do coupon 7's.....1911	7,310,000	J & D				
do registered 7's.....1911	3,339,000	J & D				
do imp't mtg. coupon 6's.....1897	9,394,000	A & O				
do general mtg. coupon 6's..1908	19,686,000	J & J				
do income mtg. coupon 7's..1896	10,000,000	J & D			*54	
do debenture coupon 6's.....1893	670,500	J & J				
do debenture conv. 7's.....1893	10,395,900	J & J			*24½	
do pref. 1st series con. 5's.....1922	6,000,000	M & N			*71½	
do pref. 2d series con. 5's.....1933	5,000,000	F & A			*34	
do def'd inc. irredeemable.....	34,300,000					
do small.....						
Pittsb'g, Bradford & Buffalo 1st 6's..1911	800,000	A & O	82½	70	80	85
Rensselaer & Saratoga R. R.....100	7,000,000		170	155		
Second Avenue R. R.....100	1,199,500					
Sixth Avenue R. R.....100	1,500,000					
do 1st mortgage.....1889	415,000	J & J				
Savannah & Charleston 1st 7's.....1889	500,000	J & J				
Sandusky, Day'n & Cincinnati 1st 6's..1900	608,000	F & A				
St. Louis, Jacksonville & Chicago.....100	1,448,800					
do do preferred.....	1,034,000					
Sterling Iron & Railway Co.....50	2,200,000					
Scioto Valley Railway.....50	‡ 2,500,000					
Spring Valley Water Works 1st 6's..1906	† 7,000,000	M & S	17	6½	*10	11
Terre Haute & Indianapolis.....50	1,988,000	F & A			*87	100
Third Avenue R. R.....100	2,000,000				220	240
do coupon bonds.....	2,000,000	J & J				
do registered bonds.....	2,000,000					
Toledo, Delphos & Burlington.....50	7,000,000					*7½
do do 1st main line 6's.....1910	1,250,000	J & J				
do do 1st Dayton div. 6's..1910	1,000,000	A & O				
do do 1st term. trust 6's..1910	250,000	J & J				
do do income 6's.....1910	1,250,000					*7
do do Dayton div. inc. 6's..1910	1,000,000					
Tonawanda Valley & Cuba.....100	600,000					
do do 1st 6's.....1931	500,000	M & S				
Union Trust Co.....100	1,000,000				425	
United States Trust Co.....100	2,000,000				550	
Valley Railway Co. cons. gold 6's.....1921	1,700,000	M & S	105½	104	*100	104½
Vermont Marble Co.....100	3,000,000					
do do sinking fund 5's..1910	1,200,000	J & D				
Warren Railroad.....50	1,800,000				*125	
do 2d mortgage 7's.....1900	750,000	A & O			*123	
Williamsburgh Gas Light Co.....50	1,000,000	Q J				
Wabash funded interest bonds.....1907					100	
Toledo & Illinois Division 7's.....	126,000	F & A			*100	
Lake Erie, Wabash & St. Louis 7's.....	350,000	F & A			*90	
Great Western 1st mortgage 7's.....	350,000	F & A			100	
Illinois & Southern Iowa 7's.....	42,000	F & A			*95	
Decatur & East St. Louis 6's.....	472,500	F & A			*88	
Quincy & Toledo 6's.....	37,500	F & A			*80	
Toledo & Wabash 2d mortgage 6's.....	127,500	F & A			*85	
Wabash & Western 2d mortgage 6's.....	282,500	F & A			*85	
Great Western 2d mortgage 6's.....	437,500	F & A			*85	
Consolidated convertible 6's.....	637,000	F & A			*85	
Central Arizona Mining.....10	3,000,000					
Excelsior Water & Mining Co.....100	10,000,000					
Homestake Mining Co.....100	12,500,000	Mo.	23	11	*14¾	15¼
La Plata Mining & Smelting Co.....10	12,000,000					
Little Pittsburgh Consol. Mining.....100	10,000,000					
Mariposa L. & M. Co., California.....100	20,000,000					
do do preferred.....100	5,000,000					
Ontario Silver Mining Co.....100	15,000,000	Mo.	30	22	*24	25
Robinson Consolidated Gold Mining.....50	10,000,000					
Standard Consol'd Gold Mining Co.....100	10,000,000					
Silver Cliff Mining Co.....50	10,000,000					

BANKERS' OBITUARY RECORD.

Baldwin.—Jesse G. Baldwin, a prominent citizen of Middletown, Conn., died of consumption on April 5th, at the age of 83. For thirty years he was President of the Central National Bank of Middletown.

Banfield.—A. W. Banfield, President of the Wolfboro Savings Bank, Wolfboro, N. H., died on March 9th, aged 57 years.

Barker.—Hon. Hiram Barker, of Farmington, N. H., died March 26th. He was 72 years old, and for fifteen years was President of the Old State Bank, of Farmington. He had been member of the Legislature and of the Constitutional Convention.

Blake.—Samuel H. Blake, President of the First National Bank, of Bangor, Me., and one of the wealthiest men in the State, died in Boston, on April 25th. He had been spending the winter in Florida, and had reached Boston on his return home when he was struck down by pneumonia. He was an active Democratic politician, and one of the oldest living graduates of Bowdoin College.

Clarke.—William A. Clarke, President of the National Bank, of Rhode Island, of Newport, one of the oldest banking institutions in the State, is dead.

Coit.—Henry R. Coit, President First National Bank, Litchfield, Conn., died April 2d.

Crane.—John J. Crane, President of the New York Warehouse & Security Company, died on the 17th of April. He was one of the founders of the National bank of the Republic, had at various times filled the offices of President and Vice-President of that institution and was a Director at the time of his death.

Empie.—Levi Empie, President of the Burlingame Savings Bank, of Burlingame, Kans., died suddenly on April 10th, of paralysis, at the age of 71.

Fleming.—Charles L. Fleming, a member of the New York Stock Exchange, died suddenly on the 20th of April. He was 35 years of age.

Kenyon.—S. N. Kenyon, President of the Fulton Savings Bank, Fulton, N. Y., is dead.

Lockwood.—Legrand Lockwood, son of the late Legrand Lockwood, and member of the firm of Lockwood & Co., died April 2nd, of pneumonia.

Long.—Nimrod Long, of the firm of N. Long & Co., bankers, of Russellville, Ky., died on the 24th of April. He had just returned from Florida, where he had been to recuperate his health. He was 70 years of age.

May.—Simon C. May, Cashier of Columbia National Bank, Columbia, Pa., died on March 3d, aged 47 years.

Mershon.—Henry Mershon, President of the Bank of Hickory, N. C., died suddenly on April 6th of apoplexy. He was 55 years old.

Miller.—A. B. Miller, of the firm of Miller & Conger, of New York city, is dead. He was the originator and organizer of the Mercantile Trust Company, of New York, and was active in the organization of the Park National Bank.

Mitchell.—Alexander Mitchell, President of the Wisconsin Fire & Marine Insurance Co. Bank, of Milwaukee, of which he owned 90 out of 100 shares, died at the Hoffman House in this city on April 19th. He is reputed to have been worth nearly \$25,000,000. His banking career in the North-west is one of the longest and most honorable in that part of the country. He was also widely known as a railway man, and at the time of his death was President of the Chicago, Milwaukee & St. Paul Railroad Company.

Noyes.—Albert L. Noyes, Cashier of the Lamoille County National Bank, of Hyde Park, Vt., is dead.

Preston.—David Preston, founder of the Preston Bank, of Detroit, and largely interested in the Metropolitan National Bank, of Chicago, died in Detroit on April 24th, of heart disease. He was in his 61st year.

Smith.—John B. Smith, President of the Bank of Commerce, of Louisville, Ky., died on April 20th.

COLLECTION OF BANK TAXES.—A bill has been recently introduced in the Massachusetts Legislature, providing for the collection of State and municipal taxes on National and State bank shares. It provides that the tax until paid shall be a lien on the shares which may be seized and sold; that parties may pay under protest, and afterwards recover taxes shown to have been excessive, by suit, and that the Governor may employ counsel to conduct suits brought by the city or town Treasurers for the recovery of taxes.

AMERICAN NATIONAL BANK, KANSAS CITY, MO.—This bank was organized last year by bankers and financiers well known in that section of the country. During the first seven months it has enjoyed remarkable prosperity. Individual deposits, aggregated by its last report, \$1,322,981; bank deposits, \$689,152; loans, \$2,075,875; capital paid in, \$1,250,000; cash on hand, \$1,219,023. Its undivided profits for the period were \$62,033.91. A new building for the accommodation of the bank is in process of construction, which, it is believed, will be the finest office building in Kansas City.

NOTICES OF NEW BOOKS.

The First Nine Years of the Bank of England, an Enquiry into the Weekly Price of Bank Stock from August 17, 1694 to September 17, 1703, by JAMES E. THOROLD ROGERS. (Morses profundo; pulchrior evenit.) Oxford: at the Clarendon Press; New York: McMillan & Co. 1887.

The history of the Bank of England is particularly interesting to Americans as well as to the English, in that it is the first bank started by the Anglo-Saxon race. There were banks previously in operation in Venice, in Genoa and in Amsterdam, as these cities in turn controlled the commerce of the world, and the establishment of the Bank of England was the signal that the commerce of Great Britain had arrived at a stage that made such an instrument necessary. Macaulay in his history of England has portrayed in vivid colors the condition of affairs when the bank obtained its charter. There was much wealth, but there were not the same facilities for investment that now exist. There was a passion for speculation, for forming companies and for stock jobbing. Well-to-do people often kept their savings in strong boxes at home, but more deposited them for safe keeping with the goldsmiths, whose notes or certificates of deposit passed current as money in larger transactions. The bank obtained its privilege through the necessities of the government, engaged in carrying on war on the continent. Its great rivals were the goldsmiths who recognized its power to absorb their business and made many attempts to injure its credit. It had its most important rival in the land bank started by Chamberlain. The danger was due as much to the serious want of money resulting from the recoinage of light-weight silver as to any real probability of the success of Chamberlain's scheme. Mr. Rogers' work gives in much detail the history of the early struggles of the bank. He has drawn somewhat from the same sources as Macaulay but has also discovered new and interesting material never before used. Many of the characters familiar to us in Macaulay's history are shown in a new and interesting light. We can thank Mr. Rogers for having discovered the first English publisher of what may be called a banking and financial journal. This was John Houghton, an apothecary, who first lived near the Royal Exchange and published a weekly statistical paper containing articles on art, science and trade, and a price list of corn and other commodities, as well as the price of bank stock. He was a friend of many eminent persons, and a Fellow of the Royal Society. He is supposed to be the person mentioned by Bishop Sprat, as the tradesman whom the society elected and for whose presence they thought fit to apologize to the king. Charles, "who never said a foolish thing and never did a wise one," answered that he wished them to elect many such persons, if they were equally competent.

Banks and Banking in Michigan; with Historical Sketches, General Statutes of Banking under State and National Laws, and Personal Notices of late Prominent Bank Officers. By T. H. HINCHMAN. Detroit.

This little volume has been sent to us by the author, who is well known as the President of the Merchants' & Manufacturers' National Bank, of Detroit. The State of Michigan was admitted to the Union in 1836, and both during its territorial existence and as a State it went through many interesting vicissitudes in banking experience. A bank was started in Detroit as early as 1806, but it had but a short and troubled existence, during which it came near involving the territorial Governor and Judiciary in an internecine war. After this, up to and including the year 1836, a large number of special charters were granted to banks both by the Territorial Council and the State Legislature. In 1837 a general banking law was enacted which contained many prudent and conservative features, including a rigid system of bank examinations. But at that time there was little real capital in the State, and people generally were impressed with the erroneous idea that it could be manufactured by a banking law. The system commenced, too, in a year of financial crisis, and breathed out its short and spasmodic existence in the disastrous business years from 1837 to 1842. Banks were started under all imaginable circumstances of fraud and pretension, and the whole system became a by-word both within and without the State. In this experience Michigan was not exceptional. The history of the time shows that nearly every one of the newer States, West and South, was afflicted with similar attempts to build financial success upon legislative enactment. Mr. Hinchman's book gives an excellent

view of these operations, and is the only full publication on this and other matters relating to banking in Michigan. Judge Cooley refers to these early attempts at banking in his history of Michigan, and the Hon. Alpheus Felch, who was one of the Bank Commissioners under the law of 1838, has written a paper on the subject.

Mr. Hinchman's book continues the history of banking in Michigan down to the present time, and gives the State banking laws, sketches of the National banks and of prominent bankers of the past and present.

Public Debts, an Essay in the Science of Finance, by HENRY C. ADAMS, Ph. D., of the University of Michigan and Cornell University. New York: D. Appleton & Co., 1887.

As its title indicates the purpose of this work is to attempt to portray the principles which underlie the administration of public credit. It considers the circumstances which cause the growth of public debts, and the conditions and effects on expenditure which their creation implies,—the political circumstances under which it is considered that public debts are opposed to popular Government, and how foreign debts endanger the self-Government of weak States. In this connection the work calls attention to the anomalous character of State bonds in this country. The States having retained the degree of sovereignty necessary to contract a debt have surrendered to the United States the power of making war. When, therefore, a State repudiates a foreign debt, if the foreign nation should undertake coercion, the power of the United States would be called in to defend the State from foreign interference. Foreign creditors have not, therefore, been able to treat the separate States of the Union in instances where debts have been repudiated, in the same summary manner that foreign creditors have treated Mexico or Egypt. In their social effects public debts are considered to perpetuate class distinctions. Good financiering implies a careful regard for the effects of public borrowing upon the industries of a country. The first part of the work concludes with a study of the circumstances under which States may legitimately borrow. The principle recognized in ancient times of storing up a surplus in time of peace, which in modern days has been followed by Prussia, in her policy of a war chest, is not suited to the circumstances of modern life and trade. Loans for public works are regarded as proper.

The next part considers the financiering necessary in case of a National deficit, the management of war necessities, the liquidation of war accounts, the management of the debt when peace returns and its final payment. In illustration of these various matters the financial history of this Government is largely drawn on, as well as that of England and France. The various methods of incurring, funding, and paying are minutely considered.

The last part contrasts the contraction of State and municipal debts with those of the nation. The legal distinctions are carefully pointed out, the duties of local Governments considered and the various principles of debt payment are applied to this form of indebtedness. The purposes for which local credit has been employed at various periods is set forth. In the same way the subject of State indebtedness is considered in its complicated relation to the Federal Government, and its relation to internal improvements. The question of assumption of State and other local debts by the Federal Government is also treated of. The various influences which tend to foster municipal indebtedness are enumerated, and their relation to city population, to speculation, to inland commerce and to local administration remarked upon. The sources of municipal corruption are suggested as well as the means of municipal reform. The policy of restricting governmental duties, and the effect public debt is having on State rights, and suggestions for conserving the latter close the book. It is an original and comprehensive study of an interesting and extensive subject. Financial discussion is avoided, but the views taken seem generally to be sound and philosophical.

In Mr. Adams' criticisms upon Alexander Hamilton's use of a sinking fund, he does not seem to lay stress enough upon the political necessity that a public officer in the United States is compelled to recognize and yield to. This political necessity often includes the recognition of popular errors. When Hamilton promised that the reduction of the public debt should be sacredly provided for, he stated a principle which, since his day, has been paramount in American finance, and is admitted by all to be correct. It was a popular error of the day to look upon a sinking fund as the

proper means to carry out such a reduction. Because Hamilton yielded to this view and suggested a sinking fund, is no proof that he was possessed of the same vagaries as Dr. Price, or that he believed a sinking fund meant more than a promise to apply to the payment of the debt all surplus revenues. Nor is it just to blame Hamilton, as Mr. Adams appears to do, because having no surplus revenue his sinking fund effected no reduction of the debt during his administration.

Statesman's Year Book, Statistical and Historical Annual of the States of the Civilized World, for the Year 1887, edited by J. SCOTT KELTIE, Librarian to the Royal Geographical Society. Twenty-fourth annual publication, revised after official returns. London: McMillan & Co. and New York. 1888.

This publication gives important political information derived from official sources in regard to all the States of the civilized world, the form of government and the chief officials, the names of the reigning emperor or king or chief ruler, the church and education, revenue and expenditure, army, navy, area and population, trade and industry, railways, post-offices and telegraphs, diplomatic service, money, weights and measures, and the names of all important books of reference in which further information may be found. It is the only publication covering so much ground and is invaluable as a reference to those requiring general political information. The experience of twenty-four years publication has enabled the publishers and editor to give this work an amplitude and accuracy which leaves little to be desired. We notice however that in some countries no statement of the national debt is given, and that no reference seems to be made to the systems of banking in operation in the various States. Tables are given showing the density of population of the principal States of Europe, the export and import markets of the United Kingdom in 1885-86, the mileage of railway lines open in the principal States of the world (1885-86), and likewise the mileage of telegraph lines in operation in the same States.

In another part of the JOURNAL will be found the announcement to the public of changes in the officers of the Wisconsin Marine & Fire Insurance Co. Bank, of Milwaukee, resulting from the death of its late President, the Hon. Alexander Mitchell. Mr. John L. Mitchell succeeds his father in the Presidency; Mr. David Ferguson, for forty-six years Cashier, becomes Vice-President, and Mr. John Johnston, for twenty-three years Assistant Cashier, succeeds as Cashier. The stock of the bank has been increased to \$500,000. A fine steel engraving of the Hon. Alexander Mitchell and a sketch of his life will appear in the June number of the JOURNAL.

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QUITE a sensation has been caused by the announcement that the Western National Bank, better known as Mr. Manning's or Mr. Jordan's bank, is about to undertake the business of issuing certificates upon deposits of silver bullion. The idea is that as America, and particularly the United States produce the largest part of the silver of the world, that New York should be the controller of the silver market instead of London. The certificates issued against silver bullion are, in accordance with the plan to be dealt in on the Stock Exchange, and it is claimed that the price might possibly be advanced. The country would thus get more for its silver product, the standard dollars be appreciated in value, and many of the evils of a continued silver coinage averted. This expectation is based on the general proposition that organized speculation in any article has a tendency to steady and advance its price. It substitutes knowledge of the conditions that control production, and of the quantities to be had at any time, for the vague general rumors, which either raise or depress prices unduly, and adds a speculative demand. It is also claimed that an advance in the price of silver will enable wheat from the United States to compete to more advantage with the wheat of India which the low price of silver now enables dealers to land in England profitably. The bullion is to be deposited with the Western National Bank, and certificates issued therefor, in a manner similar to that in which the Clearing-house banks now deposit gold and take certificates from the Bank of America. The difference is that the silver bullion certificates will be issued to the general public and not confined to any class.

The chief reason why the proposition excites so much attention is because the people of this country have arrived at a point where they almost believe that nothing can be done without an Act of Congress. As that legislative body has grown more and more unwieldy the faith in the necessity of its permission to engage in ordinary business has increased. A little independence of spirit would prove that many things which are not absolutely prohibited by law may be done without affirmative legislation. The plan of issuing silver certificates based on

bullion by the Government, was suggested by the Hon. Henry W. Cannon, Comptroller of the Currency, in his report for the year 1884. The certificates were to call for an amount of silver bullion equal at its market gold value to the face of the certificate. The market value at stated periods say on the first of every month was to determine the price at which the certificates were to be redeemed during that month. What it might be unwise or impossible for Congress to agree upon is proposed to be done by a private National banking corporation. That it can be made successful seems to admit of little doubt. Years ago in Massachusetts they had the Suffolk system of requiring the country banks of New England to redeem their notes in Boston. This was inaugurated and carried on by a State bank, and through the operation of the natural demands of business had the force of legislative enactment. A similar system in New York was approved by the Legislature, and the law to-day compels National banks to redeem their notes in Washington. Yet the example of the Suffolk system shows that private enterprise might, if intelligently directed, accomplish the same results without permissive law as with it.

There are, however, some other questions which may arise as to the ultimate scope of a scheme of this kind. During the period of gold speculation subsequent to the war, the Gold Exchange Bank was organized to meet the wants of gold speculators. The tendency of the silver market taken in connection with the silver coinage law of the United States, indicates very strongly that the country may at some future day be upon a silver basis. A bank organized and prepared to take advantage of the new condition of affairs would be ready to reap large profits from the change. With its silver certificates on the market and quoted at the stock board, it would, when the purchasing power of the silver dollar began to coincide with its intrinsic value control the price to a greater or less extent. The speculation although apparently in silver would be as really in gold as it was in 1869. The quotations might show a discount on silver dollars but this would also mean a premium on gold. When the silver standard becomes paramount the silver certificates of the Western National Bank calling for a given weight of fine silver, will be precisely the same value as the certificates of the United States which call for dollars containing the same amount of fine silver.

A further question arises as to the denominations and forms in which these silver bullion certificates may be issued. If in the form of bank bills and of similar denominations there would be a tendency to circulate them as money, and this would bring them into contact with the United States law forbidding National banks to issue post notes or any notes to circulate as money except the authorized circulation based on bonds. If this were not so every National bank in the country could become a depository of silver and issue certificates which according to the credit of the bank might or might not be as

good as those issued by the United States. Laws may however be changed, and it is plain that the plan alleged to be contemplated by the Western National Bank is full of possibilities in many directions. The movement of the crops and the wheat competition theory were favorite arguments of Jim Fisk and Jay Gould for keeping up the price of gold in 1869. The advisability of coming to a silver basis can be defended on the same line. The farmers might not get as much for their wheat but more of it could be sold abroad. How the latter proposition compensates the individual farmer for the former is a problem which depends upon a variety of considerations too numerous to go into.

APPOINTMENT OF UNITED STATES TREASURER.—Under Mr. Jordan the office of Treasurer attained an importance in its bearing on the financial policy of the country never before ascribed to it. This was due partly to circumstances, viz., the rapidly accumulating surplus, the difficulty of the silver question, and the reduction of the debt payable at the option of the Government. But it was most largely due to the character and ability of Mr. Jordan himself who is a man of positive views on finance which he was not afraid to express and generally succeeded in putting in operation. It is said that he was an intimate and trusted friend of Mr. Tilden, and that he went into the Treasury Department not only as Treasurer but also as the main adviser of Mr. Manning in the conduct of the financial policy of the Government. His changes in the form of the debt statement, included two rather arbitrary assumptions which a less positive man might have hesitated to make, first, that the bonds of the Pacific Railroads were Government debt, and second, that the Act of July 12, 1882, required \$100,000,000 in gold to be kept as a reserve for the redemption of legal-tender notes. His attitude toward the National banks was liberal as might naturally have been expected of a banker, and he deserves great credit for postponing bond calls during the first year of Cleveland's administration. The pressure of the continued silver coinage and the constantly growing difficulty of keeping Government payments on a gold basis, compelled him to depart somewhat from his earlier policy and to favor bond calls as a means of retiring National bank circulation. As these notes when presented for redemption could be paid in silver, this continued retirement has afforded the Treasury great aid in getting out its silver and preserving the gold basis. Mr. Jordan should also have the credit for the scheme of issuing silver certificates of small denominations, authorized by Congress at the last session, which, by the vicarious circulation of silver dollars, has been the means of counteracting the contraction of circulation which would otherwise have occurred from the locking up of surplus revenues. To avoid this, if it had not been for the silver certificates, the Government would have been forced to more frequent calls, of the threes, and perhaps ere this

to purchases of long bonds at a premium. In his interview with the Finance Committee of the Senate in January, Mr. Jordan did not appear to exert all the influence he might in favor of some practical measure for funding the fours into bonds at a lower rate of interest. His judgment seems to have been obscured by a natural prejudice in favor of a bill proposed by himself which was clearly impracticable. Perhaps his influence with Congress may have been overrated, but he probably, more than any one, had it in his power to secure some legislation which would have put a stop to the retirement of National bank circulation. But as has been said he was between two evils, on the one hand the accumulation of silver in the Treasury and consequent danger to the gold basis, and on the other, the retirement of National bank circulation. Of these he probably regarded the latter as the least.

The appointment in Mr. Jordan's place of a comparatively new and untried man like Mr. James W. Hyatt, of Connecticut, indicates that the financial policy of the administration will not hereafter be dictated by the United States Treasurer. In fact, as a Washington correspondent very mildly puts it, "Secretary Fairchild has not desired in the Treasurer's office a friend and assistant who would share the responsibility for the management of the finances and take an active part in shaping the financial policy." In other words the Secretary is going to do all that himself, and relegate the Treasurer to the sphere to which he belongs, where he will attend exclusively to the duties of his office that, however responsible and onerous, are properly matters of routine. Mr. Hyatt at the time of his appointment was a National bank examiner for the State of Connecticut, to which office he had been appointed at the incoming of the present administration as the successor of the efficient and popular Mr. Mygatt. Previously he had for a number of years been Bank Commissioner for the State of Connecticut, so it is to be presumed that he has some knowledge of financial matters. Some time will be required to count the cash as a preliminary to transferring it from Mr. Jordan's custody to that of his successor. It will be remembered that the last count was made when Mr. Jordan succeeded Mr. Wiman, and that it came out within two cents, and even this discrepancy was afterwards found.

THE WASHINGTON CORRESPONDENT of the *Commercial Bulletin* announces that the Treasury Department has decided to make persistent and determined efforts to substitute a paper currency circulation for the present coin circulation of the Pacific slope, and to secure the return of the gold coin to the Treasury as a means of strengthening its reserves, etc. He goes on to say that to effect this it has been proposed to amend the legal-tender law, probably meaning the law for the resumption of specie payments, so as to make the legal-tender notes redeemable at the Sub-Treasury in San Francisco as well as in New York city. He says no such legislation was obtained, and is thus

oblivious of the fact that on March 3, 1887, a law was enacted Section 3 of which is that Section 3 of the Act of January 14, 1875, entitled, "An Act to provide for the resumption of specie payments" be and the same is hereby amended by adding after the words "New York" the words "and the city of San Francisco, California," the effect being to make legal-tender notes redeemable in San Francisco as well as in New York.

The object seems to have been to encourage a circulation of paper on the Pacific coast with a view to having some of the silver certificates circulate in that part of the country. The States and territories which produce the most silver have always been the most averse to its reception as a circulating medium. They are very willing that it should be forced upon the East but hitherto have always rejected it for their own use with a wry face. The legal-tender notes now being redeemable in gold in San Francisco, the fact that they have not replaced the coin circulation indicates that the people of the Pacific coast are not so sure but that ultimately silver will be all that can be obtained for them, and hence it will be necessary, if the Department thinks it of importance to substitute paper for the gold in circulation in California, to issue gold certificates payable in San Francisco. If legal-tender notes have not proved acceptable even when redeemable at the San Francisco Sub-Treasury, much more will silver certificates be rejected.

After all it is a question whether instead of trying to force the Pacific coast people to accept a circulation of paper based on silver and give up their predilections in favor of a single standard of gold coin, it would not be better to propagate their mono-metallic practice throughout the rest of the country.

CONGRESS CAN DETERMINE what the unit of value in the United States shall be, and it has determined such unit of value to be a dollar, and that a dollar is a certain coin stamped at the United States Mint, containing 25.8 grains of gold nine-tenth's fine, and another certain coin stamped at the United States Mint, containing 412.5 grains of silver, nine-tenths fine, each subject to certain laws and regulations as to legal-tender, as to device and as to limitation of errors in weight, etc. It is frequently said that 23.22 grains of pure or fine gold make a dollar and also 371.25 grains of fine silver. This is an erroneous statement. The respective dollars contain the amounts of pure gold and silver mentioned, but they comprise other things, viz., the alloy, the Mint stamp, the legislative authority which makes them a legal-tender. All these features are required to make a legal gold or a legal silver dollar. It is much the fashion to affect to disregard in scientific inquiry the effect of legislative enactment and to put much stress on such phrases as the laws of nature, the laws of trade, the laws of finance, the higher law, the reign of law, etc. It is true that there are very many things that cannot be accomplished by Parliaments or Congresses or Assemblies, but in all ages men have also found that legislators can accomplish very many things. They cannot change

the laws of nature, they cannot for instance make water run up hill as a general proposition, but they can pass laws for pumping works which for some time make some water disobey the law of gravity. The history of civilization is but a history of the modification of natural laws by the united efforts of mankind bound together and directed by some form of law of their own enactment. The let alone policy, advocated at the present day by many thinkers derives the apparent feasibility of its application from the fact that men have been educated by the pressure of government for so many generations that by hereditary inclination they pursue the lines previously prepared for them. If in the earlier history of the human race, when all merchants were pirates and the term stranger was synonymous with enemy, governments had retired and let natural laws of trade, finance, and what not, then existing have their way, the earth as far as improvement is concerned might as well have been inhabited by Kilkenny cats.

While therefore Congress cannot make 23.22 grains of pure gold equal to 371.25 grains of pure silver in value in the bullion market any more than it can make water as a rule run up hill, yet as it can by authorizing pumping machinery compel some water for some time to act contrary to natural law, so it can and does make silver dollars of 412.5 grains, nine-tenths fine, under some circumstances, equal to gold dollars containing 25.8 grains of gold, nine-tenths fine. What is seen every day cannot be denied. We know that in the United States silver dollars as yet pass on a par with gold dollars, and also that this is due to legislative action. The pumping machinery of the Treasury Department authorized by law raises the silver dollar up to, and keeps it at the level of the gold dollar for business purposes within the United States. How long this can be done depends on the strength of the machinery and the quantity of silver dollars to be raised. The Dutch have succeeded with much labor in keeping Holland dry and in a condition for cultivation practically on a level with the rest of the dry land of Europe. It was a work which necessity compelled them to, and one which they have made to pay. We should regard them as very foolish if they had set their pumps to work in the ocean. and feel that the utmost strength and perseverance would never enable cabbages to be raised on the right of way of the Atlantic cables. In endeavoring to keep a silver dollar at a level with a gold dollar in the United States, Congress has undertaken a task which is both expensive and worse than useless. Any break or clog in the machinery may at any time forcibly illustrate what a heavy weight the Government is carrying.

THE TREASURY AND THE SURPLUS.—The accumulation of surplus revenues in the Treasury will, it is estimated, go on after the threes are paid on July 1st, at the rate of from eight to ten millions of dollars per month, and the accumulation up to the date of the regular session of Congress will therefore be between 50 and 70 millions of dollars. If

there is to be no way of getting this out of the Treasury it will cause a contraction of the circulating medium of the country to that extent. This accumulation may be prevented either by reducing the revenues or by paying out the surplus. The latter may be accomplished by the purchase of bonds at a premium, by paying interest on the debt in advance with a rebate say of 2 per cent., or by paying the present value of the difference in interest between a four per cent, and a two and a half per cent. bond. To reduce the revenues will require an extra session of Congress, and it is exceedingly doubtful whether if an extra session were called any measure could be agreed on in time to be effective. The plan which has been spoken of as most feasible is to repeal the internal revenue taxes on whisky and tobacco, but although these taxes afford as much protection to the whiskey ring and tobacco dealers, and restrict free trade in these articles as much as the tariff duties prevent free trade in foreign products, yet the free traders, the whiskey distillers and the manufacturers of tobacco will all join to prevent the repeal of these laws. There are others, too, who believe that whiskey and tobacco are the most appropriate articles for taxation. The opposition to this mode of reducing revenues will be as determined as to reductions of customs duties. In fact any attempt to change the present laws for raising the revenues will result in a long and weary session of Congress. Admitting, however, that Congress would immediately repeal the internal revenue laws—what would be the effect? The receipts from internal revenue for the fiscal year ending July 1, 1886, were \$116,805,936 out of total ordinary receipts amounting to \$336,439,727. The receipts outside of internal revenue were therefore \$219,633,791; while the ordinary expenditures, including interest on the public debt, were \$242,483,137. The repeal of the whiskey and tobacco tax would therefore cause the receipts to fall below the necessary expenditures of the Government, and the result might be a shock to public credit which would be far more disastrous than any trouble likely to result from the accumulation of surplus. At the extra session Congress might, it is true, pass a law for the funding of the fours and four-and-a-halves into 2½'s, according to principles heretofore elucidated. It is, however, entirely in the discretion of the Secretary of the Treasury, if we are to judge by precedents, to change the 4½'s and 4's into lower rate bonds without a further Act of Congress. In the May number of the JOURNAL it was contended that the plan of paying interest in advance on the debt, with a rebate which would net the Government say 2 per cent., was precisely the same in principle as buying the difference in interest between a four and a two-and-a-half per cent. bond at its present value. In the one case the whole interest for one year on the whole debt is purchased at its present value at 2 per cent. In the other ¼ of the whole interest for twenty years is purchased at its present value computed at three per cent. The Secretary has a precedent for the purchase of advance interest in the

action of Secretary Richardson in 1873, when he paid a quarter's interest in advance as a rebate. But it may be said that a change in the character of the bond is made by reducing the interest. For this there is the precedent established by Secretary Windom in 1881, when he called in the six per cents. and stamped them as continued at $3\frac{1}{2}$. Under the two foregoing precedents the Secretary of the Treasury has it in his power to say to the holders of the fours or four-and-a-halves: "If you will bring in your bonds and permit me, on behalf of the Government, to cancel the present rate of interest and stamp $2\frac{1}{2}$ per cent. on the bonds in place of four per cent., I will, with the surplus revenues, purchase of you the present value of the difference in interest for twenty or four-and-a-half years, as the case may be, computed at three per cent." There is no compulsion, no violation of contract, and the Government earns three per cent. on its surplus. It has been urged against this plan that the holders of Government bonds will not permit the Treasury to make this gain, that the bonds are held for investment, and that this investment includes the purpose of holding them to maturity in their present condition, for if it did not, the present premium in the market would induce a sale. Moreover, the idea of the investment includes that of certain amounts coming in at regular intervals, and the acceptance of advance interest or the sale of a portion of the future interest at its computed present value in cash would defeat this purpose. Many of the holders of fours bought them at par or thereabouts, and will receive about four per cent. on their original investment until maturity. The premium itself is as much an indicator of the tenacity with which these bonds are held as of the demand for them.

This view, however, does not take into account the whole effect of such a measure. The moment it is known that the Treasury will pay the present value of a portion of the interest on fours, say of one-and-a-half per cent. for twenty years, the effect would be to enable the National banks, who who are in a situation to afford to do it, to bid high for the bonds to induce their sale. Thus, if a National bank purchased a \$100 four per cent. bond at \$134, it would receive a $2\frac{1}{2}$ per cent. bond and \$24 in cash. The $2\frac{1}{2}$ per cent. bond would cost the bank 110, and if a $4\frac{1}{2}$ per cent. bond at 110, having $4\frac{1}{2}$ years to run, nets an investor about 2 per cent. per year for that time, a $2\frac{1}{2}$ per cent. bond at 110, having 20 years to run, would net as much per annum for twenty years. So if National banks can, as they do, afford to buy $4\frac{1}{2}$'s as a basis for circulation, much more can they afford to buy fours even at 134, and exchange them for two-and-a-halves. But in addition the banks can use the realized interest to better advantage than can other investors. This action by the Treasury independent of Congress, would not prevent the latter, when it meets, from passing a law allowing the issue of circulation to the par value of the bonds. The Treasury need not issue new bonds, but merely stamp the fours

presented with a new contract for a lower rate of interest, for which it has precedent in the action of Secretary Windom with the three-and-a-halves, and to induce holders to present the bonds for this purpose it can offer the present value of the interest surrendered, computed say at two or three per cent., for which it has a precedent in the payment of advance interest in 1873 by Secretary Richardson. In fact the Treasury has both law and precedent for all the action necessary to get rid of the surplus at a profit to the Government.

MR. ALEXANDER DEL MAR has been astonishing the Geographical Society of the Pacific, in San Francisco, by reading a paper on the interdiction of gold mining. This is an effort similar to collating the arguments which have been urged in all times and by all sorts of men against charging interest for the use of money. To deliver a lecture in California against gold mining is about as audacious as to address an audience of bankers in opposition to the taking of discounts. The instances cited in this most remarkable paper are about as mythical as the evidences in favor of the early settlement of Rhode Island by the Norsemen. They consist of a traveler's tale, of the speculation of an ancient philosopher, of the imaginings of a popular modern novelist, and of a quaint tradition handed down by one of the aborigines. Herodotus, who is good authority for what was told him, mentions that in Lydia the kingdom of the celebrated millionaire Croesus, mining of the precious metal was prohibited by law. Plato, in his code of laws for an imaginary republic proscribed the use of gold. J. Rider Haggard, in that matter-of-fact romance, "She," described the ruins of ancient gold-mining works in Africa; and an old Indian travelling on the Pacific coast in 1760 is alleged to have seen Japanese ships at the mouth of the Columbia River the crews of which were engaged in mining gold.

Of more weight perhaps are the statements, that the Japanese forbade the Portuguese to mine gold in Japan; that the Roman Senate would not let the Tiber be worked for gold because it would interfere with the navigation of the stream, that the Chinese refused to sanction mining because it interfered with the circulating medium of the country, and that the negroes of Congo, like the apes that would not betray their knowledge of human speech lest they should be set to work, will not reveal the location of gold mines in their country because they fear they will be made to labor in them.

Mr. Del Mar, who is a pronounced bi-metallist, perhaps cited these convincing instances to show that the output of gold is declining on account of a growing aversion on the part of the several members of the human family to the further utilizing of the gold mines of the world. This startling argument should cause those who are in favor of retaining a gold standard to pause and consider when they see the antipathy of the bulk of their fellow beings to the use of gold so ably

proved in the paper read before the Geographical Society of the Pacific, by that eminently sound and scientific person Mr. Alexander Del Mar!

AN ANALYSIS of the New York Holiday Act so far as it applies to banks and bankers, sent out by the New York Clearing-House Association, will be found in the News Department of the JOURNAL. The law went into effect on May 16th, and May 21st was consequently the first Saturday coming under its provisions. For a beginning the half-holiday was very generally observed. The Stock, Petroleum, Produce, Cotton and Maritime Exchanges closed promptly at twelve o'clock noon, as did also the leading private banking houses and many business houses. The banks kept their doors open but the amount of business transacted was small. The indications are that the half-holiday will be more and more observed, as the routine of business of the exchanges, and of the banks and their customers gradually conforms itself to the new law. Outside of New York there was great diversity of action among the banks some closing and others remaining open. The main difficulty found with the working of the bill was in regard to notes falling due on a Sunday not a holiday, some holding as did the Clearing-House Association of New York that notes, etc., carrying grace, falling due on Sunday were payable as before on the preceding Saturday, others that the law made such notes payable on the next secular day. This defect has been remedied by the passage of a supplemental bill which was introduced by Mr. Shehan providing that paper falling due on Sunday or on Saturday or Monday, when the two latter are whole holidays, shall be due on the next succeeding secular day.

CHANGE OF DESIGNS OF UNITED STATES COIN.—The circular of the Director of the Mint issued on April 9th of the present year, which was published in the May number of the JOURNAL, calling upon artists to submit designs for coins of the United States, seems to have excited some adverse criticism. In another part of the JOURNAL a letter from a prominent Boston banker is printed which calls the attention to one of the disadvantages of change in the coinage. Section 3510 of the United States Revised Statutes under which the circular of the Director of the Mint was issued, authorizes the designs to be obtained, but it does not, except by inference, authorize them to be applied to the coinage. The question having been submitted to the Attorney-General, this officer decided that as the use of the coin was intended to be world-wide it was commercially important that the appearance of the coins of the United States should be familiar to the whole world, and that frequent changes in their devices or designs would impair their usefulness in this respect. Therefore he held that a special Act of Congress was necessary to empower the Director of the Mint to make any alteration.

RESERVE CITIES UNDER ACT OF MARCH 3, 1887.

In his address at the meeting of the American Bankers' Association on August 11, 1886, Comptroller Trenholm presented tables relative to the reserve held by National banks, and while remarking that the banks as a whole held more than the required amount, suggested that the excess was least in the banks in New York city, and less in the banks of the other reserve cities than in those located outside such cities. This appeared to indicate that the Comptroller was of the opinion that there was some disadvantage to the country in the accumulation of deposits in New York and other reserve cities, in which the tables presented seemed to show that the reserves were proportionately the weakest. The tables as well as the address were printed in the September number of the JOURNAL, and in commenting on them at that time it was pointed out that it was a misapprehension to assume the weak point of the reserves to be in New York city, and that this misapprehension arose from making the comparison on the basis of total reserves instead of upon that of cash reserves. The law permitted banks outside of the reserve cities to keep three-fifths of their total required reserves with their reserve agents in those cities, and banks in reserve cities other than New York to keep one-half of their total required reserves with reserve agents in New York, while the banks in New York city alone were required to keep their total reserves in cash in their own vaults. On a cash reserve basis, the New York city banks, with deposits on June 8, 1886, amounting to \$296,751,907, held \$89,855,515 in their vaults, or \$15,667,538 in excess of the legal requirement, which, reduced to percentages, shows a holding of 30.28 per cent. instead of 25 per cent. of liabilities, or an excess of over 5 per cent.

The banks in reserve cities outside of New York had on the same date deposits amounting to \$387,240,951, and, if like New York city, they had been required to keep their reserves in cash at home, they should have had in their vaults \$96,810,237, whereas they actually had only \$83,216,734, or about 21 per cent., a deficiency of \$13,593,503, or about 4 per cent., if measured by the rule of requirement for New York city. Judged by the same rule of requiring the total reserve to be kept in cash in bank, the country banks, viz.: those outside the reserve cities, with \$611,733,799 of deposits, should have had \$91,760,069, or 15 per cent., on hand, but they held \$88,092,935, or 14.2 per cent., showing a deficiency of \$3,667,134, or a little more than $\frac{1}{2}$ of 1 per cent.

A critical examination thus indicated that the weakness in reserve apparently imputed to New York did not exist at that point at all, but if there was any weakness it lay in the country banks, and especially in those in the other reserve cities. The Comptroller's attention appears to have been directed to this point, and in his annual report, which appeared in December, 1886, he recommended the law be so amended as to require all banks to keep on hand, or at some centre near their location, a larger proportion of reserve than the law now required. He adds: "The present provision, allowing a part of the reserve to be kept in a distant city, appears to be a survival from the system of redemption formerly existing, which was repealed by the Act of June 20, 1874,

and its maintenance seems inconsistent with the general policy of the laws as they now exist." This indicates that Mr. Trenholm was of the opinion that when Congress originally provided for the keeping a large portion of the bank reserves in central redemption cities, it had in view simply the redemption of the circulating notes at those points, and the reserves on circulation having been abolished and redemption at the reserve centres having been superseded by redemption at the United States Treasury, the law for keeping reserves at these cities had no longer a *raison d'être*. It also indicates that the Comptroller thought the home reserves of the country banks and of the banks in reserve cities outside of New York should be strengthened. An inspection of the original law shows, however, that Congress contemplated both reserve agents and redemption agents. The banks were permitted to select reserve agents, but they were obliged to select redemption agents. The Act of June 20, 1874, relieved them of the necessity of selecting redemption agents, but still continued the permission to select reserve agents.

A bill was introduced for the purpose of carrying out the Comptroller's suggestion and was passed by the House of Representatives in December, 1886. This bill added eleven cities to the list of those named in Section 5191, National banks in which were required to keep a reserve of 25 per cent, and added nine cities to those named in Section 5192, National banks in which might be selected as reserve agents. Richmond and Charleston were already named in Section 5192, but were not included in Section 5191, and this explains the difference in the number of cities added by the new law to the respective sections. Section 5195 was also amended to enable these reserve cities to keep one-half of their reserves in National banks in any of the other reserve cities, instead of compelling them, as heretofore, to keep such reserve as they did not retain at home in New York. The imperfection of this measure was apparent. It did not in any degree carry out Comptroller Trenholm's recommendations, which proposed greater reserves at home, and that reserves not kept at home should be held at near points. This bill did not in the least increase home reserves, and there was nothing in it to prevent the selection of reserve agents at points very distant from the banks. In its general operation it tended to weaken the reserves of the country in that it enabled banks to count as reserve balances which they, in any event, would have kept to meet the necessities of their business, but which had before been additional to the regular reserve they were required to keep. For instance, a bank—say in Cleveland—with a million deposits under the law, must keep \$125,000 at home and \$125,000 more either at home or in New York. The necessities of its business obliged it to keep balances at Chicago, Milwaukee, St. Paul and St. Louis—say \$10,000 at each place—or \$40,000 more. This amendment enabled the Cleveland bank to count this \$40,000 as legal reserve, and in times of pressure permitted it to reduce its reserve in New York by this amount, so that instead of having a real reserve of \$290,000, this law reduced its real reserve to \$250,000.

This bill was happily amended by the Finance Committee of the Senate, and became a law in its present form, allowing three-fourths in number of National banks in any city with 200,000 inhabitants, by application to the Comptroller of the Currency, to constitute that city a central reserve city like New York, and three-fourths of the National banks in any city having 50,000

population to constitute it a reserve city. From the Comptroller's office it is learned that St. Louis and Chicago have become central reserve cities under this law, and Kansas City, St. Joseph, Mo., and Omaha, Neb., have become ordinary reserve cities.

In all but Chicago the banks were unanimously in favor of the change. St. Louis made application on March 16th, and was approved by the Comptroller on March 18th. Kansas City applied on March 18th, and was approved March 21st. St. Joseph applied on March 24th, and received the Comptroller's approval on April 7th. Thirteen out of sixteen of the Chicago National banks applied on April 15th, and the Comptroller approved it as a central reserve city on May 2d. And, finally, Omaha became a reserve city on May 16th, the application having been received on the 12th.

It is too soon to tell with any certainty what changes in the deposit of National bank reserves will follow the action of the banks in the cities named. It is not probable that the effect of the change to reserve depositories of the banks in Kansas City, St. Joseph or Omaha will be very noticeable. Country banks that have hitherto found it profitable to keep balances in those cities will select reserve agents there, so as to have such balances count as reserve, but they will not necessarily increase their deposits. Wherever there is the more profitable use for money, there it will go, despite reserve laws. Chicago and St. Louis banks will probably not keep any less in New York than they have heretofore done. For some time these banks have found that their business required large home reserves. In time of pressure they may have cause to regret that they cannot use their New York balances to keep their reserves up to the legal requirement, as it may oblige them to cease discounting much sooner than they otherwise would. The banks in Boston and Philadelphia can now count their Chicago and St. Louis balances as reserve. The abstracts of the statements of the banks in the several cities on May 13th will be studied with much interest to see whether there has been any marked change in the status of bank deposits. This is the first statement called for since the law was put into execution. Omaha, however, did not become a reserve city until the 16th of May, and Chicago had only been working eleven days under the change. Probably the midsummer reports will be the first to give any sure data as to the effect of the law.

BANKS AND TRUST COMPANIES.

In an article in the October number of the JOURNAL, it was shown that the Trust Companies of the State of New York held as reserve against \$147,000,000 of deposits only \$7,000,000 in cash, and that for their real strength in this respect they depended upon their power to draw upon the reserves of the banks, and that thus the latter were sustaining a much greater load of credit than at first sight appeared. In other words, to understand the real reserve strength of the associated banks it was necessary to take into account the business of the Trust Companies. The writer well styled the latter a huge parasite banking system which, unacknowledged as such, drew its strength and sustenance from the acknowledged banks. All of this acquires new force since the decision of the United States Supreme Court given in the last number of the JOURNAL, in which by mere dictum the Court settles

that Trust Companies are not engaged in the same business as banks, and consequently do not come in competition with them. The Court says: "Trust companies however in New York, according to the powers conferred upon them by their charters and *habitually exercised*, are not in any proper sense of the word banking institutions." If the words italicized had been omitted, it might have been imagined that the Court confined itself to what might appear, from the charters of the companies, to be their sole business. From the use of these words, and from the quoting of the usual terms of the charters in full, it appears that the Court must have intended to make an examination not only of what powers the charters do actually confer, but of the powers which Trust companies do actually exercise. In coming to the conclusion that Trust companies are not actually "in any proper sense of the word banking institutions," the Court must either have labored under some misapprehension, or they were so misled by the desire to avoid interference with the taxing power of State authorities, even when unjustly exercised, that they strained a point in favor of the Trust Companies, to make them appear what they are not.

The charters of these companies grant among other things the power "to receive moneys in trust and to accumulate interest thereon." There is no restriction upon the methods they may employ to do this. And in fact if the Court had examined their workings under this clause it would have found that they receive deposits, subject to check and issue certificates of deposit, and certify checks in a manner precisely similar to the National and State banks, and moreover that the bulk of their business is of this character. Mr. Paine, Superintendent of the New York Banking Department, whose duty it is to supervise the operations of the Trust companies and make examinations of their affairs, says in his Banking laws (page 71) that "the distinction between Trust companies and banks of deposit is not as broad practically as it is in theory." That this is very true may be shown by an examination of their reports published in the report of the Superintendent of the Banking Department, transmitted to the Legislature in January, 1887. These reports bear date the latter part of 1886. From them it is found that the Central Trust Company of New York city, with a capital of one million dollars, had deposits subject to check amounting to \$18,430,291, and that it had loans on collateral amounting to \$13,328,892 and had purchased bills to the extent of \$2,885,796. The Farmers' Loan and Trust Company, with one million dollars capital, had \$19,504,861 deposits, and loans to the extent of \$15,746,255. The Mercantile Trust Company had a capital of \$2,000,000 and deposits and loans of \$16,760,380 and \$13,863,112 respectively, the certified checks reported were \$1,027,787 in addition to the deposits mentioned. The Metropolitan with \$1,000,000 capital had deposits amounting to \$4,453,384 and had loaned \$3,382,900. The New York Life Insurance and Trust Company, with a capital of \$1,000,000, had deposits amounting to \$14,382,553 and had loaned \$4,295,950. The Union Trust Company, with the same capital, had deposits to the extent of \$22,821,582 and loans to the amount of \$19,987,831, and the United States Trust Company, with a capital of \$2,000,000, had deposits to the enormous amount of \$32,182,954 and had loaned \$22,788,360. These loans were not made on real estate nor were they investments in bonds of the United States, States or cities or municipal corporations. They were loans on

collateral security just the same as those made by the banks. In almost every case the amount of this description of loan was more than twice as large as every other species of investment made. The daily quotations for money indicate that the comparative freedom from taxation enables the Trust Companies to offer loans on the best collateral at from one to one and a half per cent. less than the banks. This gives them the cream of the market. If cheap money is a good thing for the public, and the Trust Companies can offer it because of their exceptional situation as to taxation it would appear to be profitable to the public if the Trust Companies cannot be put on the same footing as the banks, to put the banks on the same footing as the Trust Companies by making their shares free of State taxation.

How it is possible to say that Trust Companies are not in any sense banking institutions when the great bulk of their business is precisely the same as that done by the banks? As a matter of fact the companies exercise all the functions of banks and in addition have other powers which the banks do not possess. The Court decides they are not banking institutions, not because they do not do the same business as the banks, but because the banks cannot do the same business as the Trust Companies. In other words, because the less does not include the greater, the greater necessarily cannot include the less.

CHANGE OF STANDARD IN ENGLAND.

Mr. Moreton Frewen, before the Chamber of Commerce, Bristol, England, made the following statements in regard to the currency question. He referred to the adverse theories accounting for the fall of prices, one ascribing it improved methods of production and transportation and the other to the diminution of gold, which, by unwise legislation, had become the exclusive currency of the greater portion of the commercial world. He premised by asserting the general theory that, as legal tender money diminished, prices would fall. In the 16th century, just before the discovery of the silver mines of Potosi, the whole monetary stock of Europe was but £35,000,000. The opening of those mines brought it up to £140,000,000, and prices rose nearly 300 per cent., or in proportion to the increase in currency. But from 1809 to 1880, the stock of currency diminishing 17½ per cent., prices fell 48 per cent., or much more than proportionally to the diminution of the currency. Between 1858 and 1878 the stock of sovereigns was reduced by 20 per cent., but, owing to improvements in banking and instruments of credit, prices had only fallen about 40 per cent. Mr. Frewen contended that an immense amount of gold is used in the arts, and stated that in Birmingham 10,000 sovereigns were melted down for this purpose every week. Although the vicious legislation making gold the standard of England was initiated in 1809, yet practically silver was not deprived of its place as currency until 1873, because up to that time France continued to hold open her Mints to the coinage of both metals at a ratio of 1 to 15½, and this enabled any holder of silver to at once turn it into gold. The action of France in 1873, closing her Mints, stopped the fly wheel of the world's monetary system, and the financial troubles of England date from that time. Of the £18,000,000 of annual output of gold from the mines, £12,000,000 is used in the arts, £5,000,000 is hoarded in India, and £1,000,000 goes to Egypt. In eleven years, says Mr. Frewen, only £75,000,000 of new gold has

been added to the world's currency, while during that period the United States and Germany have absorbed for their own use £180,000,000. Europe is losing gold at the rate of £12,000,000 per annum, and therefore prices are everywhere falling and industry is everywhere dismayed. As long as the French Mint maintained silver at a ratio of $15\frac{1}{2}$ to 1, the exporter of produce in India, where silver is the legal tender standard, sold his produce for gold, and changed that gold for silver at the Mint rate. When Indian wheat sold in London for £2 per quarter,—the two pounds sterling would buy 22 rupees. Now, when Indian wheat sells in London for a pound and a-half per quarter, because of the fall in the price of silver, the £1½ will purchase 23 rupees, and Mr. Frewen remarks that at a less gold price for wheat in London the Indian farmer, since the fall of silver, gets more for his wheat than he did before when the gold price was greater. While, therefore, the English farmer gets nominally less money, the Indian farmer gets more. Moreover, the rupee in India, so Mr. Frewen says, will buy more land or labor or commodities than it would when the gold price of silver was higher. Again, Mr. Frewen says that the Lancashire cotton trade can not continue to compete with mills in India if the gold price of silver continues to fall. Mr. Frewen states that the fact that a Royal Commission is considering the entire question is due to the agitation of the subject in Lancashire and to the Manchester Press. He believes that it is not necessary for England to wait for a monetary conference, but can single-handed settle the question by simply saying to its citizens, you may pay your debts in gold or in the silver equivalent of that gold—in other words, making silver a legal tender hereafter at its present gold value, viz., twenty ounces of silver for one of gold.

All this seems very plausible, and it is no doubt true that the cotton trade of England is beginning to suffer from the competition of the East Indian mills, established, as these are, within the cotton-growing district and contiguous to an immense home market. It is not, however, clear that the currency has anything to do with it, and Mr. Frewen's figures, such as he gives, are very inconclusive on this point. In fact, if the success of the competition were due to difference in currency alone, then the general reduction of prices, which he says exists in England, would seem to enable the cotton business to continue at a less range of profits. If the fall of silver enables wheat to be cheaply placed in the London market, it should also reduce the price of raw cotton.

Neither is it so clear that the Indian farmer benefits because of the fall in silver. Just after the late war in the United States, it was said that the greater the depreciation of greenbacks the easier to export wheat. This was so, because of the greater margin of profit for the exporter. If wheat were a dollar a bushel, net gold price in London, and gold at 120, the exporter could buy 6 bushels in this country for every five sold in London. The farmer never got the London gold price in reality, but he got the nominal London price paid in greenbacks. It was the exporter who profited and, as a rule, failed to divide this profit with the farmer.

The Germans are said to be highly elated at the success of their recent loan to the Chinese. They feel they have beaten England in a transaction which is the forerunner of extensive dealings with China.

*** ALEXANDER MITCHELL.**

The death on April 19th of the Hon. Alexander Mitchell, President of the Chicago, Milwaukee & St. Paul Railroad Company, and of the Wisconsin Marine & Fire Insurance Co. Bank, of Milwaukee, removes one of the most prominent bankers and financiers, not only of the North-west, but of the country. As has been remarked, his death in this city, where he frequently came to look after his interests, suggests how intimately the ties of business connect all sections of the country. The men who are financially prominent seem to belong to no State or section, but to the nation at large.

The effect of the announcement of his death was a temporary depression of the stock market, which has become the appropriate sign of the death of a great financier, as the flag at half-mast is that of the death of a great general or statesman. Mr. Mitchell was born in the parish of Ellon, Aberdeenshire, Scotland, on October 18, 1817. His father was a farmer. While yet in his teens he essayed the study of law in Aberdeen. This did not suit his taste, and he soon abandoned it to enter a banking house in Peterhead. His banking history is one of the most interesting in the banking annals of the United States, and is intimately connected with the growth of the great North-west.

In 1834 George Smith, a Scotchman from Aberdeen, came to Chicago, at that time a mere village, seeking opportunities for profitable investment. He was so well pleased with the prospect that he returned to Scotland, and there organized the Scottish Land & Investment Company, of Illinois, and associated with himself Messrs. Strachan and Scott. There was great scarcity of money in the West and of banking facilities, and great ignorance of the true principles of banking. Owing to this there was a fine field in which dishonest and ignorant adventurers had exercised their talent much to the detriment of the general public. The people generally were opposed to banks, but obliged to use the bills they issued. Mr. Smith was well acquainted with Mr. Mitchell, who was then employed in the banking house at Peterhead, and well knowing his abilities and innate fitness for financial affairs, associated him with himself in the new enterprise, undertaken in 1839, of starting the Wisconsin Marine & Fire Insurance Company at Milwaukee, the charter of which was obtained from the Territorial Legislature of Wisconsin. It was not supposed to have banking powers, which, in the public mind, were synonymous with issuing promissory notes to circulate as money; but its charter granted the power to receive deposits and to make loans, and of course to issue certificates of deposit. The exercise of the latter privilege in reality gave the power of issuing circulation, as the certificates were engraved like bank bills and in similar denominations.

It has been stated that Mr. Smith did a banking business previous to his association with Mr. Mitchell, but the fact is that no real banking was done by him until after Mr. Mitchell's arrival in this country, and the experience and ability of the latter was one of the principal inducements to take this new departure. The charter was like others granted in the West, but the

* An excellent portrait of Mr. Mitchell appears in this issue of the JOURNAL.

success of this institution was due not to the law of its creation, but to the firm characters and sterling honesty of Messrs. Smith & Mitchell, and what was of equal importance the training of the latter in the details and principles of Scotch banking. Other similar institutions in the West, started under more favorable Legislative privileges and with more capital, broke down with disaster or disappeared in disgrace, while the Wisconsin Marine and Fire Insurance Co., known popularly as "Smith's Bank" or "Mitchell's Bank," went through financial panics, successfully resisted the intrigues of conspirators against its credit, and stood firm amidst runs made upon it until it stood higher than any bank in the North-West, and its bills were at that period as well and universally known as a gold certificate is to-day. A detail of all the reasons of the want of success of many other similar banking enterprises would occupy too much space. The principle that insured the success of "Mitchell's Bank" was that no certificate was ever put in circulation unless full value in coin or security came into the bank. The circulation at one time reached the enormous sum of \$1,800,000, and every certificate was promptly redeemed on presentation.

In the degree that the development of a country is due to a good currency, the development of the North-West owes much more than has been generally understood to the currency furnished by Mitchell's Bank, in a day when wild cat, red-dog and stump-tail currency was the disgrace of the banking business. The certificates were redeemed not only at Milwaukee, but at agencies in Chicago, Galena, St. Louis, Buffalo, New York and other important points. To indicate the wide extent of this currency at that early day it is said that over 34,000 of the bills were never returned for redemption although the bank stands ready to redeem them if any of the missing notes should ever be presented. Such a record of the special business of a man under the peculiar temptations of the times and without any Legislative restriction bears witness to his firmness, his honesty, his purpose, as well as to his financial ability and far seeing shrewdness. In 1853 the Wisconsin Marine & Fire Insurance Co. was reorganized under the free banking law of the State of Wisconsin, and thenceforth was known as the Wisconsin Marine & Fire Insurance Co. Bank, of which institution Mr. Mitchell continued to be the President and chief owner until the day of his death.

It is not only as a banker that Mr. Mitchell is known in the United States. In later days his reputation rested more on his success as a railroad man. In 1863, the railroads of Wisconsin, which had been organized by small and weak companies, were generally bankrupt, and were in process of foreclosure. The purchasers at the sale in 1863 organized the Milwaukee & St. Paul Railway Company, and in June, 1865, Mr. Mitchell was elected its President, which office he held continuously until his death. In 1871-72 this company extended its line from Milwaukee to Chicago, and in 1874 the name was changed to Chicago, Milwaukee & St. Paul Railway Company. At the time of the reorganization the shares stood at \$10 each and have been recently quoted at \$92. The same qualities that rendered him successful as a banker have been manifested in his railroad management. Naturally conservative, he at the time quickly recognized all that tended to true progress. As a bank man he belonged to the whig party, and seeing the disintegrating influence of slavery he became a republican. He supported Andrew Johnson's policy in the rehabilitation of the States, and perhaps from a bias in favor of free trade he has since continued

a member of the conservative wing of the democratic party. He was twice elected to Congress, in 1870 and 1872, and declined a renomination in 1874. He was a friend and admirer of Mr. Tilden, and actively supported him in the campaign of 1876. In 1879 he declined the Democratic nomination as Governor of Wisconsin. When in Congress Mr. Mitchell was a firm supporter of measures for a return to specie payments and the protection of public credit.

He was married in 1841 and has one son, who succeeds him in the Presidency of the bank.

HOW TO GET BUSINESS.

To illustrate the effect of advertising in the JOURNAL, an advertisement was inserted for the first time in the May number for a Kansas investment firm, accompanied by the usual reading notice. The number was issued May 9th, and the following letter dated four days later was received from the firm :

Messrs. Bradford Rhodes & Co., New York :

TOPEKA, Kan., May 13, 1887.

GENTLEMEN : We are well pleased with the style of our advertisement in the May JOURNAL OF BANKING, and the reading notice referring to it is exactly to the point.

We have already received several applications for our guaranteed loans, and also for the Investors' Guide, in every case the applicants writing they saw the advertisement in your JOURNAL.

Yours truly,

HODGES & KNOX.

Other letters of similar purport are from time to time received upon which is based our claim that banks, bankers, investors and those engaged in moneyed transactions can get more new business while retaining the old than by advertising in any other way. The JOURNAL is exclusively a banker's magazine, and the banks and others who advertise with it are well known to be of high standing, and this inspires confidence in the minds of those classes who furnish or are seeking investments and who necessarily deal more or less with the banks and follow their lead. It must be said however that bankers, with some notable exceptions, seem to appreciate the advantages of advertising less than any other class of business men. This is due to the conservative traditions of a business that originally was a monopoly both in the sense of possessing exclusive chartered rights, and in that of possessing masses of capital at a time when capital was comparatively scarce. But now banking is free as far as legislative enactment can make it, and the increase of capital in the country leaves very little chance of gathering so much in one institution that in this respect, it can be fearless of competition. That many conservative institutions take this view may be seen from their advertisements in the JOURNAL.

Some old established banks are inclined to think that their business is already built up and finished, and that they need no new introduction to the public. Others of equally long standing are more progressive and find that advertising so as to reach the banking public does not fail to increase business to the same extent as if they were newly organized and competing for public favor for the first time. Some say their business is local and that publishing it abroad is useless, but business in the United States has long outgrown county and State and section lines, and what is done in one part is felt in all others. Banks must conform to custom. It is custom, recognized by the Courts that has given them their powers. The custom of advertising is a growing one among banks, and as a rule all will have to comply with in one way or another. Every business has its own publications and to these the

public look for information about that business. A banker's periodical is the place where the public look for information about banks. There was a time when banking was a mystery having numerous points in common with the recondite practices of charlatans astrologists and alchemists. A mysterious reticence is no longer looked upon as necessary to the reputation of either doctors or bankers, publicity is no longer feared and judicious advertising is the real philosopher's stone, working golden transmutations.

TREASURE TROVE.

From *Chambers' Journal* we gather the following facts relative to recovering treasure concealed and forgotten in other days. In 1880 a copper flagon was turned up at Fortrose, Scotland, with more than a thousand silver coins in it, all of the reign of Robert III., between 1390 and 1406. The same year a shepherd at Langhope found in a sheep drain a brown pot which was full of silver coins and jewelry.

In 1881 a crockfull of pennies of the Teutonic Knights bearing dates of the 14th and 15th centuries, and stamped with the arms of the grand masters of the order were ploughed up by a peasant at Rosenburg, in West Prussia. The same year in Kent, England, a laborer broke up for fuel an old chest of drawers he had twenty years previously purchased for a few shillings. Out of a secret drawer rolled some score of gold coin of the reigns of William III. and the earlier Georges. In January, 1882, while some repairs were being made in a house at Leicestershire a leathern bag with crowns and shillings of Charles II., James II. and Queen Anne came to light. In February in Sweden was found a hoard of silver bowls of the twelfth and thirteenth centuries with runic inscriptions, and also a number of gold armlets, necklace, rings and spoons. In July a big pot-full of late Roman coins was discovered near Yeovil, England. Another old pot containing two hundred and fifty coins of Queen Anne's reign was found by two laborers near Watford. And finally, in an old house in Paris, once owned by the Marquis d'Effiat, of no enviable fame, were found in a copper jar seven thousand eight hundred and eighty-two gold pieces, worth twenty thousand dollars as bullion, and some of them of great extrinsic value as instances of the coinage of some of the rarest reigns of all French history.

In 1883 a workman on the Earl of Darnley's estate at Cobham, Rochester, unearthed an old clay pot containing coins of the later Roman Emperors. In 1884, in the island of Skye, some silver coins of the reigns of Elizabeth and Henry of Navarre were found in the bed of a stream. At Laon, France, a peasant ploughed up some twenty-five antique silver vessels, and in Rome eight hundred and twenty-nine Anglo-Saxon coins were discovered, three of King Alfred and two hundred of Athelstane, all hitherto considered of much numismatical value. In Wales three hundred silver coins of Queen Elizabeth and James I. were found in a mountain wall. In 1885, two men cutting a drain in Cumberland came across two hatfuls of coins of Edward I. and King David of Scotland, the latter of whom, according to the ancient chronicler, had nine sons, all fond of war. Beneath the wall of an old stable at Long Emsdon, England, was found a vessel containing eight hundred coins of the reign of Queen Elizabeth, and a few of the reigns of James I. and Charles I.,

probably left by some Cavalier or Roundhead of the revolutionary period. A ploughman at Watton turned up one hundred and eighty ancient guineas in a pot covered with a stone. In demolishing an old house at Svendborg, in Denmark, the workmen found ten bars of fine silver and three thousand seven hundred and seventy-four gold and silver coins. As there had in the case of this house always been a tradition of hidden treasure connected with it, the previous owner in selling had reserved the right to any treasure that might be found. In 1886 over three thousand silver coins, together with small rods of fine silver which in early days were cut up and used in lieu of coin, came to light in the island of Gothland.

At Faversham, in the King's field, England, a large number of old coins and gold and silver jewelry set with garnets were dug up. A workman engaged in splitting some old beams taken from a demolished farm-house at a little village in Bedfordshire, opened a cavity in one, from which rolled out more than a hundred bright gold coins—nobles, angels and half-angels of the reigns between Henry VI. and Henry VIII.

All the preceding instances occurred abroad. In the daily papers, from time to time, we read of similar finds in the United States. Not to speak of such ancient and well-known traditions as Captain Kid's buried treasures, and the golden guineas known to have been sunk in the British frigate *Hussar*, quite recently we hear from Texas how an iron pot containing more than \$1,000 in gold coin was dug up at a spot indicated by an Indian woman on her death-bed. Another more wonderful story from the same region is that a farmer, while ploughing, saw a twenty dollar gold piece sticking up in the furrow. As he ploughed on he found more, and finally calling on his hired man, the two finally by nightfall unearthed and picked up twenty dollar gold pieces amounting to \$5,640. This treasure is supposed to be part of the gold paid to Indians for their reservations by the Texas Government. In Milwaukee some workmen digging in a cellar came across a box which was found to contain gold coin, U. S. and foreign, amounting to \$20,000. This was the hidden treasure of a Milwaukee miser. The greatest news of this kind comes from India, which is par excellence the country of buried treasures, and indicates the discovery of over \$25,000,000 buried under the palace of Gwalior by the late Mahrajah. It was sunk in pits beneath the Zenana, and covered with flag-stones. When the flag-stones were removed the pots were found filled to the brim with silver, mostly freshly coined rupees. The Indian Government promptly gave the young Mahrajah an opportunity to invest the treasure in its own securities. This is characterized by some as a forced loan.

All this goes to show that there must yet be numbers of treasure hoards within reach if one only knew where to look for them, and probably as human instincts are much the same to-day as they ever were, the number of new hoards hidden away equals, if it does not exceed, those discovered. In ancient days, in cases of war and tumult, when plunderers were abroad, the only way to keep money safe was to hide it. A violent or sudden death, either by war or plague, sent silent to the grave the possessors of the secret. In modern times we are accustomed to think that people have given up keeping their own money, and intrust it to banks and in paying investments. It is probable, however, that large amounts are still hoarded. In fact it is hard to account for large sums of gold coin which are known to come into the country except

on some such supposition. Centuries hence, when New York may have become as Venice, the dead monument of a departed commerce, the hearts of antiquaries may be delighted by the discovery of eagles of the reign of Cleveland, or of Garfield or Lincoln, chopped out of old beams or dug up in iron pots. Even the despised silver dollar may become so hallowed by the traditions of the past, that it may then hold a place of dignity in the collections of enthusiastic numismatists. That day now appears to be very far off.

THE PRIZE ESSAY ON "COUNTRY COLLECTIONS."

Some months ago we offered a prize of \$100 for the best descriptive article on this important subject, a condition of the competition being that not less than four Forms illustrative of the plan proposed—such as the design of Record Books, printed blanks, etc., to be used—should be included and form a part of the article.

We were somewhat surprised that so many would undertake the task—over thirty papers of all classes being submitted. Five gentlemen consented to act as Judges—one in Boston, one in Chicago, and three in New York; but owing to the vast amount of MSS. sent in, and the distance between the judges, it would be too much of a tax on the time of these gentlemen to pass on the merits of the various contributions. To obviate this difficulty, and at the same time ensure fairness to the contestants, we have decided on the following plan:

The Editor and the Associate Editor of the JOURNAL have examined all the papers carefully and selected seven of the best which have complied with the conditions named in the offer.

These will all be published in the JOURNAL in successive numbers, as follows: Two in this issue, two in July, two in August, and one in September. When the series is completed we will ask the JOURNAL's readers to indicate on a postal card the one entitled to the prize—each subscriber being entitled to one vote. The voting will be limited to four weeks after publication of the September number, when the cards will be counted and the name of the successful contestant duly announced in the JOURNAL.

United States Bonds Found.—A farmer near Boston found \$500 in United States bonds in a hole in a stone wall on his farm. He took them to a Boston bank, and, as there was some doubt as to their genuineness, they were sent to the Treasury Department, where they were pronounced genuine. It is announced that the Government will neither redeem them nor return them to the sender, but will hold them until the loser shall be discovered, and that the finder can never recover them, even if the original owner never appears. If this is true, it certainly is very mean and absurd for the Treasury officials to run directly in the face of the settled law in regard to such finds, which is that the finder has a good title against all except the loser. If the loser does not turn up within a reasonable time after due publicity, the Treasury simply exercises arbitrary power in refusing to redeem them for the finder. There is no possible way that they can belong to the Government, except by seizure. The finder can probably recover them by suit in the Court of Claims, but who wants to be subjected to the trouble and expense of long and tedious litigation for \$500. In this respect the Government acts like the alleged grasping corporation, intrenched in power and defying just claimants with the machinery of the Courts. No wonder claim agents flourish.

***DOMESTIC EXCHANGES AND THEIR TREATMENT.**

BY NEMO.

"Practical Banking," the name under which this subject is to be treated or published, is to my mind not quite the correct name for it—practical banking being really the every-day practice of banking business, and the handling of the various classes of financial transactions which come under the actual supervision of a banker in the active pursuit of his business. It is, moreover, a practical application of an experience gained after years of constant work, care and observation in a common-sense and judicious manner. Writing on such a subject as this partakes more of the nature of theoretical, or, more properly, educational banking, as it is, to a great extent, beneath the usual scope of an experienced banker's observation and every-day care; in fact, more in the sphere of the clerical force of his office. It is, notwithstanding this, a subject with which every banker should be conversant, as I believe the head of any establishment is much more efficient when he is thoroughly acquainted with the details of his business, although it does not necessarily follow that he need perform them, but that he is able to instruct others as to the best means of performing them.

If a banker can suggest any means of saving labor, or lessening the number of entries coming under the hands of his fellows daily, he is entitled to their gratitude; for, as the commerce of the country increases, so does the amount of banking transacted, and with it the number and extent of entries passing through the various financial institutions. Every day we see hailed with delight the various intricate mechanical contrivances invented for the saving of manual labor, and therefore any scheme devised for lessening the clerical work of a banker's office should receive the same welcome.

I cannot, I feel confident, commence this article better than by giving a quotation from a work on banking, recently published, with which it would profit, I am certain, even experienced bankers to become familiar. I refer to Rae's "Country Banker." Under the head of "Routine Duties" the following passage occurs: "The routine of a bank, to a large extent, is automatic, and is usually framed on the simplest and most direct methods of doing those things which have to be done swiftly and effectually. In office work you prefer to reach an object by the line of its diameters, rather than by that of its circumference. Here and there, no doubt, a bank may still be found with leanings to old ways—to methods of reckoning and account which would seem to add needlessly to human labor. If a man is a benefactor to his species, who causes a blade of grass to grow where one never grew before, the man who renders one book entry out of three to be forever needless deserves the lasting gratitude of the clerkhood of banking. Superfluity of record and excess of books and book-entry only puzzle the brain, lengthen the hours of office work and multiply the chances of error."

If, therefore, the publishers of RHODES' JOURNAL OF BANKING can, by their enterprise, elucidate any scheme which will fulfil the object of the essay for which they have asked, they will have accomplished a most beneficial work for the banking community in general.

Under the heading of Domestic Exchanges must be classed the enormous number of items covering the vast amount of money passed through banks daily in the shape of out-of-town checks and drafts of a short date—say sight, three days' date, and three days' sight. These are varying in amount from a check of a few cents to a newspaper publisher for a subscription or sales of

*One of a series of articles on "Country Collections," in competition for the prize of \$100 offered by the Publishers of the JOURNAL. Subscribers are invited to vote on the best when the series is completed—particulars are given on another page.

papers in a country town, to the many thousands in payment for large purchases of goods, or stocks in Wall street.

In fact, being the most convenient of the several ways of remitting money, it is most frequently used by merchants and others having occasion to do so. There is more or less trouble connected with the remittance of money by express, money orders, postal notes, or bank drafts, and risk as well by registered letter, and more still by ordinary letter. In these days of extended banking facilities there are few people who have occasion to remit money who have not a bank account; and, what is more convenient than to sit at one's desk and draw a check on our banker for the amount to be remitted, and by adding the small amount of bank charge for collection—in many cases smaller than by any other mode of remittance—obtain payment to a correspondent, and in due course a receipt for the amount, as well as an assurance of the money having reached the party for whom it was intended by receiving all the checks paid by the bank against one's account at the end of each month, as is the custom now in all well-regulated banks?

Perhaps it would be as well, under this head, to mention a custom which should not exist. I mean that of remitting checks without making the addition of the bank collection charge, which is frequently done. This is, of course, incorrect, and to some extent mean, as it is well known banks make some charges, and annoyance as well as loss is caused to the receivers when the charge is exacted by the bank and not allowed by senders. Of course this does not apply when the agreement is that payment shall be made at the residence of the party remitting. I would ask those whose eye this reaches to bear this fact in mind.

Many customers of banks use the Domestic Exchanges account as a very convenient method of collecting small amounts due by parties who do not remit as promptly as they should, or where by agreement the money is to be so paid, in which case the bills come under the head of sight, or drafts of a few days' date.

The scope of this paper is:

First—How bankers can handle Domestic Exchanges to insure prompt returns.

Second—A fair profit.

Third—The greatest degree of safety.

As a banker's rule is, or should be, to place safety beyond all other considerations in his business, I shall discuss the last of these sub-divisions or headings first—*i. e.*, how to handle exchanges with the greatest degree of safety. There are two kinds of safety, *viz.*: safety in remittances reaching the collecting bank, their safe collection, and return to their owners in good money, and safety in lending your customers money on these items. As to the last mentioned, a banker must exercise the same caution with a check or draft as he does with any other description of security. As many of the items in the Domestic Exchanges are casual only—*i. e.*, not with regular customers, a most stringent rule should be made that no dealings should be had with strangers, however respectable they may appear or plausible they may be, unless they are properly introduced by a responsible customer of the bank in person, and the transaction is indorsed by him in the presence of a bank officer. Banks occasionally lose money by these transactions, but if the rule I mention is followed no loss can possibly happen. With regular customers a bank is quite safe in any of these transactions, provided they are legitimate, and for amounts for which the names would be taken in other dealings.

As to safety in the other sense, it is a comparatively simple thing, and is insured by sending items for collection to the bank's own correspondents, where possible, or to a chartered bank or respectable and responsible private bank, in the place where they are payable, properly indorsed, to the collector. Some banks remit bills for collection indorsed in blank. This is a very unbusiness-like, as well as unsafe, custom. Care being exercised as to directing and mailing of letters—with the admirable Post Office system of the country—no danger of loss should be feared in transmission. As a rule, coupons, bonds and other securities which pass by possession and not by indorsement, should be sent by registered letter, or, if of great value, by express. Correspondents

should also be warned to obey implicitly any instructions given with the bills for collection—*i. e.*, as to disposal of bills of lading, etc.

How to obtain a fair profit on all transactions is a point which should be carefully considered, and a profit to the bank insisted upon, for it was for just such transactions banks were first organized, and it may be regarded as certain the business was not done then for nothing.

I fear this is a point not considered at all by many bankers, or, if considered, not persisted in by exacting a profit in every case. This, I think, is particularly the case in New York city banks, where some make a practice of charging only on items of over \$500. When it is considered that the vast majority of these items are under \$250—and it is just as much trouble to collect an item of \$5 as one of \$500—the risk, of course, is not so great, the force of my statement is quite apparent. The whole machinery, if I may call it so, of a bank, the experience of its senior and the time of its junior officers, its stationery, postage, etc., and the same of its correspondents, are all employed in the service of a party depositing one of these items. Why, then, should there be no charge, or one in which there is no profit? True, the charge, if any, is small, but then the majority of bank charges are the same; and although it may seem a very small thing to omit one of these charges, the aggregate of them would swell or diminish the yearly profits materially if exacted or omitted. Another point is that a very considerable amount of a bank's funds is constantly in the shape of these items, and therefore actually so much paper discounted on which no discount has been received. A Cashier of a large National bank in New York city once told me that he had \$4,000,000 outstanding in just such transactions. A thoroughly experienced head officer of a large bank, whom I know well, holds the view that the charges made for exchange of various kinds should pay the expenses of the bank, leaving the discount and interest clear for dividends and other purposes. I don't think, however, this is often the case; but at the same time the opinion of such a man as I mention is a good guide of what should be aimed at by banks in general in this way. As I said before, I fear bank Cashiers do not consider these points sufficiently.

To make a fair profit, therefore, a charge should be made on each item sufficient to cover interest on the money whilst in transitu—*i. e.*, from the time of receipt until it is returned paid, the charges of the collecting bank, and a reasonable charge to cover all other incidentals, such as postage and stationery. As a rule, no check or draft, however small, should be taken for a lower charge than 25 cents, no matter on what point. Banks know what their correspondents charge for collecting, and the charge they make should be considerably over that, so that there would always be a good balance at the credit of exchange or commission account. The rate of charge on large amounts might be fixed, to a great extent, by the cost of transmitting the same amount by express or special messenger; and if the state of the bank's account with its correspondent would admit, or it was expedient for any other reason to make a low charge, a bank could easily charge less than either, and send the amount more safely and promptly as well.

Generally, as to profit on these transactions, a bank should know what it costs to collect, and then charge the customer an additional amount, so as to leave a clear profit of at least $\frac{1}{2}$ of 1 per cent. over everything, making, as I said before, no charge to a customer of less than 25 cents. What I have said is broad enough to apply both to city and country banks, but in the latter, which are constantly drawing on a centre like New York, and therefore always require funds, it may suit their convenience to make no charges; or, indeed, pay a premium for New York exchanges, taking their profit on the sale of their own drafts to other customers or banks. As a rule, however, a charge should be made in every case, and if this was persisted in by banks generally, it would soon educate those who remit by check to allow or add a small sum for bank commission.

The third part of this subject, or how to handle the numerous items designated Domestic Exchange so as to save time and cause the least trouble, is a comparatively easy matter when it is acknowledged, as it must be, that a certain amount of trouble must be experienced and a certain amount of time

devoted to the work. For the purpose of brevity I shall designate all these checks and sight drafts of which I am writing as "Cash Items." In dealing with these items, which are particularly numerous in large centres like New York and Chicago, it would, to my mind, be an exceedingly convenient way of disposing of them for other banks, and a very profitable thing for the originators, if a bank was incorporated solely for the purpose of collecting out of town items. If there was such a bank, then each day at the Clearing-House these items could be cleared like checks payable in the city, by being deposited with the collecting bank. The collecting bank would naturally have a large amount received each day in payment of collections to deposit, and thus reimburse the other banks at once. The commission charged on the items would pay the collecting bank for its trouble, and should pay a handsome dividend on a moderate capital. This is of course only a suggestion, but I have no doubt it could be worked into shape by many of the clever financiers of the large cities of the country.

For present purposes, however, I would say that each cash item received should be indorsed by the person from whom it is received, at the time of receipt, for the obvious reason that if it is returned unpaid, or refused acceptance for any reason, recourse could at once be had to the indorser. For book-keeping purposes a register should be kept—see form "A"—called "Register of Cash Items," divided into three parts, viz.: for agents, other banks, and for other items than checks not payable on demand, or rather presentation. Each item should be entered in the register under one of these heads. The register should be ruled as in form "A," and give the following particulars: Date of receipt; number, which is placed at every item, for convenience of reference in case of return for any reason, or telegraphing about it; name of drawer or maker; name of drawee; number of it, if it is a bank check or draft; place of payment and date of item; term, i. e., demand, sight, three days' sight, etc., etc.; amount; commission received, and lastly, when paid. The use of each column is quite plain, and all these particulars are necessary for tracing the item or procuring a duplicate in case of loss during transmission or otherwise. The last column is necessary to show what items are outstanding or unpaid, and as the items paid each day are so marked, a glance would show the Accountant or chief Book-keeper if it was necessary to work about any of them, inquiring as to cause of delay in payment. The register should be carefully and accurately kept, as it is a very important book. An account should be opened in the general ledger of the bank, called "Cash Item Account," and to it charged through the cash book, at the end of each day's work, in one sum, all the items received during the day and not charged to agents, as hereinafter mentioned. The entry would simply be: "Cash Items as per register."

Register of Cash Items. (FORM A.)

DATE (OF RECEIPT), 1886.	DRAWER OR PROMISOR.	DRAWER OR ENDORSER.	PLACE WHERE DUE OR SENT.	TERM.	DATE OF ITEM, 1886.	AMOUNT.	WHEN PAID.
November 1	John Smith.....	Third National Bank..	Cheboygan, Mich.	demand	October.. 24	100 00	(Other bank.) Nov. 10.
" 5	Robt. Jones.....	Jas. Thompson.....	New Orleans, La.	3 d's	November 4	500 00	(Tms afta.) Nov. 18.
" 6	First Nat., Albany..	Twenty-fifth Nat. Bank.	New York.....	demand	" 3	300 00	(Agency item.) Debited.

(FORM B.

TWENTY-FIFTH NATIONAL BANK.

New York, November 10, 1886.

Credit		<i>Cash Item Account, as per register.</i>
1525.....	Third National Bank.....	\$100
1349.....	Smith.....	300
1268.....	Jones.....	500
		<u>\$900</u>
Debit		<i>Commission Account.</i>
Paid for collecting \$1,525.13 and \$1,349.36.....		50 cts.
(Totals only in Cash Book.)		A. B., Book-keeper.

FORM C.

F. C., President.

CAPITAL, \$1,000,000.

A. B., Cashier.

TWENTY-FIFTH NATIONAL BANK.

New York, November 2, 1886.

The First National Bank, Chicago.

PLEASE CREDIT the following Cash items, amounting to \$1,700.
Credit full amount. If any unpaid, return at once at our debit.

1329.....	300
1356.....	500
1453.....	900
	<u>\$1,700</u>
(If not sent to agents, instead of "Please Credit" say "Please Collect" and remit in one amount, returning this memorandum with check containing the unpaid items.	

(FORM D.

TWENTY-FIFTH NATIONAL BANK.

New York,, 188

COLLECTIONS RETURNED. PLEASE MARK REASON FOR RETURN BELOW.

Acceptance refused; no reason given.	Cannot pay at present.
Payment refused; no reason given.	+ Out of town.
Amount not correct.	Does not owe amount.
Goods not received.	Has remitted check.
Wants extension of time.	Drawee will write.
Failed.	Drawee cannot be found.
Not due.	Notified Drawee; no response.
Closed up.	

The account would be credited each day with the paid items, in one sum, after having been entered on a slip, "form B," in the same words as the debit entry above. The account would naturally always be a debit, except no items were outstanding, and the balance could be proved at any time by comparing

it with the outstanding items in the "Cash Item Register." The commission received and paid for collection could be credited and charged to commission account in one sum in the same way, daily.

If properly worked this would be found very little trouble, and would keep the account of these cash items perfectly accurate always, and permit the tracing of each one easily.

Now as to reason for dividing the register into three parts, with three distinct series of numbers.

Mostly all banks, both city and country, have accounts with other banks who act as their agents. It could be easily arranged, and no doubt is, that all items received daily and payable at the town where the agency is, should be charged at once to the agency, and transmitted to it by first mail, with a list as in form "C," the receiving bank crediting the amount in full at once, and re-charging any item not paid. This would dispose of a great number of the items without further entry or trouble than the record I have mentioned, the monthly account current showing that all were credited correctly. It is, I believe, the custom in some New York banks to send the items to their agents for collection, and have them remit periodically, say fortnightly. This course is cumbersome, and allows the agency the use of the money longer than is necessary. The first division of the register would contain all these agency items; the second would contain all those sent to other banks, and the third all items payable at either agencies or other banks other than checks, and which would entail an advice of payment from the agencies or a draft in payment from the other banks.

In the case of items sent direct to agents and credited immediately by them, the last column of the register, "when paid," need not be used, and in case of items sent to other banks, form "C" could be slightly varied to suit the circumstances.

In using form "C" with agents no letter would be necessary, or indeed with other banks, a press copy of the list being sufficient, but care should be taken to see the receipt of the "Cash Item List" was promptly acknowledged.

A carbon sheet might be used if considered more convenient than copying the list in a letter book.

The preceding remarks refer more particularly to checks which are payable on presentation, and in the collection of which no delay occurs; with sight and short dated transactions it is different. They should be entered in the third division, particulars given, and numbered precisely as in other cases; but as collecting banks cannot credit or remit for them immediately or in one sum, and it is frequently necessary to give instructions as to disposal of bills of lading or other documents attached to them, it is better to write a letter with them, giving each item separately.

I know of no particular form of letter to be used, the usual heading and simply "Please receive herewith for collection" being sufficient. If any special instructions are to be given they should be attached to the draft so as to be easily detached, and a reference made to them in the letter. This is important in case it should be necessary to hold the collecting bank liable for any negligence. Collecting banks should be cautioned not to retain drafts for acceptance or payment at request of the drawee without permission from the owners or the senders.

Many banks have schemes of their own for ascertaining particulars of the dishonor of drafts remitted for collection. A memorandum such as form "D" is often attached, which is very convenient for the collecting bank, but as it has the appearance of the remitting bank expecting a great many of its collections returned for some reason or other, I do not consider its adoption except universally would be an improvement. Banks should, I think, discourage by all means—in fact, refuse altogether—any drafts having the appearance of "kiting" amongst their customers: *i. e.*, making accommodation drafts, no actual transaction forming the base of them, or of manufacturers or dealers drawing upon their customers unless they are reasonably certain the drafts will be accepted and paid. I have known firms to "finance" for a time by making such drafts, well knowing they would be refused, or the

drawee would re-draw, but in the meantime they would have the use of the money for a few days.

It is a great discredit to a bank, to my mind, to have its collections returned unaccepted or unpaid frequently. Even the practice of attaching slips of "no protest for non-acceptance," which has become so general of late years, should be discountenanced, savoring as it does of no right to draw; and the draft sent forward as a legitimate business transaction, being what it purports to be, an order to pay money which is due and owing in the tenor of the draft.

Where collections are sent a long distance it is a good plan to have the collecting bank, especially if the amount is large, remit to New York agents, or other place when the cash is wanted direct, advising the remitting bank of having done so and the amount, as it saves the time of remitting to the owner and that bank having to forward to New York or elsewhere. For example, a bank in Minneapolis sends a draft against a shipment of flour to Halifax, with instructions to remit proceeds to its agents in New York, instead of to itself, thereby having the money reach New York ten days earlier.

As I said at the commencement of this essay, Practical Banking is the application of one's knowledge of the profession in a practical, *i. e.*, common sense way, and in doing this an evidence of knowledge is the placing of the ideas in as few words as possible. I have striven to do this, and so successfully, I trust, that what I intend to convey may be readily understood by those who, although they may have little experience, have aptitude for their business, and who are aware that in banking more probably than any other business, "nothing succeeds like success," and that constant vigilance is necessary to achieve success.

DOMESTIC EXCHANGES.*

BY SUTTER.

The majority of banks are small compared with the great city banks, and one clerk "plays many parts"; in fact, each part is played by more than one clerk, according to the needs of the day and the business. It therefore follows that the small banker is more acquainted with all the routine of the service than the great banker. At least we small bankers so think, and as one of that class I now humbly offer my contribution towards systematizing and shortening our duties.

The checks on ourselves which we receive or cash, of course go to the ledgers, and thereafter are useful only as vouchers to prove the accounts. Their care and custody do not come within the scope of our text.

All other documents, however, seem to come under the text.

It is our custom to keep a supply of envelopes, somewhat longer than a check, with a simple printed form on its face, leaving space for the owner's name and the payer's name, and the number of the package (the latter in the left-hand upper corner), and also a space for "due-date" in the upper right-hand corner. Into one of these envelopes we pop every time-paper, or collection, or will, or insurance-policy which comes into our hands for action or custody.

We fill the blanks on the face, enter it on the collection-register of the usual form, note the date, etc., of maturity in our diary, and file it away in the vault or in a bill-file.

When the document is paid or sent out we not only mark it off the register, but we also save the empty envelope, often taking a receipt for its former contents on its face.

We find this plan simple and applicable to everything. Have often attached such numbered envelopes to the outside of boxes left for safe keeping.

At proper periods we compare these packages with the register.

We thus have in bank cancelled checks, numbered packages, notes which appear in our own bill-file and register, and our stock of money; nothing

* One of a series of articles on "Country Collections," in competition for the prize of \$100 offered by the Publishers of the JOURNAL. Subscribers are invited to vote on the best when the series is completed—particulars are given on another page.

else. If anything is wanted, it must be found under the above classifications.

It greatly assists us when we receive a paper for collection to find that the sender has sent also two tags, one to be kept by us and the other to be returned to him. Better yet, sometimes the sender will have both tags printed on one sheet, so that when we have detached our own half to file it, we feel that the other half has been duly returned to the sender; because a clerk is not likely to detach one tag from the other until he has completed the transaction.

In the same line of thought we offer a plan for domestic exchanges which we have used for years with success. We send away many papers, and at certain seasons many of them are of similar amounts, and go to certain banks at frequent intervals, with orders to remit proceeds to New York. It will be evident to book-keepers that here lies possible confusion in comparing accounts, but our success in keeping clear of confusion has been greatly owing to this scheme.

We have books printed in two colors: the book of blanks printed in green ink is for papers which have not been carried into our ledgers; the other color is for checks which are charged into the ledgers at the time of sending.

The form is bound so that the back hinge of the book is at the head of the form, and the head is eight inches wide and the depth of the form is about eleven inches.

The first inch in depth is a stub, and shows only "Rec'd from —. Sent to —. \$—. Stub No. —."

The next half-inch of depth (and extending eight inches across the page) is an index-flap, and remains attached to the stub after all the lower part of the form is detached.

It is the most valuable part of the whole scheme, for it projects beyond its neighbors when they have been retired, and proclaims loudly, "Here is a case which is still out in the cold."

When the report is received, then this little narrow index-slip is removed.

So we are able in a very few minutes, by means of this little projecting strip, to refer to all our outstanding collections.

The next division below this is about four inches deep by eight wide, and ruled so that a description of five or a dozen checks can be noted one under the other, and in columns, headed, "Drawer—Payer—Indorser—Amount." At the bottom is the owner's name and the title "Voucher No. —."

Underneath this are two equal tags, each about five inches deep and four wide.

One is like unto a deposit-tag, and in fact the receiving-bank probably does use it as such, for it contains the items described in the "Voucher," and is perhaps a letter of transmittal, although entitled "List No. —."

Its twin-fellow is dated and signed, etc., and returned to us, and bears the title of "Advice No. —."

Please bear in mind that all these forms are printed on the same sheet, and then listen to our manner of using. Our teller has taken checks on the San Juan Bank as cash, and must dispose of them. He has a book of these forms (and other clerks have books, also.)

He enters on the stub, "From Rec., Teller. Sent to San Juan Bank, \$1,234.56."

On the "voucher" he notes the total only, and detaches the voucher with its accompanying "list" and "advice" tags and passes the sheet with the checks to our Corresponding Clerk, who copies the description on the voucher, proves the total, indorses the checks, fills the "list" with the same figures, and then detaches the "list" and its twin "advice," mailing them with the checks to the San Juan Bank.

The Corresponding Clerk is then in possession of the "voucher" only, and he proceeds to write on its back thus: "1,234.56 dollars, charge San Juan Bank." Of course this is a printed form also.

The Bookkeeper enters to the debit of the San Juan Bank thus: "Voucher No. —. \$1,234.56."

[illegible]

Use this entire sheet for one item—or for only such items as can be reported together by the same person at the same time and place. For time collections use a book or pad of different color from that used for cash items and allow the voucher to remain in the book until it is paid, when the voucher will be used as a charge tag.

<u>The</u> <u>Nat. Sutter Bank</u> <u>of</u> <u>Sacramento - Cal.</u>	<u>Voucher.</u> See over.
	\$ _____ Dollars
	Charge _____
	_____ /PP.

<u>Advice.</u> See over.	<u>List.</u> See over.
Credit _____ \$ _____ _____ /PP.	Correspondents to whom payments can be made. for a/c of The Nat. Sutter Bank <u>Sacramento - Cal.</u> Ind. Nat. Bank. New York do. Chicago do. San Francisco
Not yet advised owner.	

The San Juan Bank returns our "advice" tag, and it is then taken to the stub of the same number and the index-slip removed.

It is compared also with the ledger. The preservation of the voucher is thereafter a matter of indifference to either bank.

If the paper to go to the San Juan Bank is a time-collection the same Teller will fill out a green blank and especially the voucher, which he does not remove. He does remove the twin "list" and "advice" tags, and passes them, with the collection, to the Corresponding Clerk, who attends to the mailing. On return of the advice-tag it is found that its back is now available for a deposit-tag, whereon to make the necessary credit, while the voucher is detached and used as a charge-tag.

There are several minor points which will occur to those who study this scheme, but the greatest value of it lies in the fact, that the blanks are all originally parts of the same sheet of paper, and that their filling, detaching and mailing proceed mechanically, so that there is little chance of mistake—especially if one clerk makes the stub and another does the rest. The stub, voucher, list and advice are all numbered by machine, with the same number for each group, so that reference is easy and accurate at all times.

Of course upon one page there should be put only such items as will usually proceed to the same fate together: each number should be cleared by one entry and not by partial payments.

Frequently drafts, etc., are sent to banks with request for returns by draft on a third party. As no letter is required under this system—the advice-tag furnishing a good substitute—these remitting banks are saved much labor.

It occurs to the writer that still more labor can be saved, and greater accuracy secured.

Let us suppose that it is conceded that any draft can be altered or raised, and that the indorsers are responsible therefor to the paying-bank.

Then it seems as if we could use detached checks or drafts with the amount punched or perforated only and not written. Better yet: suppose we tear from the draft-book the stub, with the draft, and fold the stub over the face of the draft, and then punch the amount through both. The Bookkeeper would get the stub (signed by the Teller,) and by pasting it in a large scrap-book he would have an accurate proof, when the paid check returned home, by pasting it to its stub.

If the Bank of England can afford to preserve its cancelled notes in books for eight years, then other bankers can afford to take similar trouble.

To return to the form of blank (accompanying): it will be seen that it is composed of four or more forms on one sheet, and that its use does away with the keeping of a register.

Many bankers feel that a large book should be kept containing a description of all checks sent out. The value of such a record is quite temporary.

When a remittance has been acknowledged by the receiving bank, then the value of the record ceases almost entirely. Under our system, the record is kept on the back of the charge-tag, and the latter we often put among other vouchers in a statement of account, so that the record may follow the remittance at a very short interval of time.

It is not probable, however, that the remittance and the record will be in the same mail-bag and lost by the same accident. If the vouchers are retained in bank, no danger follows: they could be so retained appropriately, and the entry on the statement would then read, "List No. —, \$—."

We make a daily remittance of fifty to one hundred and fifty checks to one correspondent, and find our scheme quite easy to operate. Several clerks can work on the different sheets, and the lists can therefore be kept up closer to mailing time than by the use of one large register.

The subject of "Domestic Exchanges" might include a discussion of Clearing-Houses and country-clearings, and also a reference to a system by which the Clearing-House for one State or section of country could remit to the Clearing-House of any other section at a rate for exchange.

The immediate necessity in this country, however, is for "country-clearing" as known at the London Clearing-House.

"WHAT'S IN A NAME?"

IV.

And still they come—signatures queer, quaint and curious. There seems to be no end to the number of those who delight in using mysterious marks when signing their name. It is very doubtful if one-half the world ever dreamed of the chirographical wealth which lay hidden from the gaze of the curiosity hunter until first brought to light by the JOURNAL's explorations.

The *fac-similes* published in the April JOURNAL were those of E. Keator, Cashier, First National Bank, Cortland, N. Y., L. M. Mielly, business man, Santa Fé, New Mexico, and Hugh Harbison, Secretary and Treasurer of Colt's Patent Fire Arms Manufacturing Co., Hartford, Conn. Very few solutions have been attempted, and none of them correct—for the reason, probably, as a correspondent tersely puts it: "You rather 'got' the boys this time." An enthusiastic Indiana clerk deciphers them as E. Krank, M. A. McOlly, and either Wash Warunnoxeam or Myh Warunnalalh, while a Kentuckian reads them E. T. Grant, M. H. Heally and M. Yoissarl Morihan—both which interpretations will doubtless be a genuine surprise to the writers. A Connecticut Teller naturally enough reads Hugh Harbison's signature, but the others are to him E. Knight and W. H. Eddy respectively.

The following from the Cashier of a National bank in Minnesota, is in continuation of criticisms received and heretofore presented to our readers.

Editor Rhodes' Journal of Banking:

SIR:—I have noticed several *fac-simile* signatures in late numbers of the JOURNAL, and the thought has occurred to me, What is the use or excuse of a man writing his name in such an illegible manner? It seems to me that in nearly all of those cases it is a voluntary matter, and that the writer of such a signature takes a kind of pride in writing so no one can read it. It certainly is nothing to be proud of; for if a man is unable to write a letter which can be read, it is cause for regret on his part at the neglect of his early education. I see no distinction between writing one's name plainly and writing anything else. So far as counterfeiting is concerned, it is fully as easy, if not easier, to copy an unreadable scrawl as it is plain writing. I fully agree with the writer referred to in the April JOURNAL, who cannot see why a banker's signature should be illegible.

C. E. S.

This and other similar criticisms may at first sight appear to some extent warranted, but on the other hand it may be said that the writers are busy men, and for years have had to write their signatures under great pressure. Very often the constant use of the pen brings about a local nervous weakness known as pen paralysis. Men originally writing plainly and legibly, in other professions and business than that of banking, are apt, under the hurry of their daily occupation, to permit their hand writing to degenerate. They gain in speed and, their chirography being familiar to their correspondents, lose little or nothing in intelligibility. All honor to those who, like the great John Hancock, permit neither the fear of hanging nor the pressure of business to interfere with the bold legibility of their sign manual, but much of the censure these curiosities of hand-writing very naturally call forth may be off-set by other considerations. Egyptian Hieroglyphics are not very intelligible to us, but the ancient Pharaohs had no difficulty in reading the daily news dished up in them. So with these signatures: they are probably unobjectionable to the signers and their correspondents, and to them are perfectly intelligible and satisfactory, and perhaps even beautiful. Moreover, we have heard nothing from the writers in their own defense. At a meeting for the benefit of an Orphan Asylum much was said in favor of the charitable people who were endowing it, but the people who furnished the orphans, though equally important to the success of the institution, had no one to speak for them.

Many great men have written illegibly. It has even been claimed that this was a sign of greatness. While we do not indorse this, nevertheless the fact is

to be ascribed to the pressure of business which greatness generally entails. Napoleon the First, when at the height of his glory, wrote so poorly that even his secretaries could hardly decipher his notes, but when at St. Helena, with more leisure, his hand-writing became again plain and readable.

Horace Greely is an instance how, in another sphere, the force of ideas may out-run the power of manual execution, and may result in a chirography as difficult, to those unacquainted with it, to decipher as any of the signatures given in the JOURNAL. The type-writer has relieved many busy men, but the bank officer must still sign his name.

The following is submitted not so much for illegibility, although the signature may fairly rank among the puzzling ones, but as indicating another form of peculiarity. It fills the entire page of a letter-head, and was the form usually adopted by the writer in remitting for collections. A note accompanying the same says: "If no use please return and we will replace upon the wall of our office, where it has hung nearly a year, a natural curiosity to us and the wonder and terror of all beholders."

I have received of your favor of
May 7th and will enclose as
stated I enclose you my \$99.24
15 8.99 39

When a certain National bank Cashier "out West" signs a bill or indorses a draft, it looks like this:

The Cashier of a Kansas bank signs in the following style :



A National bank Cashier patronizes ink manufacturers after this manner :



This is the way a National bank Cashier, well-known throughout a large portion of the South, signs his name :



As so much has been said on the subject of illegible signatures, it might be pleasant to change the subject somewhat. Although we have quite a number of additional ones not yet printed, which have been sent in by the writers and others, it would seem only fair to both sides of the subject to have our correspondents send us specimens of what they consider to be signatures which answer every requirement, of legibility, beauty and ease and rapidity of execution, as well as showing sufficient character to protect from successful imitation. The writers of alleged peculiar signatures will then have an opportunity of judging in what respects, if any, their hand-writing varies from the standard. It is possible that by photographing a number of these upon the same plate, by the process indicated in a recent article in *Scribners' Magazine*, the ideal signature might be obtained, which would combine all good qualities and be above criticism.

Offer.—The names of present subscribers—including clerks connected with banks, firms, etc., now on our subscription books—who send in a correct reading of *all* the signatures shown in this article before the sixth day of July next, will be published in a subsequent issue of the JOURNAL as successful readers of very difficult signatures. To any not now subscribers—either officers or clerks—who will send in a correct reading of the signatures before the date named, we will send the JOURNAL free from date to January 1, 1888.

[To be Continued.]

Notes and Comments on
BANKING PRACTICE.

SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

Transpositions and the Figure 9.—The difference between two amounts formed by the same figures arranged in a different order is always divisible by nine. This is a familiar rule, but there is a refinement of it which may not be so well known. In posting, for example, if the cents be transposed, the difference will be divisible by nine; but, in addition to this, the quotient will be the difference between the two numerals considered as units. Thus 87 less 78 is 9; 8 less 7 is 1; 68 less 86 is 27; 6 less 8 is 3. If the difference divided by 9 is 1 then the amount transposed must be 98, or 87, or 76, and so on. If the quotient is 6 then the amount transposed is 98, or 82, or 71. In looking for a transposition of cents, therefore, this peculiarity limits the investigation to a comparatively small number of amounts.

Vaults and Safes.—Certainly three-fourths of the annoying lock-outs which occasion so much inconvenience might be partly avoided by a little care and attention to the locks themselves. It is the business of the Cashier of the bank to see that the vaults, safes and locks are kept in proper condition and working order. When a lock or safe is first put in place by the manufacturer, it is always in perfect order. The machinery is bright and new and each bar works without friction, but if months are allowed to run by and no one takes the trouble to wipe off the dust or to put on a little oil where it is necessary, the bolts become dry and harsh and the delicate machinery of the lock filled with fine particles of dust and dirt, and bye and bye the whole machinery stops working. Then follows a lock-out with its consequent annoyance and expense. The constant friction of the machinery occasioned by throwing the bolts backwards and forwards several times in a day and turning the combination wheel an indefinite number of times makes a constant wear and tear on the metal, and while it is true it takes a long time to wear a steel bar in half, it does not take so very long to wear it out enough to keep it from working.

Specimen Checks.—The following check form is quite a favorite with many bankers. It seems to be used principally for checks on Eastern correspondents. The principal feature is the name of the drawee bank, being in the lower left-hand corner; the name of the bank drawing the check being printed conspicuously at the top. The name of the State in which the bank drawing the check is located is printed in the left-hand end. (In this case it is Massachusetts—omitted in the *fac-simile*.) The stars indicate where the check is cut by an ordinary hand-punch. These little cuts are very good features and serve in some degree as a protection against raising the check. The form, however is open to some objections; for example, the name of the drawee bank should be in conspicuous type, that of the other bank should be printed less boldly. There is no good reason why this draft form should be adopted for a check, and though it is very much used, it certainly would be better, for the sake of uniformity, to have all checks printed in the ordinary way. It is better to put the number of the check in the upper left-hand corner; and the amount of the check in the lower left-hand corner. The printing of the name of the State on the end of the check can not be defended on any ground: it is a mere affection of novelty, and has no argument in its favor. In a former

issue of the JOURNAL a model check form was shown, which avoids the objections alluded to in this criticism :

<i>Franklin County National Bank</i> <i>Greenfield, June 15 1886</i>	
<i>\$5.00</i> ★ ★ ★	<i>Pay to the order of Charles Rhodes</i>
<i>Five</i> ★	<i>Dollars</i>
<i>To the Chase National Bank</i> <i>No. 6994</i>	<i>New York</i> <i>Wm. A. F. Rhodes</i>

Here is a form of individual check, very plain and neat, and which would hardly seem open to any objection. The type is clear, with no unnecessary words, and the number, amount, etc., are placed in their proper positions :

No. <u>2004</u>	<u>Oswego, N.Y. July 20, 1886.</u>
Merchants National Bank	
Pay to the order of <u>James Monk</u> ¹⁸³⁸	
<u>One hundred and eighty</u> Dollars	
<u>\$180.</u>	<u>William Smith.</u>

Country Collections.—The following suggestions which recommend themselves by their practical good sense are made in regard to collections by an officer of one of the most prominent Western banks :

"I have never paid very close attention to articles appearing on this subject, as my idea of making collections has been to send them direct to some banker of credit and reputation in business at the point where the item is payable. If not informed as to the responsibility of bank, send by express, or to the bank in which the banker keeps his account, or to the banker nearest that point in whom confidence can be placed. I think no one should object to paying a fair charge to collecting bank. The making of collections is part of the banking business, and should be a source of revenue to a bank. Collections should be sent direct thus saving loss of time in presentment. A bank owes it to its patrons, to get as quick returns as possible on collections entrusted to its care, and in case of loss to a bank from its making use of these roundabout channels, for the purpose of saving a collection charge, as many of them do, I say serves them right. There is too much cutting of rates by banks in order to get business, and too much is done for nothing. If banks did not offer all kinds of inducements to get business there would be no necessity for any bank resorting to these roundabout, unsatisfactory and risky collection methods. A customer who also keeps an account in an Eastern bank, presented a draft to me to be marked, drawn on a town in Illinois. On my marking our customary rate on the draft, he remarked, "My Eastern bank will collect that at par for me," and deducted it from his deposit ticket. That collection will cost the Eastern bank one-eighth of 1 per cent. and the owner of collection will not know that it is paid for at least ten days. Is not this one instance suggestive as being a partial explanation of the present unsatisfactory collection methods?"

New Business.—New banks must needs seek new business, and in these days of close competition and small profits, new business is not apt to come uninvited. Banks that have old-established reputations, and have accumulated large surplus funds, find it necessary and profitable to inform the public of the inducements which they hold out to persons desiring financial accommodations. Much more necessary then is it for those banks who have just commenced their career to exert themselves in every way to secure a profitable line of depositors. Perhaps the way that would occur to most successful business men, placed in charge of a new banking institution, would be to make their wants known through the usual channel of advertisements in high-class financial publications. Experience has shown that such a course is a proper one, and repays the outlay. Many go farther than this, and distribute through the mail circulars setting forth a statement of their condition, the names and occupations of their officers and their directors, their special facilities for doing business, and the inducements which they offer to the public at large. This is also to be commended. Many persons who have not the time nor the opportunity to inquire personally into the standing of a new bank are naturally much influenced

by the names of the men who are chosen to manage its affairs, and consequently great care is always taken to put at the head of the institution men whose names are a guarantee for its proper management. Whether it is a proper thing for a bank to go about soliciting custom, is a question about which there may be two opinions. The older banks, who already have these desirable customers upon their books, frown upon the practice and denounce it as undignified and unbecoming, but new banks which have their living and way in world to make are rather inclined to the opposite view, and suggest that the older institutions do not have exactly a life mortgage upon every customer in the place. Sometimes there is a pretty lively cutting of rates, and what might be called a little war between rival institutions, but as the latter phase of the competition hurts nobody but the banks themselves, a peace is soon patched up. An attractive appearance in the banking room and its furniture goes a great way towards making a favorable impression, and the same thing may be said in regard to the location of the building and other matters of that sort. An easy and pleasant address on the part of the officers is certainly not calculated to drive away anybody seeking banking facilities, while, on the other hand, a disposition to be abrupt and positive in manner is more apt to drive people away than to encourage them to become customers of the bank. Indeed, this whole matter of getting new business might be worked out in considerable detail, but enough has been said to indicate what should be the general drift of bank management in respect to this important matter.

Responsibility For Errors.—It seems to be well settled that Presidents and Directors are not to be held pecuniarily responsible for any errors they may make in discounting paper that proves to be worth less than its face value or that may in the end find its way to the Notary, and this is as it should be. But in regard to errors that are occasionally made in the clerical work of the bank, the practice is not always so uniform. Every now and then somebody in a bank will make an error, and occasionally banks lose money by it, and then the question arises, Who is to stand the loss? The corporation or the man who made the error. In a great many large banks, unless the error be attended by circumstances of unusual negligence or carelessness, it is the custom to simply charge the amount to profit and loss and that is the end of it, but in banks that are running along on a very small margin of profit and are managed by men who have a sharp eye for a penny, the Directory occasionally try to make the matter a personal affair and constrain the clerk in error to reimburse the institution out of his own funds. This seems to be rather an unfair way of doing business. The most careful man will make mistakes and it certainly seems to be uneven justice for Boards of Directors to excuse their own errors and yet adopt an entirely different rule when dealing with those of their subordinates.

Surplus and Dividends.—The National Bank Act requires new banks to set aside from their profits a certain proportion every year until they have accumulated a definite percentage of their capital, which is to be carried as a surplus fund against inevitable losses. The principle upon which this provision is based is not infrequently carried further in organizing a new institution, and formal resolutions of the Board of Directors will provide that no dividend shall be declared until a considerable percentage of the capital shall have been accumulated to serve as a surplus fund for losses. Before the new era of banking, inaugurated by the National Bank Act, depositors and note holders looked chiefly to the private resources of the men controlling the institution to guarantee its solvency, but, under the national system, the individual responsibility of the stock holders is less considered, and customers look more to the ability of the Board of Directors indicated by the showing the bank makes in its published statements. A new bank consequently has first of all by its accumulating surplus to show its ability to meet any reasonable losses without impairing its capital. In addition the settled policy of not declaring any dividend until this surplus has been accumulated, impresses the institution from the beginning with an air of conservatism which goes a long way in procuring it new and desirable business.

BANKING LAW.

* Legal Decisions Affecting Bankers.

COLLECTING BANK—RETAINING PROCEEDS OF DRAFT INDORSED FOR COLLECTION FOR DEBT OF CORRESPONDENT WHO HAS FAILED—RIGHTS OF OWNER.

(A banker who receives from his correspondent a draft indorsed for collection, which is indorsed in like manner to his correspondent, cannot, on the failure of such correspondent, appropriate the proceeds to the latter's debt to him, and refuse to pay the owner.)

On December 17, 1885, appellant, the City Bank of Sherman, remitted to the City Bank of Houston for collection, a draft drawn by one Kent on the Texas Tram & Lumber Co. for \$222.58, having first indorsed it as follows: "For collection and credit for account of the City Bank of Sherman. C. C. Jones, Cashier." On the 18th day of the same month the City Bank of Houston indorsed the draft as follows and sent it to appellee, Weiss: "Pay V. Weiss, or order, for collection, for account of the City Bank of Houston. B. F. Weems, Cashier." On the last named day the City Bank of Sherman, appellant, remitted another draft for \$201.60 drawn by the same drawer upon the same drawee, which also reached Weiss, appellee, through the same channel with like indorsements upon it. The City Bank of Houston failed. Appellee collected the money upon both drafts—upon the first before and upon the second after he was apprised of the failure. The Houston Bank was indebted to both appellant and appellee; and appellee credited the proceeds of collections to the account of the latter bank, and refused to pay appellant. Appellant brought suit and the cause was submitted to a jury, who returned a verdict for appellee. The Court rendered judgment accordingly and overruled appellant's motion for a new trial. On appeal,

Held: The assignments of error relied upon in the brief will relate to the action of the Court in giving and refusing instructions. It is claimed that the general charge was misleading in this: that it made the liability of the appellee depend upon the question whether he was the agent of appellant in collecting the draft, or the agent of the City Bank of Houston, and did not instruct the jury as to the legal effect of the restrictive indorsements upon the drafts. It is also assigned that the Court erred in refusing charges asked by appellant, to the effect that these indorsements were notice to appellee of appellant's ownership of the paper, and that if the former collected them, he was responsible to appellant for the amount so collected.

When one places negotiable paper with a bank for collection, and that bank sends it to another bank for the same purpose, whether the second bank is to be deemed the agent of the owner or merely the agent of the second bank is a vexed question. Important legal consequences flow from its determination and upon it the authorities are conflicting. If the second bank be held the agent of the owner, then it would be responsible to him for any negligence which resulted in a loss of the debt. So also if the collecting bank failed after recovering the money, being in good credit at the time the paper was transmitted for collection, the bank which had sent it would not be liable to the owner for the amount collected. But if, as many authorities hold, the second indorsee is to be considered merely the agent of his immediate indorser, and not of the first indorser, these consequences do not follow; and in case of negligence or

* All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL'S Law Department as early as obtainable.

Attention is also directed to the series, "Powers of Bank Cashiers," "Law Notes and Comments" and "Replies to Law and Banking Questions," which are included in this Department.

default the first indorsee is liable to the owner of the bill, and not the second.

In *Allen vs. The Merchant's Bank of New York*, 22 Wend. 215 the defendant bank had received the draft for collection and had transmitted it to a bank in Philadelphia, through whose negligence it had been lost. Defendant was held liable for the loss. In the case of *Montgomery County Bank vs. Albany City Bank*, 7 N. Y. 459, the decision was to the same effect; and it was also there held that the bank to which the bill had been sent in the second instance was not liable to the owner for its own default. Virtually the same doctrine was held in *Reeves vs. State Bank of Ohio*, 8 Ohio St. 466. In *Kent vs. Dawson Bank*, 13 Blatchf. 237, the draft was sent for collection to the defendant bank upon a party in Washington, N. C. Defendant sent it to bankers in that place, then in good standing, who collected it, and becoming insolvent failed to pay over the money. The defendant was held responsible. In Pennsylvania the same principle was applied to a company of mercantile agents, and they were held liable to the owner of a claim given them for collection, by the failure of an attorney to whom they had sent it, who collected and retained the money. (*Bradstreet vs. Everson*, 72 Pa. St. 124.) All these cases are based upon the principle that the last collector to whom the paper is sent is the agent of the bank or agency who sends it, and not of the owner, and they therefore hold that the first indorsee who receives the bill for collection is the owner's agent, and takes the bill under the implied contract to be responsible, notwithstanding the negligence or default of the agent whom he may employ. The case of *Hoover vs. Wise*, 91 U. S. 308, follows the Pennsylvania case above cited, and holds that the attorney to whom a collection agency has sent for collection a claim belonging to another is not the agent of the owner. The opinion admits a great conflict of authority even upon that proposition.

It will be seen that the case before us presents quite a different question. It is whether a banker, who has received from his correspondent a draft indorsed for collection, which is indorsed in like manner to his correspondent, can collect the paper and appropriate the proceeds of the latter's debt to him and refuse to pay the owner. It is not necessary to decide that he is the owner's agent in order to determine that he cannot do this. He has received the owner's money, knowing, by the indorsement upon the draft, that it is his, and will not be permitted to withhold it from him. The authorities in support of this proposition are overwhelming. The following cases from Courts of high authority are directly in point. *Sweeny vs. Easter*, 1 Wall. 166; *Cecil Bank vs. Farmer's Bank of Maryland*, 22 Md. 148; *Sigourney vs. Lloyd*, 8 Barn. & C. 622; 5 Bing. 525; *Treutel vs. Barandon*, 8 Taunt. 100; *Blaine vs. Bourne*, 11 R. I. 119. See also *White vs. National Bank*, 102 U. S. 658; *Hook vs. Pratt*, 78 N. Y. 371; 1 Dan'l Neg. Ins. Sec. 336, 698, et seq.; *Story Prom. Notes*, Sec. 143.

The only case holding to the contrary is *Hyde vs. First National Bank*, 7 Biss. 156. The Court seemed to consider that it was constrained to its decision by the principle decided in *Hoover vs. Wise*, *supra*, and claimed that that opinion was in conflict with the former decisions of the same Court in *Sweeny vs. Easter*, before cited. An examination of the two cases will show that there is no conflict between them, and the opinion in *Hoover vs. Wise* recognizes none; and although it contains an elaborate discussion of the authorities, it does not name the case of *Sweeny vs. Easter* for the obvious reason, as we think, that the two decisions are dependent upon wholly different principles.

The question before us is not one of agency. A party may be held liable as a trustee for another, or for the conversion of his money, though not an agent. The proposition which determines the rights of the parties here is that appellee collected appellant's money knowing it to be such, and must be held to have received it for appellant's use and benefit.

Judgment reversed.

City Bank of Sherman vs. Weiss, Supreme Court of Texas, February 8. 1887.

SAVINGS BANK—WINDING UP BUSINESS—WHO ENTITLED TO SURPLUS?

The Morristown Institution for Savings was incorporated by special charter from the State of New Jersey in 1867. By the fourth section of its charter it was authorized to receive as deposits all sums of money which might be

offered for that purpose, and to invest them in such amounts, and at such times, and on such terms as its by-laws might prescribe; and it was authorized to execute all trusts of every description relating to the care, safe-keeping and investment of moneys entrusted to it by any person or persons, by will or otherwise, or by the order of any Court. By the fifth section it was provided that it should be the duty of the managers from time to time to regulate the rate of interest to be allowed and paid to depositors so that they might receive as nearly as could be a rateable proportion of the profits, after deducting therefrom all necessary expenses, and retaining a reasonable surplus or contingent fund; and that such rate of interest might be so regulated by the managers that the interest allowed to such depositors as should have \$1,000 or more on deposit should be one per centum per annum less than the interest allowed to other depositors. By the sixth section it was provided that no emolument or compensation should be received either directly or indirectly by the president or other managers for their services.

The bank went into voluntary liquidation, having at the time of the institution of proceedings to wind up its business a surplus of \$20,842.19. Various parties appeared before the Court claiming a portion of the whole of this surplus, among which were the Attorney-General of the State and two classes of persons, viz., those who were depositors when the proceeding was instituted for winding up its business, and those who before that time had been depositors but had withdrawn their deposits and were not such then. On the question of who was entitled to the surplus, the Court

Held. The management have no claim to the surplus. Their trust is a naked trust. The charter expressly declares that they shall receive no emolument or compensation either directly or indirectly. It provides that the depositors shall receive as interest their rateable proportion of the profits after deducting necessary expenses and retaining a reasonable surplus or contingent fund. Neither the bank nor the management could derive any benefit from any deposit or the produce thereof. (Grant, Banks, 614; Huntington *vs.* Savings Bank, 96 U. S. 388.)

The State has no right to the surplus. Nor have those who were depositors, but withdrew their deposits before the institution of the winding up proceedings, any claim to it. The surplus was created and maintained for the protection of the depositors from loss by reason of the depreciation of securities, etc.—to protect them against the casualties and contingencies to which the funds of the institution were liable and which might impair their deposits. It stood as such indemnity for the depositors who were such for the time being. So long as a person continued to be a depositor, so long it stood for his protection and when, by withdrawing his funds, he ceased to be a depositor, his interest in it was at an end. He thus relinquished his interest in it and as he would not be liable to contribute to any loss to which the remaining depositors might be subjected, so on the other hand he would not be entitled to any participation in the surplus.

The 32d section of the Act concerning Savings Banks (P. L. 1876, p. 352), makes it the duty of the managers of every corporation subject to that Act to regulate the rate of interest or dividends, not to exceed 6 per cent. per annum upon the deposits, in such manner that depositors shall receive as nearly as may be all the profits of the corporation after deducting necessary expenses and reserving such amount as the managers may deem expedient as a surplus fund for the security of the depositors, which to the amount of 15 per centum of their deposits the management are thereby authorized to accumulate gradually and to hold to meet any contingency or loss in the business of the corporation from depreciation of its securities, or otherwise. It provides also that it shall be the duty of the managers of any such corporation, the surplus of which amounts to 15 per centum of its deposits to divide equally, at least once in three years, the accumulation beyond the authorized surplus as an extra dividend to depositors in excess of the regular dividends authorized by the Act. This latter provision is a legislative recognition of the principle that the surplus which a savings institution has when wound up belongs to those who are depositors at that time. Those depositors being the only persons

interested in the assets of the corporation at the time of winding up are entitled to a rateable distribution among themselves according to the amounts of their respective deposits of those assets after paying the debts of the corporation to other creditors. In *Hannon vs. Williams*, 34 N. J. Eq., 255, it was said by the Court of Errors and Appeals that in prosperity the depositors of a savings bank are the stockholders among whom profits are divided.

Norristown Institution for Savings vs. Roberts, Court of Chancery, New Jersey, March 5, 1887.

WITHDRAWAL BY SHAREHOLDERS FROM NATIONAL BANK UNDER ACT OF JULY 12, 1882—APPRAISEMENT OF VALUE OF SHARES—POWER TO CORRECT ERROR THEREIN—FUNCTIONS OF APPRAISERS CONSIDERED

Defendants in error, Breneman and others (plaintiffs in the Court below), brought an action of debt against The First National Bank of Clarion, the plaintiff in error, on an award of appraiser's appointed under the Act of July 12, 1882, to ascertain the value of certain shares of stock of the bank owned by said defendants in error. The Act in question is for the purpose of enabling National banking associations to extend their corporate existence and for other purposes, and the fifth section thereof provides: "That when any National banking association has amended its articles of association as provided in this Act, and the Comptroller has granted his certificate of approval, any shareholder not assenting to such amendment may give notice in writing to the Directors, within thirty days from the date of the certificate of approval, of his desire to withdraw from said association; in which case he shall be entitled to receive from said banking association the value of the shares so held by him, to be ascertained by an appraisal to be made by a committee of three persons, one to be selected by such shareholder, one by the Directors, and the third by the first two; and in case the value so fixed shall not be satisfactory to any such shareholder he may appeal to the Comptroller of the Currency, who shall cause a re-appraisal to be made which shall be final and binding; and if said re-appraisal shall exceed the value fixed by said committee the bank shall pay the expenses of said re-appraisal; otherwise the appellant shall pay said expenses, and the value so ascertained and determined shall be deemed to be a debt due, and be forthwith paid to said shareholders from said bank; and the shares so surrendered and appraised shall, after due notice, be sold at public auction within thirty days after the final appraisement provided in this section."

Under this Act appraisers had been appointed who had appraised and fixed the value of the shares of the defendants in error at \$198 per share, which valuation they had declared was satisfactory. Subsequently, however, but before the time to appeal had expired, the appraisers discovered that they had made a clerical error in duplicating an item of assets, and they corrected their valuation and notified the parties of a corrected valuation of \$173.637 per share. This not being satisfactory, action was brought against the bank by the shareholders on the original award, and judgment was directed by the Court in their favor for want of a sufficient affidavit of defence. The bank appealed.

Held, This action is founded upon the fifth section of the Act of Congress of July 12, 1882, which provides for the appraisal by a committee of three persons of the National bank shares of shareholders who do not assent to amendments to the articles of association. No provision is made for constituting the appraisal a proceeding of any Court or for filing it in any office or with any public officer, or even directing that it shall be in writing or that the parties shall be notified of it. The Act does provide that when the value has been ascertained and determined it shall be a debt due from the bank to the shareholders to be forthwith paid, and that is what makes it a cause of action. The committee are simply to appraise the value of the shares. They have no judicial functions. They have no controversy. They render no judgment as upon a litigated cause. Their proceedings are not of record. They are mere appraisers and presumably inform the parties of the fact and amount of their appraisement. For aught that appears in the Act that information may be imparted verbally or in writing. If the shareholder is dissatisfied he may appeal to the Comptroller of the Currency, and that officer is directed to cause a re-appraisal to be made

which shall be final and binding. The Act does not prescribe the time within which the appeal must be taken; but as it does direct that the shares shall be sold within thirty days after final appraisement, the right of appeal could not be exercised after the expiration of that time. In the present case the appraisers on April 1st notified the parties in writing that they had appraised the shares at \$198 per share, and on the 9th the owners notified the bank that they were satisfied with the valuation. On the 21st of April the appraisers again notified the parties that they had made a clerical error in computing the figures upon which their valuation was made, by twice adding the valuation of one of the assets, to wit, the banking house and furniture, appraised at \$23,604, and they corrected the mistake, which resulted in a corrected valuation of \$173.637 per share. No part of the valuation actually made was changed. The real figures which composed the aggregate of the assessment remained the same, and the appraisers did nothing but remove a double valuation of the same item, unintentionally and mistakenly made. It would be strange indeed if this could not be done. Technically, there is not a solitary reason why it could not. The time for appeal had not expired. No judgment, award or decree had been entered or pronounced upon the appraisement they had made. Nothing in the Act of Congress gave, at the time the correction was made, any quality of finality to the appraisement made. The party affected could still appeal if he desired. The mistake was corrected by the parties who made it. The work of correction was made as much a part of the work of the appraisers as the appraisement itself. Nothing in the law under which they were acting took from them either their control of the subject matter or their power to correct their own mistakes, at the time they assumed to correct this mistake, and we know of no reason, legal, equitable or moral, why they should not be permitted to make the correction in question. The power to correct mistakes even in judicial proceedings is fundamental and inherent in all tribunals and is constantly exercised—the daily practice of the Courts. The right of the citizen to have mistakes corrected is so thoroughly established and so well recognized that it is an independent source of equitable jurisdiction and may also be enforced in Courts of law. Thus money paid by mistake of fact can be recovered back in an action at law.

(The Court here cites passages from Story's Equity Jurisprudence, Sec. 1456, 1456a, and from Morse on Arbitration and Award, p. 323, to the effect that the mistakes of arbitrators and referees may be corrected.)

Judgment reversed.

First National Bank of Clarion vs. Breneman and others, Supreme Court of Pennsylvania.

NATIONBL BANK—TAKING USURIOUS INTEREST—RECOVERING BACK TWICE THE AMOUNT PAID UNDER SECTION 5, 198 REVISED STATUTES. RIGHT OF JUDGMENT CREDITOR TO BRING ACTION.

Plaintiff was a judgment creditor of an insolvent firm and instituted proceedings by bill in chancery against defendant, a national bank, to recover double the amount of interest taken by defendant from such firm, as provided by Section 5,198 of the Revised Statutes, on the ground of usury.

Held, The single question in the case is the right of a judgment creditor of an insolvent debtor to subject the forfeiture provided for in Section 5,198 to satisfaction of his judgment and its settlement, and depends upon the construction of said section of the Revised Statutes of the United States. That section is in the following language: "The taking, receiving, reserving or charging of 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 or bill or other evidence of debt carries with it or which has been agreed to be paid thereon. In case the 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 interest thus paid, from the association taking or receiving the same, provided such action is commenced within two years from the time when the usurious transaction occurred. That suits, actions and proceedings against any association under this title may be had in any circuit, district or territorial court of the United States held within the district where such association may be

established, or in any State, county or municipal court in the county or city in which said association is located, having jurisdiction in similar cases."

By the terms of this section the relief granted is confined to the debtor, or his *legal representatives*, to be obtained by either only in an action in the nature of an action of debt commenced within two years from the time the usurious transaction occurred. It does not therefore extend to the creditor of the debtor as he is in no sense the debtor's legal representative; nor does it give a creditor an action in equity to subject the forfeiture to the satisfaction of his debt. The right not being given, it cannot be supplied by intentment. No latitude of construction is permissible of a statute providing a forfeiture as a penalty for its violation and a remedy for its recovery. He who seeks to recover the amount forfeited must be the person authorized to sue and must bring the action provided for. No other can have the redress nor can it be obtained in any other action. These are familiar principles and need no citation of authority to sustain them.

The direct question as to the right of a creditor to sue involved in this cause has not been before the Supreme Court of the United States so far as we are advised, but the statute in question has been often before that Court in kindred aspects, and in each the plain intimations of the Court have been that it was susceptible only of the construction which we have given it.

Bill dismissed. (Turney J. dissents.)

Barrett vs. Shelbyville National Bank, Supreme Court of Tennessee, February 17, 1887.

NATIONAL BANK—PURCHASE OF BONDS—POWER OF CASHIER TO BIND BANK BY AGREEMENT TO RE-SELL UPON DEMAND AT SAME PRICE OR LESS—*ULTRA VIRES*.

Townsend, Appellee, alleged in his petition that in June, 1879, he sold and delivered to appellant, the Logan County National Bank, bonds of the County of Logan of the face value of \$12,800, for which it paid him at the rate of 68½ cents on the dollar, and as a further consideration agreed to replace the bonds upon demand at the same price or less. Appellee also alleged that he had offered to repay the amount so paid to him therefor and demanded the return of the bonds, which appellant refused to deliver; and hence he sues for a breach of the contract and asks judgment in damages for the amount of the difference between the price of 68½ cents paid by him, and the par value of the bonds, which he avers they were worth when the demand was made. The bank claimed that the transaction was entered into with its Cashier, and not being within the scope of the Cashier's powers was not binding on the bank. On this point the Court

Held, The special finding of the jury reduces the discussion of this question to very narrow limits—in fact precludes appellant from denying the authority of the Cashier to make the contract; for if appellee sold the bonds to appellant, the bank, it necessarily follows they were appropriated and used by it; and having thus derived or elected to avail itself of whatever benefit might flow from the contract, it cannot now in good faith repudiate the contract or any part of it; nor deny the authority of the Cashier to make it.

In further defense the bank claimed that the contract was *ultra vires* the corporate authority of the bank, in direct violation of its charter, and consequently was no such obligation as would charge the bank or make it to any extent either in law or conscience liable in damages, or otherwise, for breach of the conditions. As to this claim the Court further

Held, It seems to us that if the proposition be conceded it would not avail appellant, for if it had no authority under its charter to purchase the bonds, it cannot in justice and conscience refuse to abide by the judgment in this case, which involves nothing more than the return of the bonds and receipt of what it paid for them. To do less cannot be justified without permitting it to profit by its own wrong in violating the law of Congress under which it exists.

Probably according to a fair construction of the National Bank Act the power is not expressly given to appellant to purchase and deal in bonds of the character of those in question, but neither is it expressly prohibited by the Act to do so. And there is a proper and well recognised difference between the

"case of an engagement made by a corporation to do an act expressly prohibited by its charter or some other law, and a case of where legislative power to do the act has not been granted." See *Hitchcock vs. Galveston*, 96 U. S. 841, and numerous authorities there cited. In that case the following from *State Board of Agriculture vs. Citizens State Railway Co.*, 47 Ind., 407, was quoted with approval: "Although there may be a defect of power in a corporation to make a contract, yet if a contract made by it is not in violation of its charter, or of any statute prohibiting it, and the corporation has by its promise induced a party, relying on the promise and in execution of the contract to expend money and perform his part thereof, the corporation is liable on the contract."

If the special findings of the jury in this case be taken as true (viz., that appellee sold the bonds to the defendant bank, and that the contract made at the date of sale was that defendant would replace the bonds to plaintiff at the price paid at the time or less), there needs no argument to show that the rule there laid down applies to the contract we are considering; and to adopt the opposite of that rule would invite a disregard for the provisions of the National Bank Act, as well as fraud and bad faith towards those dealing with a corporation existing under it.

The judgment of the Court below against the bank for \$4,032, the difference between the amount paid to the appellee at the rate of 68½ cents on the dollar and the par value of the bonds, affirmed.

Logan County National Bank vs. Townsend, Court of Appeals, Kentucky
February 10, 1887.

NOTICE OF DISHONOR—REASONABLE TIME—SUFFICIENCY OF SENDING THROUGH POST-OFFICE.

Action was brought against George W. Stocking, Jr., the indorser upon a promissory note executed by Byron Wise and Peter Marsh to said Stocking, and by him indorsed before maturity to Phelps, the plaintiff. Defendant claimed that the notice of dishonor given to him was insufficient to hold him as indorser. On the last day of grace demand was duly made of the makers of said note for payment, and upon their failure to pay the note was duly protested and notice thereof given to the indorser. Wise and Marsh appear to have been residents of Wahoo, while Stocking resided near there and received his mail at that place. The notice was sent through the post-office on the day that demand of payment was made and was received by Stocking in the forenoon of the following day. The case being tried in the District Court, and a jury being waived, that Court rendered judgment for the defendant Stocking. On appeal

Held, Two questions are presented: *First*, was the notice received by the defendant Stocking on the day after the dishonor of the note within a reasonable time? *Second*, was a notice sent through the post-office sufficient to charge the indorser?

The rule seems to be well established that the holder is not obliged to give notice immediately, on the very day of the dishonor. (2 *Dan'l Neg. Inst. Sec.* 1,037; 6 *East*, 8; 1 *Term R.* 168; 3 *Camp.* 193; 2 *Doug.* 515; 2 *H. Bl.* 565; *Chit. Bills* (492) 544; 1 *Pars. Notes and Bills*, 515, and cases cited.) The notice of dishonor therefore was forwarded in time.

In *Forbes vs. Omaha National Bank*, 10 *Neb.* 338, where Forbes resided about one and one quarter miles outside the corporate limits of Omaha where the bank was located, and received his mail at the post-office in that city, it was held that the notice sent through the Omaha post-office was insufficient to charge Forbes as indorser. In that case there was nothing to show that Forbes had received the notice in a reasonable time. In this case, however, the testimony is undisputed that Stocking received the notice the next day after the failure to pay the note. It certainly could make no difference to him in what manner he received notice. One of the objects in requiring personal service of notice of protest is to give the indorser a fair start with others in pursuit of the property of the defaulting principals. If in such case it could be shown that the indorser did not receive the notice until several days after

the same had been placed in the post-office, such notice would not be sufficient as there is an implied agreement that the indorser shall be notified within a reasonable time after the dishonor of the note. When a person indorses commercial paper at a distant place, he by implication agrees to receive notice of its dishonor through the post-office, as that is the usual channel of communication between distant points. This rule, however, does not apply to an indorser of paper payable at a place situated within his own post-office delivery. (*Forbes vs. Omaha Nat. Bank, supra.*) Where however the indorser receives notice through the post-office within a reasonable time, so that he is enabled to take proper steps for his own security, he will be bound thereby even if such notice was mailed in the post-office at which he received it. (15 Wis. 278; 26 Me. 45; 51 Vt. 473; 10 Allen, 524.)

Judgment reversed and ordered to be rendered in favor of plaintiff.

Phelps vs. Stocking, Supreme Court of Nebraska, March 16, 1887.

**ACTION BY DEPOSITOR TO RECOVER DEPOSIT APPEARING ON PASS-BOOK —
DENIAL BY BANK OF THE FACT OF SUCH DEPOSIT — ADMISSIBILITY OF
THEORY OF CASHIER.**

Meade, the plaintiff in the action below, sought to recover the sum of \$550, alleged by him to have been a balance due on account of certain deposits made by him with the defendant bank. In the deposit or pass-book of the plaintiff there were two entries of \$550—one on November 26, 1882, and one on April 26, 1883. Defendant denied the deposit of November 26, 1882, and the contest in the Court below was upon the question of fact whether the entry of November 26th was correct. Among other witnesses, the Cashier, Willie Jones, was examined for the defendant, who, after explaining the manner in which deposits were made and how they were entered on the books of the bank as well as in the pass-book of the customer, and after testifying that the alleged deposit of \$550 did not appear on the books, said that had there been a deposit made on that day, in balance of the cash, which he said was done every day on the close of the business, an "over" would have appeared and the mistake been discovered. He was then asked the question: "If Meade (the plaintiff) really made the deposit as he claims, on what theory, if any, can you account for its not appearing on the books of the bank?" This question was objected to by the plaintiff's attorney. It was, however, ruled competent and the witness replied: "Upon no other theory than that the Teller put the money in his pocket." The verdict was for the defendant, though the plaintiff had testified positively that he had made the deposits as set out in the pass-book. On appeal,

Held, The only question in appeal is whether Willie Jones, the Cashier, should have been allowed to give his theory above. The object of this testimony of Willie Jones was to negative the deposit by presenting to the jury the idea that if they found for the deposit they must consider that it had been stolen by the Teller, as there was no other way to account for the discrepancy between the pass-book of the plaintiff and the books of the bank, according to Mr. Jones' opinion. Now, was that a fact involved in this contest? The question was whether a certain deposit had been made. Any fact or circumstance connected with the deposit itself, and also the mode of doing business by the bank in matters of deposit, was no doubt competent as a fact bearing on the question; but was the theory given by Mr. Jones a fact in the sense of an occurrence connected in any way with this deposit, or with the manner in which the books of the bank were kept? Was it not rather an inference drawn from the mode in which the books were kept—an inference more or less strong, depending upon the force and effect of the facts proved; and, if so, was it not the province of the jury rather than of the witness to consider the legitimacy of such an inference? The testimony of the witness certainly did not develop a fact. It was nothing more than an opinion founded upon facts already in testimony—an opinion not upon the real question at issue, to wit, whether a deposit was made, but whether such a deposit could have been made under the circumstances consistently with the integrity of the teller. This does not seem to us to be an opinion such as experts may give or other witnesses, who testify as to the facts, as in *Ward vs. Charleston R. Co.* 19 S. C. 525. In such cases the matter in issue rests very

much in opinion, and is not susceptible of direct and positive proof, and in such cases opinion is the foundation of the verdict. But in this case whether the deposit was made could under no circumstance be a matter of opinion. It either occurred or did not occur, as a matter of fact; and no evidence was competent to that issue except direct testimony as to that fact, or as to other facts circumstantially showing either that it had or had not occurred; and if the defendant relied upon circumstantial testimony to prove the fact as to the deposit, the force and effect of such testimony should have been left to the jury unaided by the opinion of the witness.

Judgment reversed.

Meade vs. Carolina National Bank of Columbia, Supreme Court of South Carolina, February 14, 1887.

EXECUTION OF DRAFT BY AGENT IN THE NAME OF PRINCIPAL—EXCEEDING AUTHORITY—LIABILITY OF PRINCIPAL.

Sparks, the plaintiff, brought an action against King, the defendant, on a draft signed by one Gordon in the name of King. Defendant pleaded *non est factum*. The evidence showed that the only authority Gordon possessed to sign the name of King was authority to sign his name to a note for \$500. The Court below charged the jury that if King authorized Gordon to sign his name to a note for \$500 and Gordon abused his authority and signed King's name to a note for a larger amount than King authorized, and Sparks had no notice thereof, King would be liable. Judgment was rendered for the plaintiff, and defendant appealed.

Held, Gordon was but a special or particular agent to do a particular thing, to wit, to sign King's name to a note for \$500. Nor does it appear that plaintiff knew that Gordon was King's agent for any purpose, as King's name was signed to the paper and it did not purport to have been signed by Gordon as agent. The agent had no authority to sign the name of King to this draft. His having done so is a mere forgery. King is not liable on the same to any one. It is not his act and deed, and he did nothing which estops him from so declaring. The money advanced on this draft by plaintiff was to Gordon and for Gordon's benefit, and Sparks was chargeable with notice as to the genuineness of the paper. The principle that where one of two innocent persons must suffer by the act of a third person, he must bear the loss who put it in the power of such third person to inflict the injury, does not apply in this case, because the third person who did the injury did so of himself, and without warrant or authority from any one. It was not an abuse of power granted by King to Gordon, but it was an act by Gordon wholly unwarranted.

Judgment reversed.

King vs. Sparks, Supreme Court of Georgia, January 18, 1887.

ASSESSORS RULE TO ASSESS SHARES OF NATIONAL AND STATE BANKS AT PAR, THOUGH WORKING SOME INEQUALITY AFFORDS NO GROUND FOR RECOVERY OF TAXES.

The original plaintiff in this case, Edward N. Stanley, was a citizen of Illinois and claimed to be the Assignee of certain shareholders of the National Albany Exchange Bank. He brought suit to recover back certain taxes alleged to have been illegally collected from them upon their shares in that bank during the years from 1874 to 1879 inclusive, and paid into the Treasury of the County of Albany. He complained that the Assessors, by a rule prescribed by themselves, assessed the shares of the National Albany Exchange Bank at a higher rate than stock in other banks situated in the same city. The rule adopted by the Assessors was to assess all shares of stock in State and national banks in the city of Albany at par, irrespective of their actual or market value, making the requisite reduction for real estate owned by the banks. The plaintiff maintained that this rule necessarily resulted in imposing upon the shares of the National Albany Exchange Bank a greater rate of taxation than was assessed upon other moneyed capital generally, because the actual value of shares of stock was considerably less than the stock of most of the other banks in the city. The Court held that the method of assessment complained

of is applied to all banks, national and State, and comes as near as practicable, considering the nature of the property, to securing, as between them, uniformity and equality of taxation; it cannot be considered as discriminating against either. In no respect can it be regarded as adopted in hostility to the national banks. It must sometimes place the estimated value of their shares below their real value, but such a result is not one of which the holders of national bank shares can complain. It must also sometimes lead to overvaluation of the shares, but if so no ground is thereby furnished for the recovery of the taxes collected thereon. It is only where the assessment is wholly void, or void with respect to separable portions of the property, the amount of which is ascertainable, or where the assessment has been set aside as invalid, that an action at law will lie for the taxes paid or for a portion thereof. Overvaluation of property is not a ground of action at law for the excess beyond what should have been levied upon a just valuation. The Courts cannot in such cases take upon themselves the functions of a revising or equalizing board. In nearly all the States provision is made by law for the correction of errors and irregularities of Assessors through special boards of revision. To these boards of revision the citizen must apply for relief against excessive and irregular taxation where the assessing officers have jurisdiction to act. The action of the latter being judicial, their judgments in cases within their jurisdiction are not open to collateral attack. If not corrected by some of the modes pointed out by statute, they are conclusive, whatever errors may have been committed in the assessment. The judgment of the Court below is affirmed. Opinion by Justice Field.

Hattie F. Stanley, executrix, vs. Board of Supervisors of Albany, N. Y., U. S. Supreme Court, May 2, 1887.

POWERS OF BANK CASHIERS.

Continued from page 477, May number of the JOURNAL.

XVII. Power to Borrow Money from the Bank.—In the absence of any prohibition in the charter or by-laws of a bank, there is nothing to prevent the Cashier from receiving a loan from the bank upon the same conditions and in the same amount as would be given to any other party. Sharswood J. in Conyngham's Appeal (57 Pa. State, 481), says: "The officers of banks ought never to be borrowers; but, when they become so, we can only apply to them the principles of law applicable to others." The Cashier of a bank, however, cannot avail himself of the statute of limitations to defeat an action on his note by the bank, unless he can show clearly a performance of all his duties in relation to the note, in exhibiting the same as due and unpaid to the Board of Directors. Thus, where a bank brought suit against its Cashier on a note of his running to the bank, which had been due and unpaid for more than six years, the Court held that in order to avail himself of the statute the Cashier must show that the Board of Directors had official information that the note remained due and unpaid. Although the Directors might, with diligence and care, have known the real situation of the note, it was not their peculiar duty to so ascertain. It was part of the official duty of the Cashier to take proper measures to secure payment of the note, and to inform the Directors of its dishonor, that legal means might be taken to collect the amount due. The case does not depend upon what is termed ordinary care and diligence on the part of the Directors, when there has been an omission of duty on the part of the Cashier, who seeks to protect himself from payment. Until the Directors have this knowledge, the statute does not begin to run against the bank, notwithstanding the note is due. In the complicated concerns of a bank it is impossible that the Directors can be sufficiently aware of the non-payment of all notes and securities belonging to the institution, and a great deal must depend upon the Cashier, whose peculiar duty it is to attend to that part of the business of a bank. (Harrisburg Bank vs. Foster, 8 Watts, 12.)

LAW NOTES AND COMMENTS.

JURISDICTION OF THE UNITED STATES COURTS OVER NATIONAL BANKS.—The recent Act of Congress, approved March 3, 1887, which amends in many particulars the Act of March 3, 1875, relating to the jurisdiction of

the Circuit Courts of the United States, by its fourth Section makes the following provision : " That all National banking associations established under the laws of the United States shall, for the purposes of all actions by or against them, real, personal or mixed, and all suits in equity, be deemed citizens of the States in which they are respectively located ; and in such cases the Circuit and District Courts shall not have jurisdiction other than such as they would have in cases between individual citizens of the same State. The provisions of this Section shall not be held to affect the jurisdiction of the Courts of the United States in cases commenced by the United States, or by direction of any officers thereof, or cases for winding up the affairs of any such bank."

ANOTHER PACIFIC NATIONAL BANK CASE.—A decision has recently been rendered by the Supreme Judicial Court of Massachusetts (*Eaton vs. Pacific National Bank* ; March 28, 1887,) holding that a stockholder of that bank, who had paid in \$4,000 as a subscription to an increase of capital, was entitled to recover back the amount, the condition on which the payment was made not having been complied with.

As the Supreme Court of the United States have recently had this whole matter under consideration in the case of *Delano vs. Butler*, 118 U. S. 634 (governing a large number of other cases), in which the conclusion was reached that the increase of the capital of the Pacific National Bank was valid, and that the stockholders who had subscribed were liable for an assessment upon the increased capital, it will be interesting to note the reason for a different conclusion in the present case.

It will be remembered that in September, 1881, the bank had a capital of \$500,000, which, by a vote of the Directors, it was decided to increase to \$1,000,000, and notice of such vote was given to the stockholders. On November 18, 1881, the bank suspended payment and closed its doors and was taken charge of by a Bank Examiner. At this time \$461,000 of the proposed increase of \$500,000 had been paid in, and the Directors on December 18, 1881, passed a resolution reciting the former resolution to increase the capital stock to \$1,000,000, and voted that the \$38,700 not taken should be cancelled and deducted from the capital of \$1,000,000, and that the paid up capital of the association amounted to \$961,300. It was also voted that the Comptroller be notified that the capital had been increased in the sum of \$461,300, and he was so notified, and on December 16, 1881, issued his certificate approving said increase. The capital was never increased to \$1,000,000, and no certificate was ever issued by the Comptroller stating that the capital stock had been increased to the amount of \$1,000,000 voted. On December 16, 1881, the Comptroller notified the bank that its entire capital stock amounting to \$961,300 having been lost, notice was given to said bank to pay its deficiency by an assessment of 100 per cent. upon its shareholders *pro rata*. On January 10, 1882, an annual meeting of the stockholders was held and an assessment was laid in accordance with the notice of the Comptroller ; and the bank resumed business, but subsequently failed and a Receiver was appointed.

In the case of *Delano* above referred to, *Delano* was the owner of thirty shares of the stock of the bank, and wrote a subscription for thirty shares of the new stock proposed, and paid \$3,000 to the bank on account thereof. When the assessment of 100 per cent. was voted by the stockholders at their annual meeting, in order to enable the bank to resume business, he shortly thereafter paid \$6,000 as the assessment upon sixty shares, which included both his old and his new stock. Subsequently, when the bank failed and he was sought to be held liable on an additional assessment of 100 per cent. upon sixty shares, for the debts of the bank, he claimed that he was the owner of thirty shares only ; that the increase of capital was not valid or binding, and that in any event, by a contribution of \$6,000 toward a fund which had been used in payment of the debts of the bank, he had discharged his liability as a stockholder to the bank, and could not be held for any additional amount. As to this latter claim, the Supreme Court held that the assessment imposed by the stockholders by their own vote, for the purpose of enabling the bank to resume business, and to avoid liquidation under Section 5205 of the Revised Statutes, was not the assessment

contemplated by Section 5151, by which the shareholders of every National banking association may be compelled to discharge their individual responsibility for the debts of the association; that the obligations of the shareholders under the two Sections were entirely diverse, and payments made under Section 5205, could not be applied to the satisfaction of the individual responsibility assumed by Section 5151.

As to the liability of Delano as the owner of more than thirty shares, the Court first discussed whether there was a valid increase of the capital stock of the Pacific National Bank, and having decided this question in the affirmative, the Court goes on to say: "The question, therefore, seems to be converted into this: whether the subscription of Delano to a proposed increase of \$500,000 and his payment thereof can be held to be a binding agreement to accept thirty shares out of the reduced amount. It will be observed that, without waiting to see what the future action of the association and the Comptroller of the Currency might be on the question of the ultimate amount of the increased stock, Delano paid for his shares and accepted his certificate. This he did, in legal contemplation, with knowledge of the law, which authorized the association and the Comptroller of the Currency to reduce the amount of the proposed increase to a less sum than that fixed in the original proposal of the Directors, and such payment and acceptance of the certificates in accordance therewith might amount under such circumstances on his part to a waiver of the right to insist that he should not be bound unless the whole amount of the proposed increase should be subscribed for and paid in. *But without insisting upon that point or deciding it, we think that the subsequent conduct of Delano amounts to a ratification on his part of the action of the association and of the Comptroller of the Currency in fixing the amount of the increased stock at the less sum.*" The Court then goes on to specify the conduct which amounted to a ratification, showing that the voluntary payment on the part of Delano of the assessment on the whole sixty shares to enable the bank to resume business, with knowledge of all the facts, bound him to accept the increased stock, and was a ratification of the fixing of the amount at a less sum.

It will thus be observed that while the Supreme Court of the United States held that the increase of stock in the amount of \$461,300 was valid, they did not decide the question of whether, in the absence of a ratification of the action of the association and of the Comptroller in fixing the amount at a less sum, a party who had subscribed for an increase of \$500,000 would be bound to accept such reduced stock; and this is the point which the Supreme Court of Massachusetts make in holding that Mary J. Eaton is entitled to recover the amount paid by her as a subscription to an increase of \$500,000. Without going into the details of that case, it is briefly this. Mary J. Eaton was the owner of forty shares in the Pacific National Bank, and when she received notice of the proposed increase, paid the defendant \$4,000, but did not make any written subscription to said increase of capital. No certificate of stock in the proposed increase of capital in the amount of \$500,000 was made by the bank, nor was any certificate in the claimed increase of \$461,300 received by or offered to her. The full amount of the \$500,000 not having been paid in, before the opening of the annual meeting of stockholders in January, the plaintiff sent to the bank the following notice: "The conditions upon which you received \$4,000 of me on the 28th of September, 1881, not having been performed, I hereby demand payment of said \$4,000." Plaintiff subsequently sued the bank to recover back the amount so paid, and the Supreme Court of Massachusetts, in an elaborate opinion, reach the conclusion that the plaintiff paid in her money upon the implied condition that she should not be entitled to new stock unless \$500,000 was paid in and the Comptroller approved of the increase, and also upon the implied condition that she should not be required to take new stock unless the amount proposed was created; and that this condition not having been performed the result is that the plaintiff is entitled to judgment for \$4,000, with interest, from the date of her demand.

This decision is made in view of the fact that there was no ratification by the plaintiff of the fixing of the amount at a less sum than originally proposed, and consequently the case does not fall within the decision of the Supreme

Court of the United States in *Delano vs. Butler*. It will be interesting to see what decision that Court will make when this case is taken before it.

INDIVIDUAL LIABILITY OF PARTIES SIGNING NOTES AS TRUSTEES.—Following the decision in *Heffner vs. Brownell*, reported in the May JOURNAL at page 474, the Supreme Court of Iowa, in the case of *Coburn vs. Omega Lodge* (decided March 21, 1887,) have decided that two parties who signed a note, adding to their signature the words, "Trustees Omega Lodge," were personally liable on the note, and that the added words were simply descriptive of the persons who were personally bound.

PLEDGE OF UNMATURED NEGOTIABLE BONDS AND RIGHTS OF OWNER.—The Supreme Court of Louisiana in the case of *Saloy vs. Hibernia National Bank*, (January, 1-87,) have held that unmatured negotiable bonds, pledged by a depositor of a bank with it to secure overdrafts, cannot be recovered by the true owner in the absence of notice or *mala fides* on the part of the bank, and that the fact that the party pledging such bonds was duly employed by the bank to perform certain services as notary in the course of its business, did not constitute him a *quasi* officer of the bank, or charge it with notice as to the true ownership of the bonds.

WHEN IS A PROMISSORY NOTE DEEMED TO BE TAKEN BEFORE MATURITY?—This question has recently been considered by the Supreme Court of Illinois (*Johnson vs. Glover*, January 25, 1887), who, in speaking of the subject, say: "It seems to be settled commercial law that negotiable paper taken in the usual course of business, on or before the expiration of the second day of grace, is not negotiated after maturity; but whether it may be so taken on the third day so as to protect the holder against any equities that might exist between the original parties, the authorities are in a measure conflicting. Perhaps the rule most generally observed is that if negotiable paper is taken in the usual course of business, at any time before it is in fact dishonored on the third day of grace, it will be regarded as having been negotiated before maturity, so as to afford the purchaser the usual protection against prior existing equities."

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—and which are not to be published. See advertisement on another page.

Editor of Rhodes' Journal of Banking.

DETROIT, Mich., April 30, 1887.

SIR:—A party indorses a note after maturity, which was not protested when it fell due. Will such an indorsement hold him? S. D. E.

Answer.—A negotiable note which is past due may be indorsed and circulated in the same manner as before maturity. The indorsee, however, takes nothing but the actual right and title of the indorser, and it comes to him subject to all the equities which might attach in the hands of the party from whom he received it. To hold a party who indorses a note after maturity, demand must be made upon the maker within a reasonable time and notice of non-payment given.

Editor Rhodes' Journal of Banking.

May 16, 1887.

SIR:—In a draft drawn for say \$5 with exchange, do the words "with exchange" mean that the collecting bank should collect its whole fees from the payor—that is, if the collecting bank charges 25 cents for making the collection, should \$5.25 be collected from the payor, or do the words "with exchange" mean simply the current rate of exchange and not collection charges also. FREE W. KENNEY, Cashier.

Answer.—The party on whom the draft is drawn is not obliged to pay anything more than it calls for—viz., the amount of the draft and exchange. The exchange is the cost of transmitting the funds. If, in addition to this,

the collecting bank desires a further compensation for collecting, it must look to its principal; not to the drawee.

Editor Rhodes' Journal of Banking.

SIR:—Would we be obliged to pay a check issued by the B. N. Y. & P. R. R. Co. (payable to bearer on the order of the two superintendents), if it falls into the hands of an innocent holder, but not a rightful owner, after it has been indorsed for collection by a rightful owner?

OIL CITY, May 16, 1887.

F. W. MITCHELL & Co.

Answer.—An innocent holder for value of such a check would be entitled to recover on it, notwithstanding the indorsement for collection thereon.

Editor Rhodes' Journal of Banking.

PITTSBURGH, April 28, 1887.

SIR:—In the case of the note, of which a fac-simile is given below, is D. E. French released from the responsibility of his indorsement by the previous one of A. B. C., the maker, and the subsequent one, "Pay to order of G. H. I., A. B. C.'s agent?" Would a holder for value have recourse upon D. E. F. if the others failed to pay?

\$5,000.00.

JONESVILLE, Pa., October 10, 1886.

Ten days after date, I promise to pay to order of myself five thousand dollars at First National Bank, Jonesville, Pa., for value received without defalcation.

A. B. CUMMINGS.

On the back of the note is written: A. B. Cummings, D. E. French. Pay to order of G. H. Inskip, A. B. Cummings, G. H. Inskip. Pay 1st National Bank, Jonesville, Pa., or order for collection account of National Bank of Redemption, Boston.

Please answer in the JOURNAL.

J. A. S.

Answer.—On the authority of Eckert vs. Cameron, 43 Penn. State, 120, we think D. E. French could be held liable as indorser to an innocent holder for value, before maturity. It will be observed that the note is made by the maker payable to his own order, and is indorsed in blank by him. It is then indorsed in blank by D. E. French, and then again by the maker. There are cases which hold that, where a note again comes into the possession of the maker, it is extinguished, and cannot be re-issued by him so as to hold any prior indorsers. The case above cited, however, distinctly holds that, where the maker offers for discount an indorsed note on the day of its date and before its maturity, the law does not infer from the indorsement and the possession of the maker that the note has either been paid or extinguished; the inference is rather that the indorsement was made for the accommodation of the maker, and the note left with him to raise money upon it. Also, that a bill or note is not properly paid or satisfied, according to its tenor and effect, unless it is paid when due; and the fact that the maker or acceptor of an indorsed note or bill has it in possession, and offers it for discount before its maturity, is not notice to the purchaser of its payment or extinguishment. It is also held that one who discounts such a note for the maker, before it is due according to its tenor, is an innocent holder for value, and is entitled to recover in an action upon it against any of the parties.

Under the rule laid down in this case by the Supreme Court of Pennsylvania, which would govern the present case, D. E. French would be liable as indorser on the note in the hands of a *bona fide* holder for value before maturity.

Editor Rhodes' Journal of Banking:

CLEARFIELD, Pa., May 28, 1887.

A note matures on February 27th (Sunday). The maker wishes to renew, and dates his new note February 26th; we charge him discount for the whole number of days the new note has to run. He thus pays discount twice for February 27th. Is this method of charging discount justified by banking custom?

E. BLAKE FORCEY.

Answer.—We understand that it is customary for banks to charge discount in the manner described. Had the maker not wished to renew, he would have already paid discount for Sunday, while the money would have been payable on the Saturday preceding. Regarding it as a completed transaction, and the money due on Saturday, the renewal and discount dates from that day, and Sunday is again included. Of course this is not strictly right, as it imposes

upon the borrower the burden of paying interest twice for the same day, but it is sanctioned by custom. As to the law of the matter, the case is probably one where the law would follow and legalize the custom, as in the matter of discounting, itself, where banks, by virtue of a long established and universal custom, have been permitted to receive the amount of interest in advance by holding it back at the time they make the loan.

Editor Rhodes' Journal of Banking:

ROCKVILLE, Ind., May 18, 1887.

Does the clause given in italics in the form of note below, relating to the extension of time, affect the negotiability of the note? Would any extension or extensions of time, so given to the principal, affect the liability of the endorser?

\$100.

ROCKVILLE, Ind., May 18, 1887.

Three months after date we promise to pay to the order of John Robertson, one hundred dollars, at the office of the Parke Bank, Rockville, Ind., in lawful money of the United States. With eight per cent. interest after maturity until paid (and attorney's fees). Value received, without any relief whatever from valuation or appraisal laws. The drawers and indorsers severally waive presentment for payment, protest and notice of protest and non-payment of this note. *The makers and indorsers of this note further expressly agree that the payee, or his assigns, may extend the time of payment thereof, from time to time, indefinitely, as he or they may see fit, and receive interest in advance or otherwise, from either of the makers or indorsers for any extension so made.*

Please answer in the JOURNAL.

F. H. STARK, Cashier.

Answer.—One of the essential elements of a negotiable promissory note is that the money must be payable unconditionally and *at all events*; and at first view it would seem that the above note does not meet this requirement, for the payee or his assigns are given power to extend the time of payment "from time to time, indefinitely," and thus might extend it again and again, forever; and the note never become payable. It has been held, however, that this rule that to be negotiable, a note must be payable absolutely and at all events, means only that it must appear on its face that the maker's promise will be at some time absolutely enforceable, and where the event on which the time and duty of payment depend is one over which the holder will have entire control, there is no such uncertainty regarding it as renders the note non-negotiable. (Protection Ins. Co. *vs.* Bill, 81 Com. 534.) Adopting this view as the proper one, the clause referred to does not deprive the note of its negotiability. The note is payable on a day certain absolutely, and is absolutely enforceable at that time. Whether or not the time of payment shall be extended rests entirely with the holder, and being something over which he has entire control, under the rule laid down above, its negotiability is not destroyed.

2 The indorsers are bound by the clause on the face of the note, and any such extensions could be made without releasing them from liability

Editor Rhodes' Journal of Banking:

SPRINGFIELD, Ill., May 16, 1887.

SIR:—A ships a carload of cattle to Chicago, and deposits proceeds with a Chicago bank to the credit of B, his home bank. The Chicago bank sends a letter of advice to B, the home bank stating the amount and by whom the deposit was made, the letter being signed by its Cashier and Teller. B has a correspondent at Chicago, and endorses the letter of advice to it for collection and credit. The Chicago bank refused to pay on presentation of this paper, insisting that it was irregular, and that a draft must be drawn on them. Was not this letter of advice so endorsed sufficient and as good a receipt to them for the money as a draft possibly could be? CASHIER.

Answer.—The Chicago bank had a right to insist that before it paid the money a draft should be drawn on it in regular form. Doubtless, if they had chosen to pay the money on the paper presented, the latter, together with all the collateral testimony, might have proved the payment, but technically it was not a draft, and if any trouble had ever arisen about the deposit, if, for instance, the home bank had failed after receiving the money, and A, the cattle dealer, had not got the benefit of it, he might claim it of the Chicago

bank on the ground that the deposit had never been regularly drawn out. The letter is only evidence that there is a credit which may be drawn out. The endorsement on it gave the correspondent of the home bank permission to collect, but no real power to do so, inasmuch as this power could only be given by drawing a draft in regular form and endorsing it over. The endorsement without the draft was worth no more to the correspondent than a draft without its proper endorsement.

Editor Rhodes' Journal of Banking:

PEABODY, Kas., May 2, 1887.

Will you please explain the reason that numbers between two parallel perpendicular lines are placed in the lower left hand corner of drafts drawn by banks upon their correspondents?

CASHIER.

Answer.—Banks having a large number of out of town correspondents give each of them a *number* and request that it be written or printed in the manner indicated upon checks drawn by them. The checks are more easily arranged by numbers than alphabetically, and entries on ledgers and other books as well as correspondence is facilitated. In some cases it is made to serve another purpose. A book is kept, the leaves of which, printed on one side only, are divided into strips about an inch wide by perpendicular lines of perforations similar to those separating postage stamps. There are about twelve of such strips to a page. Horizontally each strip is ruled by lines for each working day in the month, and the number of the out of town bank is printed at the head of the slip. The balance each day of each correspondent is entered on the proper line, and at the end of the month the slips are separated along the perforated lines and sent to each correspondent, thus furnishing with little trouble each with a statement showing its balance on each day of the month. This system has been introduced in the Chase National Bank of this city. The general reason for this numbering of checks is the same as that for printing the charter number on bank bills, viz.: ease of distribution and handling.

Editor Rhodes' Journal of Banking:

BOWLING GREEN, Mo., May 10, 1887.

In a note executed according to the following example are the securities bound, if it is not protested, or if it were made payable one day after date and not protested would the securities be released?

CASHIER.

The note reads: "Bowling Green, Mo., March 1, 1887. Sixty days after date we promise to pay to the order of Farmers' Bank of Bowling Green, Mo., \$500, for value received, negotiable and payable without defalcation or discount, at the Farmers' Bank of Bowling Green, Pike Co., Mo., with interest at the rate of 10 per cent. per annum from maturity, and if the interest is not paid annually, to become as principal and bear the same rate of interest.

Wm. Smith,

Jno. Jones, security,

Tom Müller, security."

Answer.—The form of note amounts to the same thing as a joint and several note. The decisions of the Courts are that writing the name on the back of a note, if done before the note is discounted and for the purpose of strengthening the first signer, constitutes the writer a maker instead of indorser. Much more are the last two signers of the sample note makers, notwithstanding the word security is added to their names, especially as the note reads *we* promise to pay. The three are equally bound to pay the note, though as between themselves it appears to be understood that the first signer is to take care of it. Being makers they would be held if the note were not protested. It would be the same if it were payable one day after date.

Editor Rhodes' Journal of Banking:

SHREVEPORT, La.

SIR:—Does not the certification of a check by a bank make it the obligation of the bank the same as an acceptance, and does the law require a certified check to be presented for payment within any definite time?

CASHIER.

Answer.—Legal certification of a check by a National bank has been defined by the United States Supreme Court (Merchant's Bank *vs.* State Bank, 10 Wall., 604) to be a form of acceptance which, from its nature, implies that the reason

of the acceptance is the fact that the drawer of the check has a credit in the accepting bank equal to or greater than the amount of the check, and that sufficient of that credit to meet such certified check will be set apart and especially held to meet it. An illegal certification is one where the bank, for any space of time, however short, assumes a liability by certifying a check to be good when the drawer has no *bona fide* credit on its books. The bank is bound equally, whether the certification is legal or illegal. There is no provision of law requiring a certified check to be presented within any definite limit of time. Being an acceptance of the bank payable on presentation, it is about equivalent to a certificate of deposit, and as between the holder and the bank it could be presented at any time before it was barred by the statute of limitations, which, according to recent decisions, runs from the date of the certificate. As between the holder and drawer or previous holder, in case of the failure of the bank an unreasonable delay in presentation would doubtless be laches on the part of the holder, and would absolve the drawer and indorsers.

Editor Rhodes' Journal of Banking:

SENECA, Kans., May 20, 1887.

SIR:—What day is a note due, dated February 28, 1887, payable "one year from date," including three days of grace, next year being leap year? W. N. JOHNSTON.

Answer.—"One year from date" means one ordinary year of 365 days. If it meant 366 days it should have said "one leap year." Therefore the note mentioned would be due on the third day after February 28, 1888, viz., on March 2d of that year.

Editor Rhodes' Journal of Banking:

PINE BLUFF, Ark., May 14, 1887.

SIR:—Referring to "Milwaukee's" letter, p. 480, of the May number of the JOURNAL, you could have suggested to him in your reply to make the receipt non-negotiable or non-transferable.

H. H. HURON, *Cashier.*

Answer.—This refers to a question as to a bank giving a receipt to customers for collaterals deposited for loans. The suggestion is a good one, and may be adopted if acceptable to the customer. Some customers may desire more latitude. The bank is fully protected if an agreement is made as was suggested in the answer in the May number, that the collaterals will not be surrendered except on return of the receipt.

Editor Rhodes' Journal of Banking:

SHELburne FALLS, Mass., May 11, 1887.

SIR:—A gives a note to B, B has it discounted at bank, A fails to pay on maturity; can it be charged to B without protesting B having an account at the bank?

A SUBSCRIBER.

Answer.—It is, perhaps, often the custom of banks to do so, growing out of an understanding either expressed or implied between the bank and customer, and if such custom had prevailed between the bank and customer an understanding would be supposed to exist. Strictly, however, a bank has no legal right to charge such a note back to a customer before protest. The best plan is to have an understanding with the customer that if notes discounted for him, and on which he is the only indorser, are not paid, they are to be charged back. Such an agreement amounts to waiver of protest.

Editor Rhodes' Journal of Banking:

CHICAGO, April 18, 1887.

SIR:—I am under the impression that the JOURNAL has mentioned, incidentally, the scarcity of banking accommodations in certain parts of the South. If I am correct, I will thank you to name one or more points in that section where a properly conducted bank will receive satisfactory support.

J. W. CARY.

Answer.—It is a well-known fact that less banking capital has been employed in the South than in other sections of the country. Probably it has hitherto been all that the existing production and trade found to be necessary. Since the revival of business and enterprise in many of the Southern States, greater banking facilities will doubtless be needed. At what particular points it would be profitable to start a bank the JOURNAL cannot assume the responsibility of replying. We will be obliged to our subscribers in the South if they will send to the JOURNAL any information they may have upon the subject of our correspondent's letter.

NEW YORK FINANCIAL LEGISLATION.

[From the Journal's correspondent at Albany.]

Banking and trust companies have received comparatively little attention at the hands of the present Legislature.

The only measure which has so far become a law and which in its practical operations affects banking institutions is Senator Reilly's half holiday bill, making every Saturday after twelve o'clock noon, a holiday; and providing that all notes, drafts, etc., presentable for payment on a Monday shall, in case the Monday is a legal holiday, be presentable for payment on the next day (Tuesday) instead of on the Saturday before, as at present.

Assemblyman Ainsworth, of Oswego, pressed a very important bill, but the change sought to be made was so radical that the bill was defeated in the House. It abolished all days of grace. It is but the forerunner of an active agitation of the subject, and is one of the legacies which the present Legislature will bequeath to its successor.

The most important general law introduced was Senator Walker's bill to provide for the organization and regulation of Trust companies. In past years the Legislature has been repeatedly called upon from time to time to pass special acts for the incorporation of particular Trust companies, and all corporations of this character now in existence, were granted special charters by the Legislature.

Governor Hill has set his face against this class of legislation. He has refused to approve numerous bills heretofore passed to create new companies. He has also repeatedly urged the passage of a general act to allow the organization of these companies, placing upon them proper restrictions. The Walker bill was introduced to meet the suggestions of the Governor. It has passed both Houses, and now awaits the Governor's approval. Companies, under this act, can be organized with a capital of from \$500,000 to \$2,000,000, notice first being published for four weeks in a newspaper in the city where it is proposed to be located. Three fourths of the incorporators must be residents of the State. The corporations may exist for fifty years, and are to possess powers similar to those now in existence under special charters.

The Governor also has under consideration the Gallagher bill to allow Savings banks to invest in "any interest bearing obligations" of any state, county or town whose bonds they may now hold. The object of this act is to allow them to purchase certificates of indebtedness issued by city governments, redeemable out of the proceeds of the next tax levy, or out of the moneys receivable from assessments for local improvements, as well as for temporary loans made to city and county Treasurers in advance of the collection of taxes.

Two more bills of Senator Walker's have been on their way through the Legislature and encounter no opposition. They seek to remedy defects in the present law by conferring on the Supreme Court authority to allow the change of name and change of location of State banks, thus doing away with another very fruitful source of special legislation.

Mr. Hogeboom's bill to compel the filing by State banks of semi-annual reports giving their condition on the first days of January and July in every year, was practically buried out of sight in the Assembly owing to the large number of bills that have been advanced ahead of it.

Senator Walker's bill to allow individual banks to be organized under the State law with a capital of \$10,000 has never come out of the Senate Committee on banks. The same is the case with Senator Parker's bill allowing the trustees of Savings banks to receive allowances not exceeding \$500 per annum for time actually spent in the business of the institution.

Upon these bills there has been practically no contest. The bills that seem likely to perish are those for which there was no particular demand and no effort has been made to secure favorable action.

There has been a decided contest however over what is known as the Cullen Savings bank bill which passed the Senate and has been killed by the refusal of the

Assembly Committee to act on it. The bill required Savings banks to report annually to the Banking Department a list of all deposits that have remained unclaimed and upon which no interest has been drawn for twenty years, together with the names and last known places of residence of the depositors. Assemblymen Finn and Mulry introduced similar bills in the House and the latter has been very active in trying to secure action on the Cullen bill, but without avail. This bill has caused considerable harsh criticism, both of the committee and of Superintendent Paine on the one, and the promoters of the bill on the other hand.

Two special charters for Trust companies have been asked for this session (New York Trust Company and Holland Trust Company), but neither have as yet passed both houses. The Governor, in view of his previous action on this class of bills, is morally certain to veto them should they ever reach the Executive Chamber.

Senator Walker, of the 30th District and Assemblyman John C. Hogeboom, of Columbia, are the respective chairmen of the Banking Committees and have had the responsibility cast upon them of protecting the banks from the people, as well as the people from the banks.

Several tax bills have been urged which are of especial interest in banking circles. Senator Vedder's bill to tax the capital stock of Trust companies at the place of business of the company, has perished in the Senate; and a bill by Mr. Erwin to tax Savings banks and Trust companies on their deposits has met a similar fate in the House, both dying in the committee room.

Senator Vedder's Brokers' Tax bill passed the Senate and was on the order of third reading in the House. There was no apparent desire on the part of any one in the House to press the bill to passage.

The Saturday half holiday law has appeared to Superintendent Paine to require explanation. Accordingly a bill was introduced by Mr. Sheehan, to define precisely when commercial paper shall be due. It provides that all paper falling due on Sunday or on Saturday or Monday, when either of them is a "whole holiday," shall be due on the next succeeding secular day. It was passed immediately.

New York City Bank Taxes.—The following table shows the amount of taxes due from the New York city banks for the years 1885 and 1886, which have had to be paid under the recent decision of the U. S. Supreme Court:

	1885.	1886.		1885.	1886.
	Amount.	Amount. Total.		Amount.	Amount. Total.
American Exch.....	\$124,795	\$112,398	Mechanics' & Trad..	\$1,979	\$1,405
Bank of America....	84,277	77,853	Merchants' Ex. Nat.	15,984	7,682
B'k North America..	6,567	9,494	Merchants' National	40,582	36,075
B'k of N.Y., N.B.A...	49,135	48,483	Metropolitan Nat'l..	5,547	5,547
Bank of Metropolis..	7,881	8,355	Murray Hill.....	1,231	1,134
Bank State of N. Y.	14,046	15,073	N.Y. National Exch..	5,174	5,019
Bowery National....	8,381	8,227	Nat. B'k Commerce	148,881	138,510
Central National....	38,904	35,107	Nat. B'k of Republic	23,679	27,012
Chemical National..	85,050	88,017	National Park.....	40,802	36,944
Chase National.....	8,420	639	National Broadway..	26,611	24,967
Chatham National..	9,481	7,283	Nat. But. & Drivers	6,771	7,063
Columbia.....	1,782	1,799	National Citizens'...	10,925	9,215
Continental Nat'l...	7,180	6,297	Nat. Shoe & Leather	8,564	8,529
Corn Exchange.....	80,811	31,800	N. Y. Co. National..	3,647	8,480
Commercial.....		3,519	N. Y. Produce Exch..	22,316	17,932
East River National	3,410	3,165	Ninth National.....	6,521	5,941
First National.....		460	Oriental.....	7,001	7,288
Fourth National....	69,543	68,867	Pacific.....	11,614	10,815
Fifth National.....	1,357	1,107	People's.....	4,540	4,705
Fifth Avenue.....	7,584	9,712	Phoenix National....	15,942	15,066
Gallatin National...	30,961	34,770	Seaboard.....	8,157	4,225
German American...	16,887	17,000	Second National....	4,147	4,520
German Exchange...	1,610	1,782	Seventh Ward Nat'l	6,227	6,212
Hanover National...	20,467	18,835	St. Nicholas.....	12,961	12,011
Imp. & Traders' Nat	66,813	62,962	Sixth National.....	4,325	3,862
Irving National....	8,411	3,367	Third National.....	23,160	21,511
Leather Man. Nat...	12,284	12,497	Union National.....	32,063	
Madison Square....	3,898	2,802	United States Nat'l.	2,284	4,109
Manhattan Comp'ny	49,372	42,749	Wall Street.....	205	204
Market National....	13,961	13,385			
Mechanics' National	46,882	51,450			
Mercantile National	19,220	19,535			
		36,756			
			Total.....	\$1,338,471	\$1,243,708
					\$2,582,174

BANKING AND FINANCIAL NEWS.

THIS DEPARTMENT ALSO INCLUDES: OPEN LETTERS FROM BANKERS, THE WORLD OF FINANCE, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

Dakota Bankers' Association.—The third annual meeting of this Association was held at Watertown on May 24th and 25th. An interesting programme was presented, and several papers on appropriate topics were read.

Postal Estimates.—The original estimate was that the expense of the postal service for the current year would exceed the revenues by \$7,000,000. The latest calculation is that the deficit will not exceed \$3,000,000.

Wild Cat Insurances.—Through the manipulations of one of its Trustees, who is an insurance agent, the policies of insurance upon its property taken out by Dickinson College, Carlisle, Penn., are, it is stated, in Wild Cat companies.

Eugene B. Walton, who was convicted about eighteen months since of altering an account on the books of the First National Bank of New York city, where he was Teller, and sentenced for five years, was pardoned by President Cleveland on April 22d.

Mr. H. Knox Taylor has resigned the position of National Bank Examiner for Minnesota, inasmuch as it involved continued absence from his home, and has accepted the Secretaryship of the D. S. B. Johnston Land Mortgage Company. Mr. Taylor had a fine reputation for skill and attention to duty in his former position.

Mr. J. T. Phinney, for many years Cashier of the First National Bank of Frankfort, Kans., recently resigned that position to engage in business for himself in Logan County, Kans., where, in a short time, he purposes to organize a National bank. Mr. Phinney's high standing as a bank officer will insure his success in his new enterprise.

Mr. S. N. Aldrich has been appointed Assistant Treasurer of the United States at Boston, in place of Mr. M. P. Kennard. Mr. Kennard, the retiring officer, is spoken of as a model officer in every respect. Well fitted by his business education for the duties that were required of him, he was methodical, quick, diligent and faithful. He met everybody with courtesy and dispatched business rapidly. Although a Republican, he believed in the fiscal policy of the present administration. His accounts balanced to a cent.

The City of Duluth promises to become the great wheat market of the world. It is the eastern terminus of the shortest line of railroad from the Pacific, and is situated at the head of navigation of the great lakes. It is the outlet for a vast territory rich in agricultural, timber, and mineral resources. Wheat received during 1886 amounted to 26,000,000 bushels, and the wheat land of Dakota is not one-tenth developed.

Steel Works.—J. Wesley Guest, Cashier of the Citizens National Bank of Baltimore, has recently purchased for The Pennsylvania Steel Company, of Steelton, Penn., twelve hundred acres of land adjacent to the city of Baltimore. The property has a water front of over three miles on the Patapsco river. The steel company will proceed at once to erect extensive works. It promises to be a very important industrial and commercial enterprise.

The Vermont National Bank of St. Albans, which was placed in the hands of a receiver in connection with the Bradley Barlow failure, had some collateral claim on the stock of the Montreal, Portland & Boston road. Receiver Hendee purchased this stock, or had it purchased in his interest some two years ago, and the Supreme Court at Ottawa recently decided that the stock is now the property of the bank. The Canadian Pacific was the unsuccessful claimant.

Monetary Stringency.—Mr. Trenholm, Comptroller of the Currency, has been quoted as saying that he did not think there was any danger of panic or monetary

stringency. He thought the country was in a very prosperous condition, although there was no boom. This opinion was based on the fact that receivers of insolvent National banks have generally been reporting more rapid sales of property at better prices, and greater anxiety to pay on the part of the debtors of these concerns.

The State of Virginia, on May 18th, paid to the Kendall Bank Note Company, of New York, a judgment obtained in 1882 for \$30,000 and interest. The suit grew out of a decision of a contract for engraving and printing Riddleberger bonds, which decision was held to be wholly unjustifiable, the judgment of the lower Court to that effect being sustained by the Supreme Court of Appeals of the State. A bill appropriating money for the payment of the claim, including five years' interest, was passed by the Legislature.

Mexican Silver in Texas.—A bill was introduced in the Texas legislature at its last session making Mexican gold and silver coin a legal tender in that State. This is exactly the same in principle as if the State of New York or Massachusetts should enact laws making the coins of England or France legal tender within their State limits. The introducer of the bill in the Texas legislature must be some Rip Van Winkle who thinks Texas is still an independent Republic, forgetting that she is now an annex of the United States.

Union Pacific Railroad.—There has been a rumor that the Union Pacific stockholders are preparing to surrender the old Union Pacific main line for the Government debt, and abandon the Omaha & Council Bluffs termini, making of the branches owned by them independent of the Government a new system of lines with Lincoln, Nebraska, as their eastern terminus. Perhaps this can be done, but it is a question whether the Government would surrender any equitable right it might possess in the branches of the Union Pacific, if the main line should prove insufficient security for its debt, without litigation.

Treasury Cash.—The cash to be counted and transferred from the custody of Mr. Jordan to that of Mr. Hyatt is as follows: The money held in the vaults of the Treasury buildings aggregates \$95,000,000, of which \$60,000,000 is silver coin, \$26,000,000 gold coin and \$9,000,000 certificates and legal tenders. Besides this there is about \$134,000,000 of paper currency in the reserve vault as received from the Printing Bureau and not yet put into circulation. In addition to the cash there is \$240,000,000 of Government bonds. All these amounts must be counted and the Treasurer's books verified. The silver dollars fill to overflowing two vaults, of which one is 70 by 40 by 9 feet in dimensions.

The Clearing-House on May 18th, by a unanimous vote, admitted the Western National Bank as a member, and on the same day presented the following preamble and resolution, passed in reference to the Saturday half-holiday:

Whereas, Saturday from 12 o'clock at noon until 12 o'clock at night has been duly made a legal half-holiday, and there appearing to be nothing in the legal requirements of the Act that conflicts with the rules and regulations of the New York Clearing-House Association; therefore it is

Resolved, That the members of this Association continue the same relations with each other, and be governed by the same rules and regulations, and future amendments thereto, in all respects in their Clearing-House transactions as before the passage of the Act commonly called "Saturday Half-Holiday Bill," passed May 6, 1887.

Correction.—It has been announced that Wm. B. Mitchell, President of the Exchange Bank of Detroit, had disappeared with all the funds of the concern. A Detroit correspondent informs the JOURNAL that no such "bank" ever had an existence. It was only a small individual banking and brokerage affair, with probably no capital to speak of and less than \$5,000 in deposits. The use of the name Exchange Bank by such a concern is contrary to the laws of Michigan, which provide that no person shall advertise or put up signs tending to convey the impression that the business is that of an organized bank. In all cases the individual or firm name must be used, and the advertisements must state the names of every person in said firm.

Virginia Debt Conference.—Sir Edward Thornton, formerly the Representative of the English Government at Washington, and Mr. S. W. Braithwaite (of the firm of Messrs. Travers, Smith & Braithwaite) representing the English holders of Virginia bonds, held a conference commencing on May 2d, with a committee of the Virginia Legislature. It is understood that the bondholders demanded \$800,000 a year on a principal of about \$30,000,000, while the Virginia Commissioners would only allow

\$750,000 on \$22,000,000. The English Commissioners suggested that to do justice to the holders of the State debt, the appropriations for public schools and for disabled soldiers might be reduced. No agreement was reached.

Topeka, the Capital of Kansas, is a thriving city of 40,000 inhabitants, and justly entitled to rank among the most progressive cities of the West. It is situated in the very heart of Kansas, and has admirable railroad communication with all points. It has thirteen graded schools and two colleges, a fine public library and four elevators and flouring mills of a daily capacity of twelve hundred barrels of flour. There are two National and six State and private banks, three foundries and machine shops, fifteen printing offices and four book binderies, numerous churches, two opera houses, five hotels and a hospital. Thirty-five hundred houses have been built within the last three years. It also contains the general head-quarters of the Atchison, Topeka and Santa Fe Railroad Company.

Beginning of Trouble.—The free-handed good fellow who spends his money liberally with the boys is very popular always—until his defalcations are found out and he turns up in prison or in Canada. Then the free-handed good fellow is voted a very bad fellow, even by those who drank and feasted upon his employer's money. But that the free-handed good fellow is certainly destined to turn out a bad fellow in the end should be as certainly known to all who can look an inch beyond their noses before the exposure comes as after. An ordinary salary cannot support the style of living of one of these good fellows, and sensible business men ought to know whether their Tellers are good fellows or not before the cash is gone.—*Philadelphia Times*.

President E. Evans of the Lumber Exchange Bank of Tonawanda, has written to the Hon. W. L. Trenholm, Comptroller of the Currency, giving that officer exhaustive answers to the difficult questions which have arisen in reference to the perpetuation of the National banking system. Mr. Evans plan is the entire funding of the public debt into 2½ per cent "*American Consols*," payable at the pleasure of the Government after fifty years. Currency is to be issued to the par value of the bonds, but the Government is to retain interest until it amounts to 10 per cent of the circulation as an additional margin of security. It is understood that quite a number of 2½ per cent American Consols have inadvertently been appointed. Possibly there is no better way of utilizing them than in refunding the public debt.

Stump-tail Currency.—A circular issued by a dealer in ready-made clothing in Chicago, in 1857, exhibits a cut of a lank, brawny fellow driving in the stump of a cow's tail with a beetle. The cow is nothing but skin and bone, with hardly enough of the former to cover her ribs. A bold headline reads, "Last call for stump-tail currency." Then follow the quotations at which the dealer will receive bank notes of different banks, varying from par to 50 cents discount. Out of about sixty banks only six are quoted at par. New England bank money had a good reputation in those days, so much so that the notes of bankrupt institutions located in that section often passed at par in the West. Banks organized in the West would take the names and imitate the bills of Eastern banks, printing the real location in the smallest type, so that their notes might pass for New England money.

Pardoned.—Stephen H. Russell, of Boston, who was convicted of counterfeiting in 1857, was pardoned by the President in April. Russell, a silversmith, was charged with counterfeiting a large number of coins resembling the gold sovereigns of Great Britain, which coins were in actual use and circulation as money in the United States. The defendant's counsel claimed that what the defendant really did was to gild or wash English shillings, not knowing nor suspecting that the person asking to have them done had any intention of passing them off as genuine British sovereigns. There was no intent to deceive. Judge Webb claimed that if the accused counterfeited such coins, he could not excuse himself by showing what his intention was. The jury, therefore, returned a verdict of guilty. No sentence was imposed by the Judge, but the defendant was ordered to recognize in the sum of \$1,000 for his appearance from day to day during that term of the Court.

The Farmers and Mechanics' Savings Bank of Minneapolis, Minn., during the thirteen years it has been in operation, has never lost a dollar, and has never paid less than 5 per cent. dividends. It has accumulated a surplus of \$100,000. The law under which it is organized is one of the most conservative in the United States, being a copy

of the Savings bank law of New York State, with several features giving even additional security. The banking department of Minnesota which has supervision of the banks organized under State laws is presided over by Hon. H. M. Knox, State Examiner, who is well known as a careful, competent and conscientious officer.

On February 1st of each year the Savings banks of the State file with the Banking Department a detailed list and description of every mortgage and bond held by the banks. Information in regard to them can be obtained from Hon. H. M. Knox, State Examiner, St. Paul, Minn.

Credit to Wrong Account.—George W. Ryan, an insurance broker, in August, 1885, was a depositor in the Tradesmen's National Bank, of this city. He issued several small checks, directed to the bank, but they were dishonored, the bank refusing payment upon the theory that there were no funds to meet the checks. Ryan claimed that there were sufficient funds, and when an investigation was ordered it was found that a deposit of nearly \$600, made by him, had been credited to another Ryan. The dishonored checks having been sent to persons in Boston, New Orleans and elsewhere, Ryan sued the bank in the Court of Common Pleas to recover damages, claiming that the dishonoring of the checks was in effect an imputation on the part of the bank that he was insolvent, and that such an imputation injured his credit. After a trial of the case before Judge Daly and a jury a verdict of \$185 was given for Ryan. The defense was that no damage had been caused.

Will County National Bank, of Joliet, Ills.—The report of a defalcation in connection with this bank turns out to have been without foundation, as is shown by the following telegraph sent by the President:

"The Bank Examiner has concluded his examination of the Will County National Bank of this city, and states that he finds its condition quite satisfactory, and its affairs in better shape than when he last made his examination, and in this connection it is proper for me to state that Henry C. Knowlton, late Cashier of the bank, was not short in his accounts with the bank, nor a defaulter, nor has he been a fugitive, nor was his father or any other person for him, or on his account, required to make up or pay any deficiency to the bank. His affairs with the bank were all readily and satisfactorily adjusted, and he left the bank with the best wishes of the officers for his success in whatever undertaking he might engage. His residence is here, and he is at present at home with his family."

Dividends to Creditors of Insolvent Banks.—The Comptroller of the Currency has declared the following dividends in favor of the creditors of National banks in the hands of receivers: A first dividend of 25 per cent. in favor of the creditors of the First National Bank of Pine Bluff, Ark., on claims proved amounting to \$64,409; a third dividend of 10 per cent. to creditors of the First National Bank of Angelica, N. Y. This makes 85 per cent. in all on \$62,268 of proved claims. A third dividend of 10 per cent. to creditors of the Exchange National Bank of Norfolk, Va., or 40 per cent. in all upon claims proved amounting to \$2,888,986; a seventh dividend of 10 per cent. to creditors of the Pacific National Bank of Boston, making 50 per cent. on claims amounting to \$2,800,480, and a final dividend of 50 per cent. and interest to creditors of the First National Bank of Blair, Neb., making in all 100 per cent. and interest in full on claims amounting to \$80,410; a second dividend of 40 per cent. to creditors of the City National Bank of Williamsport, making in all 90 per cent. paid on claims amounting to \$180,742.

Savings Bank Bill in Illinois.—The Governor of Illinois has a Savings Bank bill recently passed by the Legislature under advisement. The bill does not provide for its presentation to the people under the requirement of the Constitution of the State that no Act of the Legislature creating a corporation or association with banking powers whether of issue, discount or deposit, shall go into effect until it has been submitted to the people at the next general election. Those in favor of the bill make the point that a savings bank is not a bank in the sense used in the Constitution, and to prove this confine themselves to the technical ideas of what a savings bank should be, that is institutions in the nature of charities for the poor, where an association is formed to take charge of funds intrusted to them and account for all moneys put into their hands for the benefit of those who intrust the money to them. Banking powers of discounting and loaning money are expressly prohibited, the deposits are not subject to check. It is thought that as the bill confines the contemplated institu-

tion to a strictly savings bank business that it does not require to be submitted to the people.

Secretary Fairchild is described in a Philadelphia paper in the following terms, whether complimentary or otherwise depends upon the stand-point of the reader. "He is extremely quiet and determined to a degree that amounts to obstinacy. In his big, barren office he is neither a striking nor impressive figure. He is short, round and comfortable looking, with a bulging forehead and a bulging chin, a short, chopped mustache, which seems to have crawled back into the comparative obscurity of his upper lip, and a pair of large dark eyes, which look both impassive and sleepy until something of consequence is said. People who go in to see him have to start the talking and frequently end it, and visitors have been known to go in, present short statements and come out again without hearing anything from him except "good day." For what is known as a hearing he is discouraging. Lawyers and business men make arguments before him, attacking each other, and wrestling with each other's arguments and figures, and in the whole time there will not be a single indication in either his countenance or his few words which will give the slightest clew to his opinions. The United States Supreme Court, with all its dignity, is not half the riddle during an argument that he is."

Boston Stock Exchange.—A great change has come over the spirit of the Boston Stock Exchange. Its operations are now of the character and magnitude which befit the second seat of capital in the United States. Under any surroundings the transactions would, of course, have shown a decided increase during the past eighteen months, but that increase has been largely augmented by the improved methods of the Exchange.

The inauguration of the open board system was the most important and progressive step ever taken by the Exchange. It has resulted in a much broader and more elastic stock market than has ever before been experienced in that city. It is true that such a change facilitates speculative trading and makes easier the marketing of "wild cat" securities, but worthless stocks will always exist while there are daring and ingenious schemers. The open board system of buying and selling makes it less dangerous to deal in these stocks, however, and also gives a greater solidity to stocks of intrinsic worth than was had when board trading was limited solely to morning and afternoon calls.

Analysis of Half-Holiday Bill.—A meeting of the Clearing-House Committee was held on May 12th, after which the following analysis of the Half-Holiday bill was sent to each bank in New York city:

"By the bill as passed, all commercial paper otherwise due on any of the whole holidays is payable the succeeding secular or business day. Saturday up to 12 M. is deemed a secular or business day.

"Therefore paper due on a whole holiday which falls on Friday is payable Saturday by 12 M. Paper due on holidays falling on Mondays, Tuesdays, Wednesdays and Thursdays is payable on the succeeding secular or business day.

"Paper due on Saturday which is a whole holiday, is payable the following Monday. If that be a holiday it is payable on Tuesday.

"Paper due on a half-holiday Saturday is due by 12 M., but may be demanded for protest and notice of dishonor or protest given the next secular or business day. There is nothing, however, in the Act to prevent demand and protest of any paper before 12 M. on a half-holiday Saturday, and this may be done whenever it may be deemed expedient.

"If a whole holiday fall on a Sunday the next Monday is a holiday, and paper falling due on such a Monday is payable the succeeding secular or business day.

"As to paper falling due on an ordinary Sunday, no provision is made, and very properly.

"Such paper is governed by the common law, and where the last day of grace falls on a Sunday, it is due on Saturday by 12 M.

"If that Sunday be also a holiday the law is not changed. The Act, it will be seen, does not apply to paper due on a Sunday, but to paper due on a Monday where Sunday is the holiday.

"Consequently it is plain that whether Sunday be a holiday or not, paper due on that day is payable on the preceding Saturday by 12 M.

"As to paper not entitled to days of grace, when by the terms thereof it is due on a Sunday, it is payable by the existing law on the Monday following.

"If Monday be a holiday, it is payable the succeeding day.

"Where paper presentable for payment or acceptance on a Saturday is received for collection, the banks are not guilty of neglect or omission of duty, and incur no liability in not presenting such paper for payment or acceptance, or collecting it on that day.

NOTE.—The Act applies only to commercial paper made on or after May 16, 1897. As to all paper made prior to May 16, 1897, the present law applies."

Kansas Bankers' Association.—The news department of the March number of the JOURNAL contained a notice of the organization of this Association upon February 22, 1887. The proceedings at the meeting have been published in a neat pamphlet, which contains the names of the organizers, of the officers elected, the constitution and by-laws adopted by the Association, and the address of John R. Mulvane, Esq., President of the Bank of Topeka, who was elected President of the Association. Mr. D. A. Moulton, Cashier of the First National Bank of Topeka, who was elected Treasurer, delivered an address upon Banks and Taxation, which is also printed in the pamphlet. This address was followed by a free discussion.

The objects of the Association as stated in the preamble to the constitution are "to promote the general interests of the Commonwealth, and to increase the usefulness of the banks, banking and financial institutions of the State, by the cultivation of more intimate acquaintance among the managers of such institutions, and through the medium of periodic meetings bring about a full and free discussion of, and secure united and harmonious action upon, all questions of custom and financial and commercial usage, existing, needed and pending legislation both State and National, as well as for the purpose of collecting and disseminating information of interest and use."

The organization already contains 21 National banks and 35 State banks and private bankers. As seen from the preamble above quoted, the main idea is to protect banking interests in and through the law-making power of the State. The necessity of such an organization was the more felt on account of the remodeling of the laws and constitution of the State in the near future.

Changes in Coinage.—The following letter addressed to the Director of the Mint by the Cashier of the Massachusetts National Bank of Boston very seasonably called attention to a point of much interest to bankers and all who have much to do with the handling of coin:

Hon. Jas. P. Kimball, Director of U. S. Mint,

MAY 13, '87.

DEAR SIR:—I notice that you are advertising for new coin designs. Allow me, on behalf of a suffering public, to ask that you do not make any more coins differing slightly in size from the existing one of the same denomination.

The last nickel five cent piece has been and is a nuisance in this respect. You cannot roll the old and new together with any convenience or neatness. You must sort them out as much as you would coins of different denominations.

More than this, Coin-Holders and Paying-Machines made to hold accurately the previous coins (still in the majority in circulation) will not hold or pass through the last issue, and of course have no place provided for the latter. The last are therefore a plague to all people who receive quantities of small coin, and these are a very considerable portion of the population.

There certainly can be no gain in a slight change of size at all commensurate with the inconvenience entailed on the people for a generation to come. CHAS. W. PERKINS.

Stock Exchange Election.—The election at the Stock Exchange this year was unexampled for excitement in the history of that institution. The trouble was about Mr. Henry S. Ives, who, on account of alleged crooked practices, had been officially determined to be unworthy of the privileges of the Exchange. Afterwards the Governors went so far as to suspend from membership a broker who insisted on continuing in partnership with Ives. Afterwards this partner was reinstated, and this excited the wrath of a number of the members, who insisted that it was a white-washing operation due to the success of Mr. Ives in his business operations. The opposition took the form of an attempt to defeat the re-election of the officers and Governors who were concerned in the alleged white-washing. The result does not appear to have been very promising for those who were opposed to Ives. In fact the only difference between the regular and independent tickets was, that for Governors the names of H. K. Enos, J. B. Dumont, W. B. Beekman and Richard Limburger had on the last named ticket been substituted for those of Donald Mackay, W. B. Lawrence, W. H. Johnson and Eugene Thompson. Three of the independent candidates were elected.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

—A plot to rob the Milmo National Bank of Laredo, Texas, was defeated, and the would-be robbers arrested.

—The Saint Nicholas Bank of this city has taken quarters in the magnificent new Equitable Building, on the Pine street side.

—The Bank of Virden, Ills., of which Messrs. Walworth and Heaton were the proprietors, has been sold by them on account of ill health to Caldwell, Henderson

& Co., who will carry it on under the old name. The members of the new firm are gentlemen who are known to be strong financially.

— The National Bank of Rahway, N. J., in liquidation, has been reorganized as a State institution called the Union County Bank, with a capital of \$50,000.

— The sum of \$600,000,000 passed through the hands of M. P. Kennard, the late Assistant United States Treasurer at Boston, during the past eight years.

— B. B. Somegys, President of the Philadelphia National Bank, returned to the city May 3d, in the steamer "British Princess" after an eight months' absence in Europe.

— Mr. Edward Gould, of Portland, at more than four score, is still Cashier of the National Traders' Bank of that city, a position which he has held continuously for fifty-three years.

— A Cashier dreamed that he was murdered while protecting the funds of the bank, and that seven angels carried him off to heaven. The very next night he was on his way to Canada.

— Mr. Samuel McD. Tate, of Morgantown, N. C., has been appointed by the Comptroller of Currency Bank Examiner in the States of North Carolina and Virginia. He is said to have had a large business experience.

— A loan company with a capital paid up of \$500,000, to be known as the National Loan & Trust Company of Kansas City, Mo., has been organized. Mr. Geo. F. Putnam, a prominent citizen of Kansas City, is manager.

— It is announced that Mr. Lyman J. Gage, for many years a widower, is to marry the widow of his brother, Lloyd G. Gage, who died about three years since. He is receiving the congratulations of his many friends.

— Upon the unanimous application of the national banks in Omaha, Neb., the Comptroller of the Currency has designated that city as a reserve city under the provisions of the Act passed at the last session of Congress.

— A fine portrait of Osmyn Brewster, Esq., of Boston, Mass., has been painted for the Franklin Savings Bank, of Boston, Mass., by Daniel Strain the artist. Mr. Brewster has been President of the Savings Bank since its organization in 1861.

— The old Plymouth National Bank corporation at Plymouth, Mass., is laying the foundation of a fine brick building, the first floor of which will be used by that bank and the Old Colony National Bank. In the building there will be a number of safe deposit vaults and lockers for rental.

— In response to the offer of the Director of the Mint of \$100 for a new design for the silver dollar, the *Macon Telegraph* suggests: On one side, the rising sun, a cornucopia rampant, and the legend, "Honesty is the best policy." On the other, "Turn the rascals out." Between the two, one dollar's worth of silver.

— There is some surprise expressed at the comparatively small number of trade dollars that has been presented for redemption. The theory is that when the coin was selling for eighty-five cents, many were melted and used for manufacturing purposes. The coin being 900 fine and containing 420 grains, it was cheaper than bullion.

— Part of the village property belonging to the estate of the late ex-Governor Page, consisting of twelve lots and a tenement house on Washington and East streets, in Rutland, was sold by auction on April 30th, in behalf of the National Bank of Rutland. The sales aggregated \$9,415, and the lots sold from \$315 up to \$1,425.

— The case of Thomas L. Huggard, George W. Bumm, William H. Bumm and Samuel P. Milligan, charged with conspiracy to cheat and defraud in the matter of the Shackamaxon Bank, Philadelphia, was called for trial by District Attorney Graham before Judge Hare, May 2d. Owing to the illness of Huggard the matter was continued. It will hardly be brought up under a month and may go over until the fall.

— An attempt is being made to have the Massachusetts Legislature pass a bill similar to the Cullen bill in New York, requiring Savings-bank Treasurers to return annually to the Savings Banks Commissioners the last-known address and amount standing to the credit of every depositor who has not added to or withdrawn any money from his deposit for twenty years, this information to be put in the Commissioners' annual report. As in New York there is much opposition to the measure.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

DRAFTS AND IDENTIFICATION.

Editor Rhodes' Journal of Banking:

SIR:—It may be that in many particulars that the "East" can give the "rowdy West" many pointers on business methods, but I fail to understand why they will persist in sending their friends and customers into the land of strangers with drafts and the remark that they "can get them cashed anywhere." The holder ascertains, in many instances, that identification is necessary, and he beyond the range of any acquaintance. Some banks have a *little* more style about them, and give with the draft a letter identifying the holder's signature, and then expect us to cash drafts on New York and elsewhere for \$500, and possibly more. In issuing these drafts they usually charge exchange, and expect us to cash them at par, where express-rates are \$1 per M, and take the risk of letter or draft or both being forgeries. Once in a while—*very seldom*—an Eastern banker enquires of his customer what part of the country he intends to visit, and then writes some bank in the vicinity that John Smith, whose signature appears below, will call with draft No. so and so, and will further identify himself with the word "money," or any other word fancy pleases. To drawers of some kinds of foreign letters or advices, this plan is familiar, and to the party cashing drafts, etc., very satisfactory.

The writer has worked in Eastern banks, big and little, and is free to say that "ye Easterner" would have the horrors if he had to conduct his business as he seemingly expects us to. We, in former times, cashed drafts for strangers as high as they chose to present them, but in those days a "billed shirt" placed the wearer thereof under suspicion. We very often now "lend our money to strangers," but are growing cautious as we become more civilized, and educated people settle in our neighborhoods. In conclusion, I do not suppose a man accustomed to Western ways would be regarded as a safe person to transact business with in the East, but I venture the remark that he would make fewer blunders than would the tenderfoot if transplanted to land of buffalo-grass. Yours truly,

HAIGLER, Neb., April 23, 1887.

"8 STATES."

LETTER FILES.

Editor Rhodes' Journal of Banking:

SIR:—I notice a form of letter-case in your May number (page 462), which, in general arrangement, is like those in use in this bank for twelve years past, except that we think we have a better form of shelf, which, in our case, is made of sheet zinc turns up at the back and down at the front to give it proper stiffness. The front end is used for the name of the correspondent, whose letters are pigeon-holed on it, and the sides of the uprights are grooved at intervals of one inch, so that the zinc shelf can be set higher or lower, to accommodate the larger or smaller correspondence during the year from any given correspondent. At the end of each year our letters are taken out, boxed and labelled as you describe. I am awaiting with much interest the publication of that promised article on "Country Collections." I hope your writer has found the long-looked-for way to handle them. I confess, after years of experience, to being still unable to find it myself—that is, to the satisfaction of myself and our customers too.

J. P. MUMFORD, Cashier.

PHILADELPHIA, May 17, 1887.

SIGNATURES.

Editor Rhodes' Journal of Banking:

SIR:—In reading your valuable JOURNAL OF BANKING, I have noticed within the past few months several specimens of monstrosities of abnormal signatures of Cashiers and others—*rareæ aves sui generis*, and may they become ere long as rare as the dodo. I have no patience with such factitious signatures, intended not to be legible, but the

reverse; more suitable for Chinese tea-boxes than Cashier's checks—reminding one of the meanderings of a spider in pursuit of a fly, both of which have fallen into an ink-stand, and having got out continue the chase and flight on paper. If your illustrations in this line do not adorn a check, they will subserve to point a moral. Therefore, apropos of such, I give you the names—if you purpose continuing your collection—of two Cashiers, our correspondents, in two Southern cities—one in Kentucky, the other in Alabama; one the Cashier of a National Bank, the other of a State bank. They will doubtless furnish you specimens of — I can't say of their chirography or calligraphy, without I use the latter word in irony.

CLAYTON CANNON.

BALTIMORE, 13th May, 1887.

WHAT IS THE UNIT OF VALUE?

Editor Rhodes' Journal of Banking:

It is claimed by some that "our gold is above par, as well as our silver below it." Statute 3511 says, "The gold coins of the United States shall be a one dollar piece, which, at the standard weight (elsewhere defined nine-tenths pure), shall be the unit of value." As in arithmetic, we reason from abstract numbers to concrete things, so here we must regard the relation between abstract and concrete.

When the statute says the unit shall be a "dollar," that is money in the abstract; for a visible dollar it directs us to concrete things. As for brevity in saying "dollar" for unit of value, for exactness it says "dollar" shall be 23.22 grains of fine gold. This concrete, or visible dollar defines to our senses the abstract dollar which exists only in the mind.

When the statute has thus stated what is the test by which this concrete, or real, dollar shall be known it has fixed its standard; its standard is its par, as its par is its standard, and cannot go above its own standard, except by putting more than 23.22 grains of gold in 23.22 grains of gold. If the unit of value may have a material sign, or standard, made of 371¼ grains of fine silver, 60,000 grains of copper, or 25 pounds of lead, as the bi, tri quadrumetalists believe, these must always be exchangeable with 23.22 grains of fine gold, or else the term "dollar" and the thing it means will not correspond. When substituted in a proportion, in the foreign exchanges, they must severally fill the place of 23.22 grains of fine gold—that is, the pure gold in a dollar is to the pure gold in a sovereign as their denominations, or (about) 23.22:113:100:4.86. It is so evident that this cannot be done that bi-metalists want the statute to override a law of economics and say that 15¼ parts of silver shall be equal to one part of gold in the coinage, whether it is worth it in bullion or not. They concede the fundamental principle that any quantity of metal in the form of bullion must be of the same value as the same quantity of metal in the form of coin, but they think that the law can do it—that the law can make or destroy value. POSEY S. WILSON.

WASHINGTON, D. C., May 23, 1887.

"THE MEANING OF THE WORD BANK."

Editor of Rhodes' Journal of Banking:

SIR:—A correspondent in the *Journal* for May quotes from a dictionary just publishing (?) as well as from Webster and Worcester to prove that Bank originally meant a Bench.

Henry Dunning Macleod, of Trinity College, Cambridge, author of "The Theory and Practice of Banking," takes an opposite view and says: "It is popularly supposed that the word Bank comes from the Italian *Banco*, a bench, or table, nevertheless there can be no doubt but that this derivation is a pure delusion." He then proceeds to show that the Italian *banca* or *banco* is derived from the Gothic *Banck*, a heap or mound, and that the true original meaning of *Banco* is a *heap*, and that this word has metaphorically applied to a common fund, or joint stock, formed by the contributions of a multitude of persons.

The first bank, that of Venice, was nothing but a public debt managed by Commissioners, and these Commissioners were appointed to receive cash on deposit and became what we call a bank. This was certainly not a Bench but a heap of money, or a fund formed by many contributions.

Mr. Macleod gives many strong reasons for believing that the Italian *Banco* meant a heap and not a bench.

Yours truly,

SCRUTATOR.

MILWAUKEE, May 17, 1887.

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

HON. JOHN J. KNOX UPON THE SURPLUS REVENUES.

[From interview in New York *Commercial Advertiser*.]

The only propositions I have seen in reference to the disbursement of the surplus without calling an extra session of Congress are: First, by the purchase of United States bonds; second, by placing the surplus money in the National banks which have been authorized to be depositories; and third, by paying the interest in advance upon the government bonds. If Government bonds were not at such a high premium the Treasury could easily relieve itself of its surplus by their purchase. If it should attempt to purchase any amount, say 5,000,000 of 4 or 4½ per cent. bonds, even in the most quiet manner, it would have the effect of increasing the premium to a rate that would make the purchase injudicious and subject to criticism. The advance in the rate would undoubtedly bring new bonds into the market from holders who desire to sell at the maximum price; but notwithstanding this fact, I consider the purchase of any considerable amount of United States bonds by the Government as impracticable.

The proposition to deposit the surplus with the banks is a good one, but the terms under which such deposits are now made by the Government are such that it is not probable that any great amount can be placed with them, even if inducements were offered, to a much larger number of banks to become depositories. United States 4 per cent. bonds worth 120 are now received by the Government at 90 as security for deposits, and 4½s worth 110 are received at only 85. The transaction is not very attractive or promising to the banks at the present price of bonds, and a possibility of the premium falling in the market. If the Government should increase the deposit to par upon both the 4 and 4½ per cent. bonds, as it is reported it is the purpose of Secretary Fairchild to do, the amount placed with them would be considerably increased, but perhaps not sufficiently for the present purpose. It seems to me that if the money market should become stringent, the best disposition to be made of the surplus would be to pay the interest in advance. The interest upon the fours, four-and-a-halves, and Pacifics is about \$45,000,000, and I think the Secretary would be justified under the circumstance in anticipating a whole year's interest. In order to avoid the criticism that he was favoring the bondholder, he might rebate 2 per cent. upon the interest; thus the holder of \$100,000 of 4 per cent. bonds would receive \$4,000 interest, less 2 per cent., or \$80; net amount, \$3,920. The National banks hold more than \$200,000,000 of U. S. bonds, and there is no doubt that they would accept the interest if the offer was made. The large holders of bonds can use their money certainly at 4 or 5 per cent., and all of these holders would be likely to accept the interest at once if it was offered. Money has frequently been loaned within the last two years by the banks upon the security of Governments at 2 per cent. and even at less than that; and a 2 per cent. rebate upon a large amount of bonds is reasonable, and it seems to me is much to be preferred to calling an extra session of Congress; for if such a session was called there would be no reasonable hope of action for some weeks after it should meet.

The probability is that if the Secretary should increase the ratio of deposit with the National banks and should announce at once that it would be the policy of the Government to pay the interest in advance for six months or a year, with or without rebate, if there was a necessity for disbursing a portion of the surplus, all fear of a stringency during the fall would disappear, and such an announcement could not but have a good effect upon business during the next few months. Indeed, the announcement of the policy of the Treasury Department might make further action unnecessary.

QUOTATIONS OF CANADA BANK STOCKS.

[The *Shareholder and Insurance Gazette*.]

The "American Banker," published in New York, professes to furnish its readers with regular weekly quotations for Canadian bank stocks giving the bid price in the

principal cities in Canada, but those quoted are altogether astray and have not varied for several weeks past. The prices noted in last week's issue are from 5 to 14 per cent. below the current rates on the date they bear! * * * It would be far better to drop quotations altogether instead of giving figures which are foreign to the market quotations.

[Readers of the JOURNAL need not be reminded that the "American Banker" is nothing more than "Thompson's Solvent Bank Reporter," under another name. The so-called "new management" is composed of Anthony Stumpf and C. D. Steurer; the latter learned the business from the notorious Lewis P. Haver, and was one of his principal witnesses when he (Haver) was tried for blackmail, malicious annoyance, etc.—Ed. JOURNAL.]

"THE GAMBLE IN AMERICANS."

[London Statist.]

It is said that Mr. Philip Armour, on his last visit to Europe, spent a few days at Monaco. Men who have been brought up on strong meat, like breaks in St. Paul or corners in Hannibal and St. Jo, are apt to look down on all European forms of gambling as very small pumpkins. In Capel court this great truth is also beginning to be realized. Neither roulette nor trente et quarante, to say nothing of minor hazards like poker or napoleon, are in it with a big deal in a lively American stock. But the funniest part of the American railway gamble is its growing respectability. It is not gamblers alone who carry on the game; had it to depend entirely on them it might soon be played out. There are few professionals in it compared with the multitude of amateurs, most of whom have the vaguest possible notion of the exercise they are engaged in. Many of them imagine that they are investing in what they call "rising securities." Others consider themselves long-headed people who see miles before them, and they lock away cheap Americans in their strong boxes to ripen into dividend payers. A less conceited class of operators buy Americans for a turn, and a rise of one or two points satisfies them. They generally get out best in the long run. In the past two years they have taken many good turns out of Yankees. The advance which has been going on more or less steadily all that time made it a safe game to buy for the rise. The jumps were so strong and the reactions so comparatively slight—except, of course, the heavy one of last December—that reasonably careful "bulls" seldom went wrong. Though Americans are just now not at the highest point they have touched during the boom, it is still true that holders, as a class, must stand to win largely on them. In other words, the large majority could still realize at a substantial profit.

So long as that can be said, so long it may be expected will Americans tend to rise. Because, it will be observed, nine-tenths of the buying has been speculative, stimulated by the rise itself. The public, having two years ago been induced to come in and take a hand at the game, have ever since been running up the market against themselves. They have made pots of money by passing American stocks from hand to hand at continually increasing figures. The ultimate effect is that shares which sold two years ago at 14 are now valued at 53, some which had fallen in the bad time below 50 are now over par, and others which were made a foot-ball of at 5 or 6 are now among our coming investments at 30 or 40. The process of hoisting these stocks out of the mud into the clouds has been very artistic, and, like all true art, very simple. Intrinsic merits have had little to do with it. Confessedly it has been a market operation, engineered by heroic financiers, and promoted by a series of sensational reconstructions, amalgamations and inside deals of various kinds. That the roads operated on are much more valuable to-day than they were at the beginning of the rise nobody outside of the reconstruction rings will very seriously maintain. That they are earning much more for their shareholders has yet to be proved. That these shareholders are getting much more out of them is but too easily disproved. Three-fourths of them were not paying dividends when the rise began; they are not dividend payers yet, and it is very problematic when they will reach that privileged condition. Englishmen are no longer tyros in the American market. They have learned a good many practical lessons since, in their youthful innocence, they welcomed Erie stock as a family security, and put away Atlantic and Great Western till the happy time when it should begin to pay 10 per cent. dividends. But there is one lesson they find it hard to master, and that is the violent vicissitudes which seem to be a law of nature in the American market. The sky-high boom and the disastrous break succeed each

other every few years as regularly as the sun spots do. Our diagrams show two historical examples of them, which should still be remembered in this country, for we had to bear the brunt, at least, of the reactions. Begin with Mr. Philip Armour's favorite St. Paul, and trace it up from its low-water mark in 1877, when it sold at 10 cents on the dollar to its flood tide in 1882, when it touched 141. In less than five years it had an appreciation of 1300 per cent., and buyers at 10 in 1877 might during the boom of 1882 have taken out fourteen times as much as they put in; but those who went in at 141 would very probably have come out well shorn in 1884, when St. Paul was hammered down by persistent bear attacks to under 60. The boom of 1885 found it there, and lifted it up again by degrees to par, from which it has since receded to about 90—these being, by the way, all New York prices. Take another too familiar example, Central Pacific stock. It made its *debut* in 1880 about 63, and in course of twelve months it was run up with delightful ease to 103. Then it turned tail and went down by leaps and bounds to 26. In the year 1885 it had to climb under difficulties, for its reputation and that of its guardian, Mr. C. P. Huntington, were at that time cruelly aspersed. Central Pacific had consequently not a fair chance; nevertheless it pulled itself up again last year to 50. Louisville and Nashville makes another bright exhibit of ups and downs. Starting from about 80 it mounted in 1881 to 110½ and then performed that brilliant strategical movement to the rear which landed it in 1885 at 22. Having saved itself by the skin of its teeth from a Receiver, it started on a second upward flight, which, within the past few weeks, has carried it over 70. Need we detail the no less romantic adventures of Denver & Rio Grande, which in the 1881 boom shot up from 60 to 113¼, and in the collapse which followed came to anchor at the safe level of 4¼? Since then we have seen them up again to very near 40. In this eventful decade Erie stock has touched every price from 4½ up to 53, back again to 10, and up again to 38. Wabash preferred have dropped in a straight line from 80 to 50, and taken a shoot up to 96½, from which giddy height they have plunged head foremost down to 6; next then twisted up to 42, knocked down again to 29, and kicked upstairs again to the present price, 37.

These have all, without exception, been gymnastic movements. Every successive rise was engineered in the market, and the fall was a piece of counter-engineering. The stock itself, on its merits or prospects, had the least possible to do with the operation. Louisvilles, Denvers, Eries, and the various other members of that happy family, have since 1885 been vigorously boomed to celebrate their narrow escape from bankruptcy. It looked at one time as if they all would have to pass under the caudine forks again, but they escaped. On that providential deliverance, supplemented by a moderate increase of earning power, they have had their market value doubled and trebled—all very well while the wind continues to sit in that quarter. When it shifts round to the "bear" side it will be as powerful to knock down as it has been to rush up.

PARIS BOURSE.

[*Financial Record.*]

For transactions in international securities, the Paris Stock Exchange is ahead of all others and has been so for a long time. But it is essentially a *close corporation* in the strictest sense, and is without a peer in that respect, for barely sixty men, known as *agents de change* (official stockbrokers), hold a monopoly of all stock exchange business in France, under and by virtue of a law that fixes their number inflexibly at sixty. To become one of this fortunate number, the position of a retiring *agent* has to be bought for about \$340,000, a further sum of \$60,000 has also to be paid as "caution money" with registration fees, etc., which, together, swell the total cost of a membership of this corporation to \$400,000—separate and aside from the not necessarily large capital requisite for the business transacted severally by these agents; not large, because clients or customers have to pay a day in advance of the date upon which all purchases may mature. However, before the succession to one of these sixty memberships goes into effect, the candidate must be approved by the managing committee of the Exchange and by whom his name is then submitted to the Government for final confirmation.

But, in the course of time, there has grown up another body of brokers doing business with the members of this monopoly but not directly upon the floor (*parquet*). These brokers form what is known as the *coulisse* (side scenes). The business of this *coulisse* has become very large; chiefly in speculative securities, including *rentes* and

such foreign bonds as Egyptian, Spanish and the like, while the arbitrage business is chiefly in the immediate hands of this class of brokers. Technically, the business is illegal, as those thus engaged have no legal way to form themselves into an association of their own. Meantime the favored few of the *parquet* have recently made a regulation virtually inhibiting its members from having any dealings with the members of the *coulisse* upon any other terms than with an ordinary client or customer. This has started the idea of greatly enlarging the membership of the Bourse with a far more moderate cost of admission; preliminary to which reorganization, however, the old members are to be fully indemnified for their vested property rights. We must add that the Paris Bourse virtually controls the market in Indian, Spanish, Portuguese, Egyptian, and some of the Turkish issues of stocks and bonds, while the Berlin Exchange has come to be the chief market place for Russian and Hungarian securities, as the London stock market is the European focus for American railway securities.

A Letter to Bankers.—The following is the substance of a letter recently sent to banks and bankers who are not present subscribers for the JOURNAL, who fortunately (for us) are not very numerous:

"Everywhere in the world, except in the United States, banks enjoy the privilege of issuing notes to circulate as money based solely on their credit. Here, State banks and private bankers are debarred from a similar privilege by the 10 per cent. tax imposed by law upon their issues, and the National banks issue such circulation only as they secure by a deposit of capital in the shape of United States bonds. In Canada and the other British colonies, in England, Scotland and Ireland, in France, Germany, Italy, Russia, Austria, and in Mexico and the South American Republics, the right of banks to issue circulation on their credit is recognized by law and enjoyed, and in consequence the dividends declared by banks in the United States are less than those declared by banks in all other portions of the civilized world. The poor privilege enjoyed by the National banks must terminate with the payment of the Government debt, and the issue of bank circulation upon any other principle is an important question. It is one of interest to National and State banks alike, as a substitute for the present National bank circulation means something in which all classes of banks, State, National and private, should participate.

The policy of the Government during the next six months is likely to affect the banks as much or more than any class in the community. The accumulation of surplus revenue may force or be taken as an excuse for a manipulation of the Government debt, which will give chances of profit or loss which bankers should be ready to profit by or avoid.

From many indications the Editor of RHODES' JOURNAL OF BANKING is of the opinion that some policy not yet announced, but rather carefully concealed, has already been determined on.

The JOURNAL treats of matters of practical interest to bankers, of Government policy present and future as it may affect the profits of banks, financial topics of current interest, banking law, and the banking news gleaned from every part of the country. A journal published each month should give the news and events of the month in concise and intelligible shape. Many questions pertaining to money and banking are discussed in financial circles, which are far from being of universal practical interest, or rather the manner in which they are presented does not let the practical side be shown. For instance, *Bi-Metallism* is a subject of much magnitude, intricacy and importance, and consequently of much interest to statesmen, philosophers, and problem solvers. It is particularly delicious to college professors who feel they have a mission to instruct the bankers of the country. They apparently fear that some one may doubt their scientific attainments, and therefore constantly display them. What a banker wants to know about bi-metallism is the effect of it upon his business, and how he may reap benefit from it or prevent injury. To accurately show the results the banker has use for, requires a scientific knowledge of the subject, which, however, it is not necessary to display on all occasions.

The JOURNAL is willing to sacrifice the appearance of wisdom for the substance, and while not prone to talk learnedly about Adam Smith's *Wealth of Nations* and other text-books, will undertake to apply the principles of that and other learned works to practical questions."

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National banks organized since our last report:
(Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.)

- 3693—Sussex National Bank, Seaford, Delaware. Capital, \$50,000.
 3694—First National Bank, Palestine, Texas. Capital, \$50,000.
 3695—First National Bank, Meade Center, Kansas. Capital, \$50,000.
 3696—First National Bank, Canton, New York. Capital, \$65,000.
 3697—People's National Bank, New Brunswick, New Jersey. Capital, \$100,000.
 3698—Fort Dearborn National Bank, Chicago, Illinois. Capital, \$500,000.
 3699—First National Bank, Decatur, Alabama. Capital, \$100,000.
 3700—Western National Bank, New York, New York. Capital, \$3,500,000.
 3701—First National Bank, Natchez, Mississippi. Capital, \$100,000.
 3702—Elk National Bank, Fayetteville, Tennessee. Capital, \$50,000.
 3703—First National Bank, Coldwater, Kansas. Capital, \$52,000.
 3704—First National Bank, Merrill, Wisconsin. Capital, \$50,000.
 3705—Merchants' National Bank, Williamsport, Pennsylvania. Capital, \$100,000.
 3706—First National Bank, Kansas City, Kansas. Capital, \$100,000.
 3707—Equitable National Bank, Cincinnati, Ohio. Capital, \$360,000.
 3708—Third National Bank, Knoxville, Tennessee. Capital, \$250,000.
 3709—Broad Street National Bank, Trenton, New Jersey. Capital, \$100,000.
 3710—First National Bank, Ashland, Kansas. Capital, \$50,000.
 3711—Atlanta National Bank, Atlanta, Illinois. Capital, \$50,000.
 3712—First National Bank, Liberty, Missouri. Capital, \$50,000.
 3713—Merchants' National Bank, Harrisburg, Pennsylvania. Capital, \$100,000.
 3714—Merchants' National Bank, Devil's Lake, Dakota. Capital, \$50,000.

ALABAMA.

- BIRMINGHAM.**—Birmingham National Bank; Vice-President, B. C. Scott.
DECATUR.—Bank of Decatur; succeeded by First National Bank. Capital, \$100,000.
 President, Christopher C. Harris; Cashier, William W. Littlejohn.
SCOTTSBOROUGH.—B. C. Ross & Co. are in business here. Style, Jackson County Bank.
 Cashier, Robert C. Ross.
SHEFFIELD.—Bank of Sheffield has been opened recently. Capital, \$100,000. President,
 Alfred H. Moses; Cashier, Paul W. Smith.
TUSCALOOSA.—Merchants' National Bank; Vice-President, B. Freidman.

ARIZONA.

- TOMBSTONE.**—Bank of Tombstone is new bank here. Pres., Geo. Berrot; Cas., R. W. Wood.

ARKANSAS.

- BENTONVILLE.**—Benton County Bank; no Assistant Cashier in place of Jesse Motler.
EUREKA SPRINGS.—Citizens' Bank has been recently opened. President, J. F. Waddill;
 Vice-President, R. J. Gray; Cashier, J. T. Champlin.
LITTLE ROCK.—Arkansas Loan & Trust Co. has been recently opened. President,
 Logan H. Roots; Vice-President, P. K. Roots; Treasurer, Lucien W. Coy; Secretary,
 W. P. Davison.
VAN BUREN.—Crawford County Bank; President, Jesse Turner; Robt. S. Hynes,
 Cashier, in place of S. A. Pernot.

CALIFORNIA.

- CLOVERDALE.**—Cloverdale Banking & Commercial Banking Co.; S. G. Frost, Cashier,
 in place of Geo. W. Frost.
COLUMBIA.—Wells, Fargo & Co.; Agent, Thos. Conlin.
ESCONDIDO.—Bank of Escondido has been opened recently. Capital, \$20,000. President,
 W. W. Thomas; Vice-President, P. A. Graham; Cashier, J. H. Anderson.
FRESNO CITY.—Bank of Central California is new bank here. Capital, \$60,000. President,
 Louis Einstein; Vice-President, Wm. Helm; Cashier, L. Gundelinger.
LOS ANGELES.—University Bank; capital, \$100,000. President, R. M. Widney; Assistant
 Cashier, Geo. Sinsabaugh.
LUGONIA.—Bank of East San Bernardino Valley has recently been opened. President,
 F. P. Morrison; Cashier, A. L. Park.
ORLAND.—Bank of Orland has been opened. Capital, \$25,000. President, A. Beerman;
 Cashier, R. B. Murdock.
PETALUMA.—Bank of Sonoma County; H. B. Higbee, Asst. Cas., in place of T. V. Nelson.
REDLANDS.—Union Bank is reported here.
SAN FRANCISCO.—Bank of America has been recently organized. President, James
 Gamble; Cashier, Luman Wadham. — Hibernia Savings & Loan Society; Assistant
 Secretary, Robert Roy. — Pacific Bank; Assistant Cashier, Emil B. Hermann. —
 Sather Banking Co. has recently commenced business, succeeding Sather & Co.
 Capital, \$500,000. President, H. L. Dodge; Vice-President, J. L. N. Shephard;
 Manager, J. S. Hutchinson.
SANTA CRUZ.—City Bank is new bank here. Cashier, Geo. W. Frost.
SELMA.—Bank of Selma will shortly be opened here. Cashier, O. J. Woodward.

ST. HELENA.—Bank of St. Helena; F. W. Kroeber, Asst. Cashier, in place of Fred. S. Ewer.

COLORADO.

AKRON.—H. Chamberlin (Bank of Akron); succeeded by Sturdevant & Northcott. — Washington County Bank is style of new bank here. Capital, \$25,000. President, C. W. Smith; Cashier, S. S. Price, Jr.

COLORADO SPRINGS.—People's Bank; discontinued.

DENVER.—Union Bank of Denver; R. C. Lockwood, Assistant Cashier, in place of Chas. R. Pierce.

DURANGO.—Colorado State Bank; President, F. L. Kimball; Cashier, B. N. Freeman.

GOLDEN.—Jefferson County Bank; Wm. H. Whitehead, President, in place of John Nicholls; Lee Larison, Cashier, in place of A. C. Smith; no Assistant Cashier in place of C. W. Tuttle.

JULESBURG.—Citizens' Bank; L. E. Loveland, Cashier, in place of F. McWilliams; no Assistant Cashier in place of L. E. Loveland.

OTIS.—First Bank of Otis has been opened. Capital, \$10,000. President, J. W. Pruyn; Cashier, John Delholm.

PITKIN.—Pitkin Bank (E. G. Richmond); discontinued.

YUMA.—Reed Bros. & Co. are reported here.

CONNECTICUT.

NORWICH.—Thames Loan & Trust Co.; in liquidation.

WINSTED.—Winsted National Bank; in liquidation.

DAKOTA.

ALTOONA.—Bank of Altoona; Assistant Cashier, E. Wilson.

ARMOUR.—Citizens' Bank; now Citizens' State Bank. Assistant Cashier, F. H. Johnson.

ATHOL.—Stewart & Nanscawen (Bank of Athol); succeeded by S. Horton.

AURORA.—C. S. Ricker is reported here.

BOTTINEAU.—Bottineau County Bank has just opened for business. President, E. A.

Harmon; Cashier, M. S. Harmon.

CANTON.—Bank of Canton is reported here.

DAWSON.—Neill Brothers; succeeded by Dawson Banking Co. Owners and officers are as follows: J. Dawson Thomson, President; Thomas Neill, Vice-President; E. F. Heyd, Cashier. Capital, \$15,000.

DEVIL'S LAKE.—Merchants' National Bank has been authorized to commence business. Capital, \$50,000. President, F. R. Fulton; Cashier, E. A. Gowran. — Prescott & Burnett (North Shore Bank); H. L. Prescott, deceased.

ELKTON.—Citizens' Bank (Murphy Brothers); Pres., H. S. Murphy; Cashier, E. F. Onstine.

FARGO.—E. C. Eddy & Co. are in business here.

FLANDREAU.—Bank of Flandreau; sold to Moody County Bank.

GRAND FORKS.—Dakota Investment Co.; President, J. C. Moore.

GRAND RAPIDS.—Farmers' Bank; proprietors, Delsem & Franks.

LEAD CITY.—Lead City Bank; D. A. McPherson, President, in place of P. E. Sparks.

MANDAN.—First National Bank; H. Van Vleck, Jr., Cashier, will hereafter be H. Van Vleck; no Assistant Cashier in place of O. T. Roberts.

MAYVILLE.—First National Bank; Vice-President, J. P. Haber. — Bank of Mayville; succeeded by First National Bank.

MILLBANK.—Millbank Collection Co.; succeeded by S. C. Jones.

MITCHELL.—Security Bank; J. H. Green, Cashier, in place of John F. Kimball.

MOUND CITY.—Campbell County Bank; proprietors, Johnston & Ormiston.

OAKES.—Bank of Oakes; T. F. Marshall, Cashier, in place of C. A. Baker.

PAGE.—Bank of Page (Louis B. Hanna); Cashier, R. C. Hanna.

PARKER.—First Nat. Bank; Vice-President, J. M. Bailey, Jr.; Asst. Cashier, F. L. Clisby.

SALEM.—J. C. Headlee (Salem Bank); succeeded by W. M. Shephard.

SIOUX FALLS.—Minnehaha National Bank; S. L. Tate, Vice-President, in place of C. S. Palmer; C. E. Johnson, Cashier, in place of G. E. Lathrop; W. H. Sherman, Assistant Cashier, in place of W. B. Fuller.

STEELE.—Kidder County Bank; discontinued.

VILAS.—Vilas Banking Co. is reported here. Capital, \$10,000. President, W. W. Gorton; Cashier, H. Winden.

WHEELER.—First National Bank, of Chamberlain, has opened a branch here. Style, Security Bank. President, D. H. Henry; Cashier, S. M. Lindley.

WHITE LAKE.—Aurora County Bank; Frank R. Preston, President, in place of F. S. Rowley; John P. Vogel, Cashier, in place of Frank R. Preston; no Assistant Cashier in place of John P. Vogel.

WOONSOCKET.—American Bank & Trust Co.; succeeded by Citizens' Bank.

DELAWARE.

SEAFORD.—Sussex National Bank has been authorized to commence business. Capital, \$50,000. President, E. E. Jackson; Cashier, M. J. Morgan.

WILMINGTON.—Security Trust & Safe Deposit Co.; Benjamin Nields, President, in place of Samuel McClary, Jr., deceased; H. C. Robinson, Vice-President, in place of Benjamin Nields.

DISTRICT OF COLUMBIA.

WASHINGTON.—National Bank of Washington; Assistant Cashier, Chas. E. White.

FLORIDA.

BROOKSVILLE.—M. E. Bishop is in business here. Style, Bank of Brooksville.

ORLANDO.—First National Bank; Vice-President, E. P. Ayer; Nat. Poyntz, Cashier, in place of J. H. Vivion; Assistant Cashier, W. B. Newton.

SEVILLE.—Bank of Seville has been opened for business. Capital, \$10,000. Owners and officers: Wm. Kemble Leute, President; M. F. Robinson, Cashier.

TARPON SPRINGS.—Bank of Tarpon Springs has recently commenced business. Capital, \$15,000. President, A. P. K. Safford; Cashier, Leandro T. Safford.

GEORGIA.

ATLANTA.—Merchants' Bank; Sam'l Stocking, Assistant Cashier, in place of W. W. Clayton. — Chas. C. Nelson & Co. are in business here. Style, North Side Savings Bank. Capital, \$40,000.

COLUMBUS.—Chattahoochee National Bank; C. H. Epping, Cashier, in place of R. M. Mulford; no Assistant Cashier in place of C. H. Epping.

IDAHO.

CALDWELL.—Stock Growers' Bank is new bank here. Capital, \$50,000. President, H. Sebree; Vice-President, A. Eoff; Cashier, G. S. Scott.

ILLINOIS.

ATLANTA.—Atlanta National Bank has been authorized to commence business. Capital, \$50,000. President, Samuel H. Fields; Cashier, John P. Hieronymus.

AURORA.—Aurora National Bank; O. D. Powell, President, in place of Orrin D. Howell; Chas. C. Earle, Vice-President, in place of O. D. Powell.

BUSHNELL.—Heaton & Randall are in business here. Style, Citizens' Bank.

BYRON.—D. H. Campbell (Byron Bank) succeeded by J. C. Woodburn.

CHICAGO.—Fort Dearborn National Bank has been authorized to commence business. Capital, \$500,000. President, Homer N. Hibbard; Vice-President, E. E. Crepin; Cashier, S. Seymour Walton. — United States National Bank; Vice-President, Joseph R. Jackson; Assistant Cashier, Elmer Dwigins. — Farmers' Trust Co.; Treasurer, Gilbert B. Shaw; Secretary, Edwin L. Lobdell. — H. G. Foreman & Bros.; succeeded by Foreman Bros. — C. T. Yerkes, Jr., & Co.; discontinued. — Chicago Clearing-House Association; H. H. Nash, President, in place of J. V. Clarke.

FRANKLIN GROVE.—P. C. Rooney is reported here.

FREEPORT.—Freeport National Bank; name changed to First National Bank.

GIRARD.—Bank of Girard; J. F. Roach, President, in place of J. D. Metcalf; J. M. Metcalf, Cashier, in place of Henry C. Hamilton.

HARRISBURG.—Saline County Bank (Robert Mick); T. W. Hall, Cashier, in place of J. W. Bradshaw.

HILLSBORO.—Montgomery County Loan & Trust Co.; J. B. Barringer, Cashier, in place of Eli Miller.

JOLIET.—Will County National Bank; Henry C. Knowlton, Cashier, resigned.

LODA.—John S. Sheldon is in business here.

MORRISON.—Smith & Mackey; succeeded by Leander Smith & Son. Cashier, Edward A. Smith.

MOUNT VERNON.—Mount Vernon Bank is reported here. Capital, \$35,000. Cashier, Christopher D. Hane.

NEWARK.—John A. Coy's Bank of Newark; John A. Coy, deceased.

OLNEY.—Olney Bank, succeeds Olney National Bank. Capital, \$60,000. President, H. Spring; Cashier, J. H. Senseman.

PONTIAC.—Livingston County National Bank; H. G. Greenebaum, Cashier, deceased.

PRINCETON.—Citizens' National Bank; no Assistant Cashier in place of E. S. Ferris.

ROCK ISLAND.—Mitchell & Lynde; Assistant Cashier, F. J. Kinney.

SIDNEY.—Miller Winston is in business here. Style, Winston's Bank.

SPRINGFIELD.—First National Bank; Vice-President, Howard K. Weber; W. W. Tracy, Cashier, in place of Howard K. Weber; no Assistant Cashier in place of W. W. Tracy.

SYCAMORE.—De Kalb County Savings & Loan Association has commenced business. President, J. L. Pratt; Treasurer, W. F. Peters.

TENNESSEE.—Exchange Bank has recently been opened. Capital, \$15,000. Cashier, B. F. Thompson.

TREMONT.—Tremont Bank (A. J. Davis); no Cashier in place of E. C. Warner, resigned.

VERONA.—A. J. Linebarger & Son (Verona Bank); removed to Peotone.

VIENNA.—Bank of Vienna; no Assistant Cashier in place of H. L. Arnold.

WASHBURN.—J. M. Black & Co.; Cashier, W. W. Scott.

WOODSTOCK.—M. D. Hoy & Son are in business here. Style, Farmers' Exchange Bank. Capital, \$50,000.

INDIANA.

MADISON.—First National Bank; Robert McKim, President, deceased.

PAOLI.—Orange County Bank; W. T. Hicks, Cashier, in place of Wm. A. Salter.

ZIONSVILLE.—Zionsville Bank; closing.

IOWA.

BANCROFT.—Bank of Bancroft; A. W. Morehouse, President, in place of R. M. Richmond.

BURLINGTON.—National State Bank; no Vice-President in place of E. D. Rand; Jno. J. Fleming, Cashier, in place of T. G. Foster; J. W. Brooks, Assistant Cashier, in place of Jno. J. Fleming.

CEDAR RAPIDS.—Cedar Rapids National Bank; Ralph Van Vechten, Cashier, will hereafter sign R. Van Vechten, Cashier.

CRESCO.—Union Bank is new bank here. Capital, \$26,000. President, C. K. Berg; Cashier, Robert Thomson.

CRESTON.—First National Bank; T. J. Potter, Vice-President, in place of E. J. Brush; E. J. Brush, Cashier, in place of F. D. Ball.

DES MOINES.—State Savings Bank is style of new bank here. Capital, \$50,000. President, J. H. Merrill; Vice-President, M. P. Turner; Cashier, J. W. Geneser. — Iowa Loan Trust Co.; John M. Owens, President, in place of Corydon E. Fuller.

ELMA.—Bank of Elma is reported here. President, B. B. Richards; Cashier, C. H. Brown.

LE MARS.—Citizens' Bank is new bank here. President, O. O. Hall; Vice-President, O. A. Hall; Cashier, S. C. Hall.

MOULTON.—Moulton Bank has been recently opened. President, W. S. Skinner; Cashier, W. C. Stickney.

NEW SHARON.—Johnson Brothers; succeeded by Kramer & Hammond.

NORA SPRINGS.—Exchange Bank; succeeded by Nora Springs Bank.

NORWAY.—Citizens' Savings Bank is new bank here. Capital, \$15,000. President, D. Davis; Cashier, E. E. Harting.

SCHALLER.—Bank of Schaller; Cashier, H. L. Leland.

SCRANTON.—Farmers & Merchants' Bank has recently been started. President, P. P. Pitcher; Cashier, C. W. Stillwell.

WEBSTER CITY.—Farmers' National Bank; W. P. Miller, Acting Cashier, in place of A. L. Denio, Cashier.

KANSAS.

ALTON.—Farmers' State Bank has been recently opened. Capital, \$50,000. President, P. M. Walker; Cashier, G. H. Lawton.

APPLETON.—First State Bank is reported here.

ASHLAND.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Oliver C. Ewart; Cashier, John C. Thurman.

ASSARIA.—Vinson & Conkle are in business here.

BAXTER SPRINGS.—Crowell & Clark (Baxter Bank); succeeded by H. R. Crowell.

BENNINGTON.—Bank of Bennington; style changed to Bennington Banking Co.

BIRD CITY.—Shapleigh, Keller & Co. are in business here. Style, Cheyenne County Bank.

BURLINGAME.—Burlingame Savings Bank; L. R. Adams, President, in place of Levi Emple, deceased. — Traders' State Bank; Wm. P. Deming, President, in place of L. E. Finch.

CALDWELL.—Citizens' Bank is new bank here. President, A. M. Colson; Secretary, C. R. Hume. — Stock Exchange Bank; Assistant Cashier, A. R. Quick.

CHANUTE.—Neosho County Bank is new bank here. President, E. B. Daniel; Vice-President, C. C. Daniel; Cashier, Frank M. Stay.

COLDWATER.—First National Bank has been authorized to commence business. Capital, \$52,000. President, Edgar Henderson; Cashier, John P. Jones.

CRISFIELD.—Hoover Wagner; discontinued.

DIGHTON.—People's Bank is new bank here. President, P. J. Conklin; Vice-President, W. L. Lawton; Cashier, H. R. Miller.

DODGE CITY.—American State Bank is new bank here. President, J. B. Gaston; Cashier, E. Wiebenson.

EMPORIA.—A Clearing-House has been organized here.

EUSTIS.—Citizens' Bank is new bank here. President, E. D. Kemp; Cashier, E. A. Compton.

FLORENCE.—State Bank is reported here.

GREENSBURG.—First National Bank; James H. Bacon, Cashier, in place of G. S. Murphy. — Greensburg Banking & Mortgage Co. has been organized. Capital, \$10,000. President, I. W. Entz; Vice-President, J. J. Entz; Cashier, J. P. Siemens.

HAVEN.—Citizens' Bank; C. E. Bush, President, in place of T. R. Hazard.

HILL CITY.—Robertson, Bendell & Co. are in business here. Style, Solomon Valley Bank.

HORTON.—Bank of Horton has recently been opened. President, J. W. Parker; Vice-President, E. W. Sandison; Cashier, F. D. Krebs.

KANSAS CITY (P. O.: Wyandotte).—First Nat'l Bank has been authorized to commence business. Capital, \$100,000. President, J. D. Wilson; Cashier, William Albright.

KINGMAN.—Security Bank is new bank here. Capital, \$75,000. President, J. F. Mead; Cashier, C. S. Gibbens.

KINSLEY.—Edwards County Bank; B. F. Tatum, President, in place of A. Hobbs.

LEAVENWORTH.—First National Bank; W. P. Rice, Vice-President, in place of M. Graybill; 2d Vice-President, J. M. Graybill; J. W. Fogler, Cashier, in place of Geo. Van Derwerker. — Metropolitan National Bank; in liquidation.

LEON.—Leon Exchange Bank is reported here. Capital, \$10,000. Cashier, G. A. Kenoger.

LEOTI (P. O.: Bonasa).—Bank of Leoti City; proprietors, Danham & Barker. Cashier, A. P. Barker. — Leoti State Bank; President, H. Alphin; Cashier, R. W. Carey.

LINN.—Exchange Bank; E. W. Snyder, President, in place of W. W. Hetherington.

LYNDON.—Lyndon Savings Bank; J. M. Hodgen, President, in place of W. S. Olcott; W. S. Olcott, Cashier, in place of J. M. Hodgen.

LYONS.—Lyons Exchange Bank is new bank here. President, Wm. Murphy; Vice-President, J. E. Howard; Cashier, C. A. Dean.

MCCRACKEN.—Bank of McCracken; President, B. F. Coughenor; Cashier, E. S. Chenoweth.

MEADE CENTER.—Bank of Meade Center; succeeded by First National Bank. Capital, \$50,000. President, Michael J. O'Meara; Vice-President, James A. Blair; Cashier, Matthew H. Ewart.

MINNEAPOLIS.—Corn State Bank is new bank here. Capital, \$10,000. President, D. Buchanan; Cashier, W. C. Buchanan.

MOUND CITY.—Mound City Bank; now incorporated. Capital, \$50,000. President, W. P. Rice; Vice-President, E. M. Adams; Cashier & Secretary, C. F. Simmons; Assistant Cashier, C. L. Long.

NORTON.—First National Bank; Vice-President, J. J. Grier; Assistant Cashier, W. H. Wellemeier.

OSAGE MISSION.—Bank of Osage Mission; G. E. May, Cashier, in place of Geo. W. Gittings.

OSBORNE.—State Bank has been opened for business. President, R. B. Hays; Vice-President, T. Carter; Cashier, C. Carter.

OSWEGO.—Marley & Marley; succeeded by First State Bank. Capital, \$50,000. President, J. W. Marley; Vice-President, E. T. Read; Cashier, H. C. Cook.

PARKERSVILLE.—State Bank is reported here.

PIERCEVILLE.—Pierceville State Bank is reported here.

PLAINVILLE.—Williams, Boggs & Co. are in business here. Style, Citizens' Bank.

POMONA.—Pomona Bank; capital, \$35,000. President, A. Hensley; Cashier, S. J. Paul.
 QUENEMO.—Goodin & Stine (Quenemo Bank); succeeded by C. W. Goodin.
 QUINTER.—Bank of Quinter has been opened here. President, R. H. Samson; Cashier, F. J. Schnorr.

RANDOLPH.—F. W. Peterson (Bank of Randolph); succeeded by John A. Johnson.
 Cashier, V. E. Johnson.

RUSSELL.—First National Bank; Vice-President, Chas. A. Wolcott; Assistant Cashier, V. K. Hoover.

RUSSELL SPRINGS.—Bank of Russell Springs is now open for business. President, C. M. Hovey; Vice-President, F. L. Brown; Cashier, J. Armstrong.

SALINA.—Citizens' Bank is new bank here. President, M. L. Tressler; Vice-President, S. S. Scott; Cashier, W. R. Grim.

SANTA FE.—Bank of Santa Fe has recently commenced business. President, Z. T. Wright; Vice-President, A. H. Heber; Cashier, G. E. Smith. — Haskell County Bank has been organized.

SCOTT.—Kansas State Bank has been recently chartered. Capital, \$50,000. President, C. R. Nicholson; Cashier, J. M. McKnight.

SENECA.—Bank of Nemaha County; consolidated with State Bank.

SIMPSON.—Bank of Simpson has recently been opened. President, E. H. Lupton; Cashier, W. I. Brown.

SPRINGFIELD.—Bank of Seward Co. is reported here. Bank of Springfield has recently been opened.

SPIVEY.—Bank of Spivey has recently been opened. Capital, \$50,000. President, Chas. H. Manning; Vice-President, John A. Cragun; Cashier, Jas. M. Barton.

STAFFORD.—Citizens' Bank is new bank here.

TOPEKA.—State Bank; sold to First National Bank.

TRIBUNE.—Bank of Tribune; President, W. D. Reed; Cashier, E. H. Coun.

TURON.—Farmers' Bank has recently commenced business. President, J. R. Huffman; Cashier, R. S. Smedley.

ULYSSES.—Grant County Bank is reported here. President, A. Bennett; Cashier, C. E. Wickersham.

WICHITA.—Fourth National Bank; Vice-President, Geo. H. Blackwelder. — Name of new bank will be West Side National Bank, not Sedgwick County National Bank. Will open about July 1st. Capital, \$100,000. President, R. E. Lawrence; Cashier, John Watts. — Savings Bank of Wichita; President, Wm. Mathewson; Vice-President, J. R. Mead; Cashier, R. M. Platt.

WINCHESTER.—Bank of Winchester has been opened here. President, J. W. Farris; Cashier, F. Elmore.

KENTUCKY.

CYNTHIANA.—National Bank of Cynthia: A. H. Ward, President, in place of P. Kirtley; no Vice-President in place of A. H. Ward.

GHEAT.—Ghent Deposit Bank is style of bank opened here. Capital, \$12,000. President, J. H. Stevenson; Cashier, R. B. Baird.

NORTH MIDDLETOWN.—North Middletown Deposit Bank; Wm. Collins, President, in place of T. J. Evans.

SCOTTSVILLE.—Bank of Allen County is in business here. President, E. Scott Brown; Cashier, R. S. Evans.

LOUISIANA.

MONROE.—Ouachita National Bank; Vice-President, Frank P. Stubbs.

MAINE.

AUGUSTA.—First National Bank; C. S. Hichborn, Cashier, in place of John W. Fogler; no Assistant Cashier in place of C. S. Hichborn.

BANGOR.—Merchants' National Bank; Edward H. Blake, President, in place of Samuel H. Blake, deceased. — Eastern Trust & Banking Co. has been opened for business. Capital, \$125,000. President, Francis H. Clergue; Cashier, Chas. D. Crosby.

DOVER.—Piscataquis Savings Bank; W. C. Woodbury, Treasurer, in place of C. B. Kittredge.

LIMERICK.—Limerick Savings Bank; Asa Perkins, Treasurer, in place of Joshua C. Lane.

MARYLAND.

BALTIMORE.—Drovers' & Mechanics' National Bank; J. D. Wheeler, Cashier, in place of J. D. Wheeler, Jr.

CHESTERTOWN.—Chestertown National Bank; Chas. T. Westcott, President, in place of Geo. B. Westcott, deceased; no Vice-President in place of Chas. T. Westcott.

SNOW HILL.—First National Bank has been organized. President, John W. Smith; Cashier, Irving T. Matthews.

WILLIAMSPORT.—Washington County Nat. Bank; no President in place of Jas. Findlay.

MASSACHUSETTS.

AMHERST.—First National Bank; H. T. Cowles, Cashier, in place of R. J. D. Westcott, resigned; no Assistant Cashier in place of H. T. Cowles.

BOSTON.—National City Bank; Assistant Cashier, George W. Grant. — Old Boston National Bank; Chester S. Stoddard, Cashier, in place of Frederick L. Church, deceased. — Suffolk Trust & Investment Co. has been recently incorporated. Capital, \$100,000. President, S. S. Campbell; Secretary, Chas. M. Campbell; Treasurer, Wm. A. McCrillis. — Gould & Hall; Wm. N. Mills admitted. Style, Gould, Hall & Mills.

CAMBRIDGE.—Charles River National Bank; Charles E. Raymond, President, in place of D. B. Flint.

CHELSEA.—Chelsea Savings Bank; John H. Osgood, President, deceased

CHICOPEE FALLS.—Chicopee Falls Savings Bank; Geo. S. Taylor, President, in place of Thos. B. Wattlea.

GREENFIELD.—Franklin County Nat. Bank; capital reduced from \$300,000 to \$200,000.

LAWRENCE.—Lawrence National Bank; H. L. Sherman, Cashier, in place of John R. Rollins; no Assistant Cashier in place of H. L. Sherman.

LYNN.—Lynn Loan & Trust Co.; petition for incorporation of institution with above title withdrawn.

MALDEN.—Malden Savings Bank; James Pierce, President, in place of Caleb Waite, resigned.

QUINCY.—National Mt. Wollaston Bank; Horace F. Spear, Cashier, in place of Horace B. Spear, resigned.

SPRINGFIELD.—The House Committee on Banking has reported in favor of a bill to incorporate the Hampden Loan & Trust Co. Capital, \$100,000, with right to increase to \$500,000.

WAKEFIELD.—National Bank of South Reading; Vice-President, Daniel G. Walton.

MICHIGAN.

ADDISON.—Exchange Bank; D. A. Curtis, President, in place of F. E. Curtis.

BAD AXE.—Walker & Seeley; succeeded by Post & Seeley.

CARSON CITY.—Carson City Savings Bank is new bank here. Capital, \$25,000. President, S. W. Webber; Vice-President, E. Middleton; Cashier, L. L. Trask.

DETROIT.—American Trust Co.; President, W. H. Stevens; Cashier, John M. Nicol.

EAST SAGINAW.—People's Savings Bank; Treasurer, J. F. Boynton.

NORWAY.—S. F. High is reported here.

SAUGATUCK.—A. B. Taylor is in business here.

ST. JOHN'S.—St. John's National Bank; P. E. Walsworth, Cashier, in place of G. Pennell; no Assistant Cashier in place of P. E. Walsworth.

UNIONVILLE.—D. A. Reynolds & Co. are in business here. Style, Unionville Exchange Bank.

WAYLAND.—Pickett & Turner have recently commenced business here.

MINNESOTA.

DULUTH.—State Bank has been authorized to commence business. Capital, \$50,000. President, W. K. Rogers; Vice-President, O. Stenson; Cashier, Martin O. Hall.

MINNEAPOLIS.—Franklin State Bank; Vice-President, J. D. Muldoon. — German-American Bank; Egbert Cowles, Cashier, in place of James C. Miller, deceased.

MINNEAPOLIS Clearing-House; S. A. Harris, President, in place of S. E. Neiler; Vice-President, J. F. R. Foss.

ROCHESTER.—Union National Bank; H. O. Fishback, Assistant Cashier, in place of G. D. Parmele.

ST. PAUL.—Commercial National Bank; 2d Vice-President, Chas. Kittelson. — Bank of Minnesota; Leander Basch, Assistant Cashier, in place of Herman Scheffer.

MISSISSIPPI.

GREENVILLE.—Merchants' Bank; A. H. Shields, Assistant Cashier, deceased.

JACKSON.—J. Green's Bank; discontinued.

NATCHEZ.—First National Bank has been authorized to commence business. Capital, \$100,000. President, Jo. F. Foard; Vice-President, Isaac Lowenburg; Cashier, Andrew G. Campbell; Assistant Cashier, B. W. Owsley.

STARKVILLE.—First National Bank; Vice-President, L. D. McDowell.

MISSOURI.

BRECKENRIDGE.—Breckenridge Savings Bank; R. H. Schoenberger, Cashier, in place of W. S. Plumb.

BRONAUGH.—Linn & Co., have commenced business here.

BROOKFIELD.—Wheeler Savings Bank has been opened. Capital, \$25,000. President, Robert J. Wheeler; Cashier, Thos. H. Flood.

CHILLICOTHE.—First National Bank; Vice-President, Geo. Milbank; Assistant Cashier, J. W. Hyde. — People's Savings Bank; R. Hawkins, Cashier, in place of Wm. B. Leach; Geo. Milbank, Jr., Assistant Cashier, in place of R. Hawkins.

HAMILTON.—Farmers' Bank has been organized.

HARRISONVILLE.—Allen Banking Co.; D. K. Hall, President, in place of A. C. Briant; B. Doveton, Cashier, in place of W. C. Lynde.

JONESBURGH.—Jonesburgh Bank has recently been opened. Capital, \$10,000. President, Douglass Wyatt; Vice-President, Taylor Purl; Cashier, W. L. Gupton.

KANSAS CITY.—Central Bank; J. W. Trueworthy, President, in place of D. B. McMechan; Thos. S. Kidge, Vice-President, in place of J. W. Trueworthy. — Fidelity Savings Bank is new bank here. President, Jas. D. Husted; Vice-President, John Blomquist; Cashier, Charles E. Husted. — German-American Exchange Bank; President, W. E. Hall; Vice-President, Thos. H. Prest; Cashier, S. S. Van Der Vaart. — Norton Brothers are in business here.

LIBERTY.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Daniel Hughes; Cashier, James T. Riley.

LOCKWOOD.—Pyle, Harris & Co.; succeeded by Lack, Burns & Co.

MACON CITY.—Bank of Macon is new bank here. Capital, \$25,000. President, E. J. Demeter; Vice-President, H. Vanderburg; Cashier, Duston Adams.

PIERCE CITY.—Lawrence County Bank; L. L. Allen, President, in place of Henry Forsythe; Vice-President, Jay Forsythe.

PLATTE CITY.—Exchange Bank; S. C. Woodson, President, in place of W. C. Wells.

ST. JOSEPH.—Commercial Bank; President, N. P. Ogden; Vice-President, J. B. Moss; Secretary, M. A. Reed; Cashier, John T. Johnson.

ST. LOUIS.—Franklin Bank; Assistant Cashier, Wm. Hammel.

MONTANA.

GLENDIVE.—Bank of Glendive (Hurst & Co.); discontinued.

WHITE SULPHUR SPRINGS.—First National Bank; D. E. Folsom, Cashier, in place of Jas. H. Moe.

NEBRASKA.

ARMADA.—First Bank has been organized here.
ARNOLD.—Bank of Arnold is reported here. President, J. A. Robertson; Vice-President, A. McLennan; Cashier, A. S. Robertson.
BARTLEY.—Bank of Bartley has been opened here. Capital, \$20,000. President, J. W. Dolan; Vice-President, L. E. Southwith; Cashier, D. E. Moore.
BASSETT.—Bassett Exchange Bank is reported here. President, M. Bowring; Cashier, A. E. Bowring.
BRAVER CROSSING.—State Bank has been recently opened. Capital, \$25,000. President, R. S. Norval; Vice-President, F. M. Dimery; Cashier, T. E. Sanders.
BENNETT.—Bank of Bennett; L. C. Humphrey, President, in place of J. G. Southwick; J. G. Southwick, Cashier, in place of L. C. Humphrey.
BLADEN.—Bank of Bladen has recently been opened. Capital, \$10,000. President, Wm. H. Person; Cashier, Chas. A. Francis.
CAMPBELL.—Farmers & Merchants' Bank has been opened here. President, R. A. Simpson; Cashier, W. H. Bartlett.
CLARKSON.—Clarkson State Bank has commenced business. President, F. McGiverin; Cashier, L. H. Vail.
CLAY CENTER.—Commercial State Bank is new bank here. Capital, \$20,000. President, O. G. Smith; Vice-President, J. M. Sewell; Cashier, H. M. Jones; Assistant Cashier, H. E. M'Dowell.
COLUMBUS.—First National Bank; Vice-President, Herman P. H. Oehlrich.
CREIGHTON.—Bank of Creighton: sold to Robt. M. Peyton.
CULBERTSON.—Cobb & Cliggett are reported here. Capital, \$12,000. Style, City Bank.
EXETER.—Exeter National Bank; W. H. Taylor, Vice-President, in place of C. C. Vennum.
FREMONT.—Fremont National Bank; Julius Beckman, Cashier, in place of Jno. Grunkranz; no Assistant Cashier in place of Julius Beckman.
GRAND ISLAND.—Grand Island Banking Co.; G. B. Bell, Cashier, in place of James P. Kernohan; W. B. Carey, Assistant Cashier, in place of G. B. Bell.
GRANT.—Farmers & Merchants' Bank is reported here. President, S. N. Harvey; Cashier, J. L. Beard.
HAYES CENTRE.—Hayes County Banking Co. has been organized here. Capital, \$25,000. President, Thomas Darnall; Cashier, C. H. Eubank; Assistant Cashier, C. J. Eubank.
HOWARD CITY.—Howard Bank; J. E. Dickerman, Cashier, resigned.
IMPERIAL.—People's Bank has been opened. Cashier, J. T. Pierson.
INDIANOLA.—Bank of Indianola and Farmers & Merchants' Bank; succeeded by State Bank. Capital, \$25,000. President, F. L. Brown; Cashier, C. S. Quick.
LINDSAY.—Elias Underwood is in business here. Style, Bank of Lindsay.
LOUISVILLE.—Bank of Commerce is new bank here. President, C. H. Parmele; Vice-President, T. Adams; Cashier, C. A. Manker.
OMAHA.—O. F. Davis Company is reported here. President, O. F. Davis; Secretary and Treasurer, Thos. A. Creigh.
OVERTON.—Bank of Overton is reported here.
PALISADE.—Frenchman Valley Bank is style of bank being started here.
PAWNEE CITY.—Nebraska State Bank; E. F. Hempstead, President, in place of Wm. C. Henry.
RULO.—First National Bank; Vice-President, J. H. Miles.
SEWARD.—Jones National Bank; no Assistant Cashier in place of H. L. Jones.
SCHUYLER.—F. Foldas is reported here.
SPAULDING.—Bank of Spaulding is new bank here. President, T. D. Connell; Cashier, W. E. Hannon.
STRANG.—Farmers & Merchants' Bank is new bank here. President, G. C. Willis; Vice-President, W. A. Arms; Cashier, F. J. Miller.
UPLAND.—Upland Banking Co. has recently commenced business. Capital, \$25,000. President, Henry Gund; Cashier, E. L. Morse.
WESCOTT (P. O.: Douglas Grove).—Bank of Westcott has been opened. President, W. S. Wescott; Cashier, J. P. Kernohan.
WILSONVILLE.—Beaver Valley Bank; W. P. Pierce, Cashier, in place of Hercules Rice.
WYMORE.—Citizens' Bank; Cashier, M. K. Gentry.

NEW JERSEY.

ALLEN TOWN.—Farmers' National Bank; E. E. Hutchinson, Acting Cashier, in place of T. E. Schanok; Cashier; Wm. C. Smith, Assistant Cashier, in place of E. E. Hutchinson.
JERSEY CITY.—Third National Bank; Vice-President, Henry Lembeck; Assistant Cashier, George H. Farrier.
NEW BRUNSWICK.—People's National Bank has been authorized to commence business. Capital, \$100,000. President, George W. De Voe; Vice-President, H. G. Norton; Cashier, T. E. Schanok.
PLAINFIELD.—City National Bank; F. H. Gardner, Cashier, in place of M. Myers.
RAHWAY.—National Bank of Rahway; succeeded by Union County Bank. Capital, \$50,000. President, Edward S. Savage; Acting Cashier, M. W. Brett.
TRENTON.—Broad Street National Bank has been authorized to commence business. Capital, \$100,000. President, Lewis Parker; Vice-President, Joseph Y. Lanning; Cashier, Jos. G. Brearley. — Mechanics' National Bank; John Moses, President, in place of Daniel P. Forst, deceased; Vice-President, John S. Chambers.
WOODBURY.—Farmers & Mechanics' Bank has been recently organized.

NEW MEXICO.

ALBUQUERQUE.—New Mexico Savings Bank & Trust Co. has recently been opened.

NEW YORK.

AKRON.—Tabor & Wiltse are reported here.
BELMONT.—M. E. Davis; succeeded by Belmont Banking Co. President, M. E. Davis; Cashier, Wm. J. Richardson.
BUFFALO.—Dime Savings Bank has been organized.
CANANDAIGUA.—Ontario County National Bank; in liquidation.
CANTON.—First National Bank has been authorized to commence business. Capital, \$45,000. President, Dolphus S. Lynde; Cashier, John Pickens.
CARTHAGE.—First National Bank; E. H. Myers, President, in place of G. B. Johnson; A. G. Peck, Cashier, in place of E. H. Meyers.
EDMESTON.—First National Bank; Vice-President, H. C. Brockway.
PATETTEVILLE.—Farmers' Bank; Receiver appointed.
FULTON.—Fulton Savings Bank; A. Howe, President, in place of Sands N. Kenyon, President, deceased.
GENEVA.—First National Bank; Thos. H. Chew, Cashier, in place of Wm. T. Scott.
GLOVERSVILLE.—Manufacturers and Merchants' Bank; President, William H. Place; Vice-President, Cyrus Stewart; Cashier, Edward Wells.
MECHANICSVILLE.—First National Bank; Geo. Rogers, President, in place of John C. Greene; Wm. W. Smith, Vice-President, in place of Geo. Rogers.
MORAVIA.—Moravia National Bank; J. P. Cady, Vice-President, in place of J. F. Green.
NEW YORK CITY.—American Exchange National Bank; Vice-President, Dumont Clarke; E. Burns, Cashier, in place of Dumont Clarke; no Assistant Cashier in place of E. Burns. — Fulton National Bank; Thomas Monahan, President, deceased. — Western National Bank has been authorized to commence business. Capital, \$3,500,000. Assistant Cashier, H. A. Smith. — Union Bank has been incorporated under State laws. Capital, \$250,000. — Seamen's Savings Bank; Wm. H. Macey, President, deceased. — J. V. Campbell; admitted to Stock Exchange. — Wellington, Clapp & Co.; dissolved. — J. B. Colgate & Co.; Jas. B. Colgate, John B. Trevor and Colgate Hoyt continue under same style. — Horace B. Fry; Stock Exchange seat sold to J. Henry Benedict. — Hewson & White; succeeded by Hewson, Kilbreth & Co. — Lawrence & Wood; a new firm under this style has been formed. — J. H. McCoon; re-admitted to Stock Exchange. — Miller, Frances & Co.; S. M. Mills admitted. — Musgrave & Co.; John P. Kelly retires. — Rosenheim & Herzog; Philip Rosenheim and Edwin Herzog have formed a partnership under this style. — Simons & Chew; succeeded by Jas. D. Simons. — A. L. Thompson; Stock Exchange seat transferred to Henry G. Trevor. — C. J. Turner, Coll J. Turner, Jr., admitted. Style, C. J. Turner & Son. — Welling & Co.; W. Brenton Welling and Geo. I. Malcolm have formed a partnership under this style.
RICHMONDVILLE.—Bank of Richmondville; John Westover, President, deceased.
ROCHESTER.—German-American Bank; W. N. Smith, Assistant Cashier, in place of E. B. Burgess.
SARATOGA SPRINGS.—Citizens' National Bank; H. Newell, Vice-President, in place of W. H. Clement.

NORTH CAROLINA.

STATESVILLE.—First National Bank; Vice-President, J. C. Irvin.

OHIO.

CANTON.—City National Bank; W. A. Clarke, President, in place of P. H. Barr.
CINCINNATI.—Equitable National Bank has been authorized to commence business. Capital, \$350,000. President, Frank H. Reno; Cashier, John M. Blair.
CLEVELAND.—Woodward Avenue Savings & Loan Co. has been recently opened. Capital, \$50,000. President, C. A. Grasselli; Treasurer, E. O. Everts.
COLLEGE CORNER.—Corner Bank has been opened here. President, John Howell; Cashier, Oliver M. Bake.
FINDLAY.—City Bank is new bank here. Capital, \$60,000. President, Peter Hoaler; Cashier, Wm. F. Hosler.
LEIPSIK.—A. Rosecrans (Bank of Leipzig); succeeded by W. W. Edwards & Co.
PAULDING.—Paulding Deposit Bank is new bank here. President, Chas. H. Allen; Cashier, Wm. H. Mohr.
TOLEDO.—Bank of J. B. Ketcham 2d; now Ketcham's Bank.

PENNSYLVANIA.

ALTOONA.—Fidelity Banking Co. has recently commenced business. Capital, \$25,000. President, C. Jaggard; Cashier, J. W. Finley.
BEDFORD.—Hartley & Bowers; succeeded by J. S. Hartley & Co.
BUTLER.—Butler Savings Bank; Wm. Campbell, President, in place of J. W. Irwin.
ELIZABETHTOWN.—Elizabethtown Exchange Bank has recently been opened. Capital, \$35,000. President, Jos. H. Rider; Vice-President, A. R. Forney; Cashier, Adam Beem.
HARRISBURG.—Merchants' National Bank has been authorized to commence business. Capital, \$100,000. President, Hamilton D. Hemler; Cashier, John R. Shoemaker. — Farmers' Bank; John Matter, President, in place of Daniel Eppley.
MCCONNELLSBURG.—Fulton County Bank has been recently started. Capital, \$5,000. President, B. M. Lodge; Cashier, David B. Nace.
NEWVILLE.—First National Bank; L. H. Randall, Vice-President, in place of J. B. Hursh.
PHILADELPHIA.—Market Street National Bank; Vice-President, Geo. D. McCreary. — Merchants' Exchange Bank; George N. Stubbs, Cashier, in place of Thos. R. Ash. — Girard Life Insurance Annuity & Trust Co.; Effingham B. Morris, President, in place of John B. Garrett, resigned. — Cassatt, Townsend & Co.; succeeded by Cassatt & Co. — C. T. Yerkes, Jr., & Co.; succeeded by John B. Bell & Co.
TITUSVILLE.—Roberts National Bank; in liquidation.

WILLIAMSPORT.—Merchants' National Bank has been authorized to commence business. Capital, \$100,000. President, J. Wood Mussina; Vice-President, J. R. Duble; Assistant Cashier, Ralsa C. C. Clark.

WILKES-BARRE.—First National Bank; no Vice-President in place of Reuben Downing; P. M. Carhart, Cas., in place of B. W. Marcy; no Asst. Cas. in place of P. M. Carhart.

SOUTH CAROLINA.

AIKEN.—Bank of Aiken has been opened for business. Capital, \$30,000. President, F. B. Henderson; Vice-President Jas. Powell; Cashier, W. M. Hutson.

DARLINGTON, C. H.—Bank of Darlington succeeds Darlington Nat'l B'k. Same officers.

TENNESSEE.

BOLIVAR.—Bank of Bolivar has been recently opened. President, A. T. McNeal; Cashier, W. C. Dorian.

DAYTON.—Dayton City Bank has been opened here. Capital, \$50,000. President, V. C. Allen; Cashier, D. C. McMillin.

FAYETTEVILLE.—Elk National Bank has been authorized to commence business. Capital, \$50,000. President, Robert D. Warren; Vice-President, Jno. H. Rees; Cashier, Wm. B. Donthart.

GREENEVILLE.—Greeneville Bank has been organized. Capital, \$30,000. President, Newton Hacker; Cashier, J. E. Hacker.

HUMBOLDT.—Farmers & Merchants' Bank has recently been opened. President, C. H. Farrell; Vice-President, M. T. Cox; Cashier, A. R. Dodson.

NASHVILLE.—Mechanics' Savings Bank & Trust Co.; President, J. B. Richardson. — Nashville Trust & Banking Co. has recently been opened. President, Allen P. Connell; Cashier, C. W. McLister.

SOUTH PITTSBURG.—First National Bank; Vice-President, G. C. Connor; Assistant Cashier, C. B. Duncan.

TEXAS.

BOWIE.—Bowie Bank; E. W. Russey will succeed Jno. T. Slaton, as Cashier, July 1st.

HALLETTSVILLE.—John Wood's Bank; discontinued.

HENRIETTA.—Citizens' Bank will open July 1st. President, C. W. Easley; Cashier, Jno. T. Slaton.

PALENTINE.—First National Bank has been authorized to commence business. Capital, \$50,000. President, George A. Wright; Cashier, Lucius Gooch.

RICHMOND.—T. R. Beard (Mrs. T. R. Beard); assigned.

SAN ANTONIO.—Maverick Bank (Sam Maverick); S. Wm. Menger, Cashier, in place of J. T. Hall, Acting Cashier.

TYLER.—First National Bank; Vice-President, H. G. Asken.

VERMONT.

BETHEL.—National White River Bank; D. C. Denison, President, in place of Nelson Gay, deceased.

FAIRHAVEN.—Allen National Bank; I. C. Allen, President, deceased.

ST. JOHNSBURY.—Citizens' Savings Bank & Trust Co. has been organized. Capital, \$25,000. President, J. G. Hooley; Vice-Pres., C. M. Chase; Treas., J. T. Ritchie.

VIRGINIA.

FRONT ROYAL.—Front Royal Nat'l B'k; D. C. Cone, Asst. Cas., in place of T. Wolfe.

HALIFAX, C. H.—Bank of Halifax has been opened here. Capital, \$10,000. President, R. H. Earley; Cashier, R. A. Eart.

NEWMARKET.—Kagey, Shirley & Co.; succeeded by Kagey & Rosenberger.

NORFOLK.—Norfolk Clearing-House Association; W. H. Taylor, President, in place of C. G. Ramsay; G. H. Newton, Manager, in place of H. N. Page.

WEST VIRGINIA.

WHEELING.—Dollar Savings Bank has been opened for business. Capital, \$50,000. President, Nathan B. Scott; Cashier, Peyton B. Dobbins.

WISCONSIN.

COLLINS.—L. W. Heindel is reported here.

FOND DU LAC.—Fond du Lac National Bank; Vice-President, Fred Rueping.

HARTFORD.—Bank of Hartford will soon be started here.

KAUKAUNA.—First Nat. Bank; Vice-President, M. A. Hunt; Cashier, H. Kuebmsted.

MAUSTON.—Juneau County Bank is new bank here. Capital, \$12,000. President, P. R. Briggs; Cashier, Geo. H. Winchell.

MANASHA.—First National Bank has been organized. Capital, \$30,000. Pres., R. C. Russell.

MERRILL.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Leander Choate; Cashier, J. W. Ladd.

SOUTH KAUKAUNA.—Manufacturers' Bank (H. Frambach); succeeded by First National Bank of Kaukauna.

WASHBURN.—A. C. Probert is in business here. Style, Bank of Washburn. Capital, \$15,000.

WYOMING.

SUNDANCE.—Crook County Bank is new bank here. Pres., G. C. Hickok; Cas., W. M. Baird.

ONTARIO.

ALLISTON.—Bank of Hamilton; N. M. Livingstone, Agent, in place of A. M. Kirkland, deceased.

BRAMPTON.—Merchants' Bank of Canada; W. A. Bellhouse, Manager, in place of John C. More.

HAGERSVILLE.—Bank of Hamilton; J. S. Gordon, Agent, in place of N. M. Livingstone.

LONDON.—Molson's Bank; Joseph Jeffery, Manager, resigned.

QUEBEC.

FARNHAM.—Eastern Townships Bank; this bank discontinued June 1st.

MONTREAL.—Bank of Montreal; C. F. Smithers, President, deceased.

QUEBEC.—Merchants' Bank of Canada; J. C. More, Manager, in place of J. L. Gault.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, June 2, 1887.

THE RAILROADS of the country continue to prosper, notwithstanding the Interstate Commerce law. During the month of April, the first since the law went into operation, the earnings of 99 roads were about 24 millions of dollars, indicating an increase of 16.3 per cent. over and above those of the same roads during the corresponding month in 1886. The Interstate Commission has been holding sessions at various points in the South to take testimony in connection with the suspension of the short haul clause with reference to the Southern roads. There was found to be much diversity of opinion among the people examined, those enjoying water communications being in favor of the enforcement of Section 4, while those in the interior, who were dependent on the railroads, were in favor of the continued suspension. The river interests, of course, favored the stoppage of the long haul rates of the railroads with the hope that the effect would be to raise freights by water carriage. The roads are beginning to drop the harsh construction of the law, which they at first insisted on, and show a disposition to offer reduced rates under certain circumstances.

THE CLEARINGS of the banks for the week ending May 7th, in thirty-six cities, footed up \$1,122,680,045, and indicated an increase of 12.3 per cent. over the corresponding week in 1886. For the week ending May 14th the clearings were \$991,474,378, showing a falling off as compared with the previous week, but a gain of 23.9 per cent. as compared with the same week in 1886. The total for the week ending May 21st was \$1,101,618,902, which was 40.2 per cent. increase over the similar week in 1886.

There has been but little variation in the price of cotton. The receipts at the various ports since September, 1886, have been greater than for the same period in any previous year since 1883. The prospect for the new crop is good. In fact, the tendency so far seems to be toward lower rather than higher prices. The prices of bread stuffs have changed but little. Flour has been in better demand, but there has been an increased supply of wheat, and its price has been variable, although a heavy export demand toward the close of the month has rather raised the figures. The receipts at the lake ports since July, 1886, have been larger than for the previous year, although not so great as in 1885. The dry goods market has been firmer, with the exception of that for domestic woolen goods. In New England the woolen industry is not in a very satisfactory condition. Many of the mills have been running on short time, while others have stopped a portion of their machinery. Trade generally has been good. *Bradstreet's* gives reports from twenty cities, and they are generally favorable. There seems to be a marked tendency toward greater activity in business.

THE TREASURY surplus still continues to be a subject of some anxiety. So far the locking up of cash has been avoided by deposits with National bank depositories, and there might be some hope of this course affording a solution of the difficulty if it were not for the very high prices of the fours and four and a-halves, which are likely to be increased rather than diminished, not only by the prospect that the Government may be compelled to purchase them in the market, but also because of the necessity the banks are under of replacing the threes called for redemption on July 1. Assuming that only one-quarter of the \$16,991,900 threes held by the banks will be replaced, there will from this quarter be a demand for over four millions of fours or four and a-halves. It has been announced with some appearance of authority that the Treasury will not purchase bonds in the market. If this were known to be the settled and determined policy of the Government, it would have the effect of weakening the prices and counteracting the bank demand.

FOREIGN EXCHANGE has been dull through the month. The first week in May it was very weak, when there was pressure from bankers' bills drawn against bond negotiations, and at the same time the demand was light. This condition of things has continued, with slight variations caused by temporary increase in demand. The low rates for money ruling in the London market have restricted calls for remittances from that side. There has, however, been some scarcity at times of commercial and bankers' bills. The Bank of England lost specie during the first two weeks of the month, but gained during the last two weeks. The total loss for the month was £811,000. The percentage of reserve to liabilities on May 26th was 47.57 as against 48.28 at the beginning of the month. The Bank of France gained 15,225,000 francs in silver and 10,675,000 in gold during the same time. The following are the latest posted and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.86½@4.87; sight, nominal, \$4.88@4.88½; 60 days, actual, \$4.85½@4.86; sight, actual, \$4.86½@4.87½; Cable transfers, \$4.87@4.87½; Prime commercial sterling, long, \$4.84½@4.85; Documentary sterling, 60 days, \$4.84@4.84½; Paris, bankers', 60 days, 5.20@5.19½; sight, 5.18½@5.17½; Paris, commercial, 60 days, 5.20½@5.20¼; sight, 5.20@5.19½; Antwerp, commercial, 60 days, 5.22½@5.21½; Swiss, bankers', 60 days, 5.20@5.19½; sight, 5.18½@5.17½; Reichsmarks (4), bankers', 60 days, 95½@95¾; sight, 95½@95¾; Reichsmarks (4), commercial, 60 days, 94½@95; sight, 95½@95¾; Guilders, bankers', 60 days, 40 3-16@40¼; sight, 40¾@40 7-16; Guilders, commercial, 60 days, 40@40 1-16; sight, 40 3-16@40¼; Copenhagen, Stockholm, and Christiania, krona, 60 days, 26¼@26 13-16; sight, 27@27 1-16. Paris dispatches quote exchange on London 25f. 20c.

The following shows the posted rates for prime bankers' sterling bills on London at 60 days, and sight, cable transfers and prime commercial sterling, together with exchange on Paris on May 3d, the changes in the rates as they occurred during the month, and the highest and lowest during the months of April and May:

	BANKERS'		Cable		PARIS	
	60 days.	Sight.	Transfers.	Commercial.	60 days.	Sight.
April.						
Highest.....	4.87	4.89	4.88	4.85½	5.19½	5.17¼
Lowest.....	4.85	4.87		4.83½	5.22¼	5.19¾
May 3.....	4.87	4.89	4.87¾	4.85½	5.19¾	5.17¾
" 9.....	4.86¼	4.88¼	4.87¾	4.84½	5.19½	5.17¼
" 10.....	4.86¼	4.88¼	4.87¾	4.84½	5.19½	5.17½
" 12.....	4.86¼	4.88¼	4.87¾	4.84½	5.19½	5.17½
" 13.....	4.86¼	4.88	4.87¾	4.84½	5.19½	5.17½
" 17.....	4.86¼	4.88	4.87¾	4.85	5.19½	5.17½
" 20.....	4.86¼	4.88	4.87¾	4.85	5.19½	5.17¼
" 26.....	4.86¼	4.88	4.87¾	4.85½	5.19½	5.17¼
" 31.....	4.86¼	4.88	4.87¾	4.84½	5.19½	5.17½
Highest.....	4.87	4.89	4.87¾	4.85½	5.19½	5.17¼
Lowest.....	4.86¼	4.88	4.87¾	4.84½	5.19½	5.17½

COINS AND BULLION.—Bar silver is quoted in London at 43 11-16d. per ounce. At this quotation for silver the bullion value of the standard dollar is 74.06 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars.....	\$ 99 @ \$ 1 00	Twenty marks.....	4 75 @ 4 80
New (412½ grains) dollars.....	99½ @ 1 00	Spanish doubloons.....	15 55 @ 15 70
American silver ½s & ¼s.....	99½ @ 1 00	Spanish 25 pesetas.....	4 75 @ 4 83
American dimes.....	99½ @ 1 00	Mexican doubloons.....	15 55 @ 15 65
Mexican dollars.....	75¼ @ 76¼	Mexican 20 pesos.....	19 50 @ 19 60
Peru soles & Chilian pesos..	72 @ 73½	Ten guilders.....	3 96 @ 4 00
English silver.....	4 80 @	Com'l silver bars, per oz...	95½ @
Five francs.....	93 @ 95	U. S. Assay silver bars ..	95½ @ 96¼
Victoria sovereigns.....	\$4 85 @ \$4 89	Fine gold bars par @ ¼ % premium on the	
Twenty francs.....	3 86 @ 3 90	Mint value.	

MONEY AND DOMESTIC EXCHANGE.—The open market rates for call loans on collaterals for the first week in May were from 3 to 6 per cent., for the

second week from 3 to 7, for the third from 3 to 6, and for the last from 3 to 7. The rate has once or twice been forced up to 8 per cent. The usual rate during the month to stockbrokers has been from $4\frac{1}{2}$ to 5. Prime commercial paper has been from 5 to $5\frac{1}{2}$ per cent., other grades ruling from 7 to 9 up. The reserves of the New York city banks diminished during the month from \$100,061,400 on April 30th, to \$98,644,800 on May 28th. The surplus reserve on April 30th was \$7,139,925, and on May 28th, \$5,779,600. On May 14th the surplus reserve reached its lowest point, viz.: \$4,161,450, and has since been increasing. To judge by the clearings, there has been great activity in business during the month in every part of the country. New York exchange was selling in Savannah at $\frac{1}{8}$ @ $\frac{1}{4}$ premium, in Charleston bringing par to $\frac{1}{8}$ premium, and selling 3-16 to $\frac{1}{4}$ premium. At New Orleans commercial exchange on New York was 75c. per \$1000 premium, bank \$1.50 per \$1,000 premium, St. Louis par, Chicago 25c. per \$1,000 discount.

NEW YORK BANKS.—Loans have increased during the month \$3,851,600, and deposits are about the same, having decreased about \$225,100. There seems as yet to be no decided current toward New York. The following shows the condition of the New York Clearing-House banks for a number of weeks past as well as about this time in 1886 and 1885:

1887.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
May 28 ...	\$364,463,500	\$73,755,600	\$24,889,200	\$371,480,800	\$8,286,000	\$5,779,600
May 21....	365,843,600	74,439,000	23,882,200	374,056,000	8,264,800	4,657,200
May 14....	365,481,800	75,161,900	22,935,100	375,742,200	8,277,900	4,161,450
May 7... .	365,420,300	76,850,100	21,830,800	376,633,200	8,320,200	4,522,600
1886.						
May 28....	241,540,500	69,516,800	35,624,300	365,242,000	7,851,700	13,830,600
1885.						
May 29....	293,146,200	114,501,500	36,638,400	361,433,900	10,364,100	60,768,225

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of May, and the highest and lowest during the month. Actual sales marked *:

MAY.	$4\frac{1}{2}$ 6s, '91, coup.	4s, 1907, coup.	3 per cents.	C'y 6s, 1895.	C'y 6s, 1899.	MAY.	$4\frac{1}{2}$ 6s, '91, coup.	4s, 1907, coup.	3 per cents.	C'y 6s, 1895.	C'y 6s, 1899.
2	$110\frac{1}{8}$	129	100	126	$136\frac{1}{8}$	13	$110\frac{1}{4}$	129	100	$126\frac{1}{4}$	137
3	110	129	100	$126\frac{1}{4}$	137	19	$110\frac{1}{4}$	129	100	$126\frac{1}{4}$	137
4	110	129	100	$126\frac{1}{4}$	137	20	$110\frac{1}{4}$	129	$100\frac{1}{4}$	$126\frac{1}{4}$	137
5	110	* $128\frac{3}{4}$	100	$126\frac{1}{4}$	137	21	$110\frac{1}{4}$	$129\frac{1}{4}$	.....	126	137
6	110	$128\frac{3}{4}$	100	$126\frac{1}{4}$	* $137\frac{1}{8}$	23	$110\frac{1}{4}$	$129\frac{1}{4}$	.....	126	137
7	110	$128\frac{3}{4}$	100	$126\frac{1}{4}$	137	24	$110\frac{1}{4}$	$129\frac{1}{4}$	.....	126	137
9	$110\frac{1}{8}$	$128\frac{3}{4}$	100	$126\frac{1}{4}$	137	25	$110\frac{1}{4}$	$129\frac{1}{4}$	.....	$126\frac{1}{4}$	137
10	110	$128\frac{3}{4}$	100	$125\frac{1}{4}$	$136\frac{1}{4}$	26	$110\frac{1}{4}$	$129\frac{1}{4}$	.....	$126\frac{1}{4}$	137
11	$110\frac{1}{8}$	129	100	$125\frac{1}{4}$	$136\frac{1}{4}$	27	$110\frac{1}{4}$	$129\frac{1}{4}$	.....	$126\frac{1}{4}$	137
12	$110\frac{1}{4}$	129	100	$125\frac{1}{4}$	$136\frac{1}{4}$	28	$110\frac{1}{4}$	$129\frac{1}{4}$	.....	$126\frac{1}{4}$	137
13	$110\frac{1}{8}$	129	100	$125\frac{1}{4}$	$136\frac{1}{4}$	31	$110\frac{1}{4}$	$129\frac{1}{4}$	.....	$126\frac{1}{4}$	$137\frac{1}{4}$
14	$110\frac{1}{8}$	129	100	126	$136\frac{1}{4}$	High	$110\frac{1}{4}$	$129\frac{1}{4}$	$100\frac{1}{4}$	$126\frac{1}{4}$	$137\frac{1}{4}$
16	$110\frac{1}{8}$	129	100	$126\frac{1}{4}$	136	Low	110	$128\frac{3}{4}$	100	$125\frac{1}{4}$	136
17	$110\frac{1}{8}$	129	100	$126\frac{1}{4}$	137						

The public debt settlement of June 1st shows that during the month of May the public debt less cash in the Treasury has decreased \$8,888,997 as against a decrease of \$13,053,098 during April. The total decrease in the debt since June 30, 1886, has been \$92,854,921. The outstanding interest bearing debt on June 1st was \$1,086,315,812, on which there was accrued interest amounting to \$11,709,163. This statement includes \$64,623,512, Pacific Railroad bonds. The receipts of the Government for the month of May were \$33,834,282, of which \$16,545,683 were from customs. During May, 1886, the receipts were \$27,751,724. The expenditures for May, 1887, were \$22,409,843, showing a

surplus of over eleven millions for the month. The total cash in the Treasury available for the reduction of the debt was \$277,808,997, while that considered unavailable for the purpose was \$88,960,528. This includes fractional silver coin, minor coin certificates held as cash, etc., and in addition there was \$100,000,000 of gold held as reserve for redemption of United States notes, making the total cash in the Treasury \$466,269,526. The net cash balance available for calling interest bearing bonds, exclusive of the three already called, was \$23,951,692. The gold holdings of the Treasury have increased \$6,000,000 since May 1st. The demand for small notes continues large, and exceeds the supply. The following table shows the net gold and silver held by the United States Treasury on the 1st of June and on the 1st of April and May:

	June 1, 1887.	May 1, 1887.	April 1, 1887.
Gold coin and bullion.....	\$277,628,750	\$275,336,915	\$275,985,832
Gold certificates outstanding.....	90,960,977	94,434,485	94,046,015
Gold owned by Treasury.....	\$186,667,773	\$180,902,430	\$181,939,847
Silver dollars and bullion.....	\$212,300,918	\$209,960,748	\$206,452,230
Silver certificates outstanding.....	139,143,328	137,740,430	131,930,469
Silver owned by Treasury.....	\$73,157,590	\$72,220,318	\$74,521,741

The Treasury on June 1st thus held net gold amounting to \$186,667,773 and net silver \$73,157,590. The Bank of France held £47,687,000 in gold and £46,609,000 of silver on May 12th. The Imperial Bank of Germany on May 15th held coin and bullion to the extent of £39,813,000, and the Bank of England on May 18th held £21,995,260 in gold coin and bullion. The proportion of net gold to net silver in the United States Treasury continues to increase, owing to the demand for small silver certificates and the opportunity to issue them, as the National bank circulation is retired.

The National bank circulation outstanding has decreased \$2,640,144 during the month of May. During the previous April the decrease was \$2,118,175. The total decrease since June 1, 1886, has been \$29,409,069. The amount on deposit with the Treasurer to redeem, the notes of banks which have provided for the redemption of their circulation, is \$102,792,157. The following shows the amount of each description of bonds held by the Treasurer to secure National bank circulation on or about the dates indicated:

	June 1, 1887.	May 1, 1887.	Apr. 1, 1887.	Mar. 1, 1887.	Jan. 1, 1887.
Currency 6 per cents.....	\$3,145,000	\$3,245,000	\$3,241,000	\$3,241,000	\$3,680,000
4½ per cents.....	65,807,350	64,621,250	62,973,300	60,667,400	59,636,200
4 per cents.....	114,975,350	114,351,750	113,637,800	112,835,950	113,903,200
3 per cents.....	*17,011,400	20,223,550	27,085,900	36,894,800	52,218,950
Total.....	\$200,939,100	\$202,446,550	\$206,938,000	\$213,639,150	\$229,438,350
* Called.					

The table shows that the 4½'s have increased about \$1,200,000 during the month, and the 4's about \$600,000. In addition to the bonds to secure the circulation of National banks the Treasury held \$25,559,500 to secure deposits, as against \$24,435,500 last month. Of the \$25,559,500, \$125,000 were currency sixes, \$9,038,000 4½'s, \$14,683,500 4's, and \$1,713,000 3's.

The rate of interest realized to investors in 4 per cent. bonds of 1907, at a market price of 129.75, is computed by E. B. Elliott, Esq., Government Actuary, at 2.29 per cent., and the rate realized on 4½ per cent. bonds of 1891, at 110 is 2.03 per cent. The balance of trade has been against this country, but there have been no corresponding calls for gold, indicating that there have been foreign investments in American securities. This is sufficient to account for a marked activity and gradual advance in railroad and miscellaneous stocks during the month.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of May, the highest and lowest since January 1, 1887, and also during the year 1886:

	MAY, 1887.			SINCE JANUARY 1, 1887.			YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.		High.	Low.
Atlantic & Pacific....	15	13 $\frac{3}{4}$	14 $\frac{1}{2}$	15 — May 16	10 $\frac{1}{2}$ — Feb. 1	1	73	61
Canadian Pacific....	65 $\frac{1}{2}$	62 $\frac{1}{2}$	63	68 $\frac{1}{2}$ — Jan. 13	59 $\frac{1}{2}$ — Mar. 5	5	71 $\frac{1}{2}$	34 $\frac{1}{2}$
Canada Southern....	60 $\frac{1}{2}$	64 $\frac{1}{2}$	63 $\frac{1}{2}$	64 $\frac{1}{2}$ — May 19	52 $\frac{1}{2}$ — Feb. 1	1	64	42 $\frac{1}{2}$
Central of N. J.....	79	82 $\frac{1}{2}$	81 $\frac{1}{2}$	86 $\frac{1}{2}$ — Apr. 13	55 $\frac{1}{2}$ — Jan. 3	3	51	38
Central Pacific.....	42	40	41 $\frac{1}{2}$	43 $\frac{1}{2}$ — Apr. 12	33 — Feb. 3	1	...	...
Chesapeake & Ohio...	9 $\frac{1}{2}$	7	8	9 $\frac{1}{2}$ — Jan. 8	7 — May 26	...	...	...
do 1st pref.....	15 $\frac{1}{2}$	12 $\frac{3}{4}$	13 $\frac{1}{2}$	17 — Jan. 13	12 $\frac{1}{2}$ — May 11	...	...	...
do 2d pref.....	11	9	9	11 $\frac{1}{2}$ — Jan. 20	9 — Mar. 11	...	...	...
Chic., Burl. & Quincy	156	146 $\frac{1}{2}$	149	156 — May 17	136 $\frac{1}{2}$ — Jan. 13	141	128 $\frac{1}{2}$	...
Chic., Mil. & St. Paul	95	90 $\frac{1}{2}$	93 $\frac{1}{2}$	95 — May 18	85 $\frac{1}{2}$ — Feb. 1	99	82 $\frac{1}{2}$	...
do preferred...	127 $\frac{1}{2}$	120	124 $\frac{1}{2}$	127 $\frac{1}{2}$ — May 17	117 $\frac{1}{2}$ — Jan. 8	125 $\frac{1}{2}$	116	...
Chic. & Northwest'n.	126 $\frac{1}{2}$	120 $\frac{1}{2}$	125	126 $\frac{1}{2}$ — May 17	110 — Feb. 1	120 $\frac{1}{2}$	104 $\frac{1}{2}$	...
do preferred...	153	149 $\frac{1}{2}$	152	153 — May 13	138 $\frac{1}{2}$ — Jan. 29	144	135	...
Chic., Rock I. & Pac.	140 $\frac{1}{2}$	128 $\frac{1}{2}$	137 $\frac{1}{2}$	140 $\frac{1}{2}$ — May 17	124 $\frac{1}{2}$ — Mar. 18	131	120 $\frac{1}{2}$	...
Chic., St. L. & Pitts...	21	18 $\frac{1}{2}$	18 $\frac{1}{2}$	22 — Apr. 22	16 — Feb. 1	...	...	...
do preferred...	52	49	49 $\frac{1}{2}$	52 $\frac{1}{2}$ — Apr. 22	35 — Jan. 27	...	...	...
Chic., St. P., M. & O.	54 $\frac{1}{2}$	51 $\frac{1}{2}$	53 $\frac{1}{2}$	54 $\frac{1}{2}$ — May 17	45 $\frac{1}{2}$ — Feb. 1	55	35 $\frac{1}{2}$	...
do preferred...	117 $\frac{1}{2}$	112 $\frac{1}{2}$	116 $\frac{1}{2}$	117 $\frac{1}{2}$ — May 17	106 — Feb. 1	116 $\frac{1}{2}$	97	...
Clev., Col. Cin. & Ind	67 $\frac{1}{2}$	65 $\frac{1}{2}$	66 $\frac{1}{2}$	68 — Apr. 11	59 — Feb. 1	75 $\frac{1}{2}$	43 $\frac{1}{2}$	...
Col. H. Val. & Tol...	37	30 $\frac{1}{2}$	34	39 $\frac{1}{2}$ — Jan. 11	28 $\frac{1}{2}$ — Mar. 14	...	...	...
Del., Lack. & West'n	138 $\frac{1}{2}$	136 $\frac{1}{2}$	137 $\frac{1}{2}$	138 $\frac{1}{2}$ — May 17	131 $\frac{1}{2}$ — Feb. 1	144	115	...
Denv. & H. Grande a.p	32 $\frac{1}{2}$	30 $\frac{1}{2}$	32 $\frac{1}{2}$	32 $\frac{1}{2}$ — Apr. 14	21 $\frac{1}{2}$ — Feb. 3	35 $\frac{1}{2}$	21 $\frac{1}{2}$	...
E. Tenn., Va. & Ga...	15 $\frac{1}{2}$	13	14 $\frac{1}{2}$	17 — Jan. 3	12 $\frac{1}{2}$ — Mar. 14	6 $\frac{1}{2}$	5 $\frac{1}{2}$	...
do 1st preferred	78	74	77	82 $\frac{1}{2}$ — Jan. 13	71 $\frac{1}{2}$ — Feb. 1	111 $\frac{1}{2}$	2 $\frac{1}{2}$	...
do 2d preferred	28 $\frac{1}{2}$	24 $\frac{1}{2}$	27 $\frac{1}{2}$	32 — Jan. 3	21 $\frac{1}{2}$ — Feb. 1	...	...	...
Evans. & Terr. Haute	99	95	97 $\frac{1}{2}$	100 — Apr. 9	84 — Mar. 12	...	...	...
Ft. Worth & Den. City	62 $\frac{1}{2}$	48 $\frac{1}{2}$	50 $\frac{1}{2}$	62 $\frac{1}{2}$ — May 7	21 $\frac{1}{2}$ — Feb. 4	...	...	...
Green B., Win. & St. P.	16 $\frac{1}{2}$	15	16 $\frac{1}{2}$	17 — Apr. 7	12 — Jan. 28	...	...	...
Illinois Central.....	137 $\frac{1}{2}$	133 $\frac{1}{2}$	137 $\frac{1}{2}$	137 $\frac{1}{2}$ — May 27	128 $\frac{1}{2}$ — Feb. 24	143 $\frac{1}{2}$	131	...
Ind., Bloom. & W'n*	26	24	25	27 $\frac{1}{2}$ — Apr. 1	17 $\frac{1}{2}$ — Feb. 4	28 $\frac{1}{2}$	12	...
Kingston & Pem.....	47	45	46	47 $\frac{1}{2}$ — Apr. 21	38 $\frac{1}{2}$ — Mar. 24	...	...	...
Lake Shore.....	98 $\frac{1}{2}$	95	98	98 $\frac{1}{2}$ — May 19	90 — Feb. 1	100 $\frac{1}{2}$	76 $\frac{1}{2}$	...
Long Island.....	99 $\frac{1}{2}$	95	98 $\frac{1}{2}$	99 $\frac{1}{2}$ — May 14	93 — Jan. 15	100	80	...
Louisville & Nash'v'e	69 $\frac{1}{2}$	66 $\frac{1}{2}$	68 $\frac{1}{2}$	70 $\frac{1}{2}$ — Apr. 14	57 — Feb. 3	69	35 $\frac{1}{2}$	...
Lou'ville, N. A. & Chic.	65 $\frac{1}{2}$	61	64	67 — Apr. 21	58 — Jan. 22	...	...	...
Manhattan consol...	160 $\frac{1}{2}$	158	160	161 $\frac{1}{2}$ — Apr. 20	154 — Jan. 5	175	120	...
Memphis & Char'ton	62 $\frac{1}{2}$	59	61 $\frac{1}{2}$	64 $\frac{1}{2}$ — Apr. 5	51 — Jan. 27	...	...	...
Michigan Central....	95 $\frac{1}{2}$	91	93 $\frac{1}{2}$	95 $\frac{1}{2}$ — May 19	86 — Jan. 27	98 $\frac{1}{2}$	61 $\frac{1}{2}$	...
Mil., L. S. & West....	94 $\frac{1}{2}$	91	94	94 $\frac{1}{2}$ — May 18	66 $\frac{1}{2}$ — Jan. 6	...	...	...
do preferred...	119	115	117 $\frac{1}{2}$	119 — May 18	98 — Jan. 4	...	...	...
Mineap's & St. Louis	20	18	19 $\frac{1}{2}$	20 $\frac{1}{2}$ — Apr. 2	17 $\frac{1}{2}$ — Feb. 1	23 $\frac{1}{2}$	16 $\frac{1}{2}$	...
do preferred...	46	42 $\frac{1}{2}$	45 $\frac{1}{2}$	46 — May 5	40 $\frac{1}{2}$ — Feb. 1	52 $\frac{1}{2}$	40 $\frac{1}{2}$	...
Mo., Kan. & Texas...	33 $\frac{1}{2}$	31 $\frac{1}{2}$	32 $\frac{1}{2}$	34 $\frac{1}{2}$ — Apr. 9	26 $\frac{1}{2}$ — Feb. 1	38 $\frac{1}{2}$	21	...
Missouri Pacific.....	112	107 $\frac{1}{2}$	110 $\frac{1}{2}$	112 — May 19	104 $\frac{1}{2}$ — Feb. 1	119	100 $\frac{1}{2}$	...
Mobile & Ohio.....	17 $\frac{1}{2}$	15 $\frac{1}{2}$	15	19 $\frac{1}{2}$ — Jan. 8	14 $\frac{1}{2}$ — Feb. 1	...	...	...
Nash., Chat. & St. L.	87	82 $\frac{1}{2}$	85	88 $\frac{1}{2}$ — Jan. 3	79 $\frac{1}{2}$ — Feb. 1	105 $\frac{1}{2}$	43 $\frac{1}{2}$	...
N. Y. Cent. & H. R....	114 $\frac{1}{2}$	112	113 $\frac{1}{2}$	114 $\frac{1}{2}$ — May 19	110 — Feb. 1	117 $\frac{1}{2}$	98 $\frac{1}{2}$	...
N. Y., Chic. & St. Louis†	209 $\frac{1}{2}$	19	13 $\frac{1}{2}$	209 $\frac{1}{2}$ — May 16	16 $\frac{1}{2}$ — Mar. 15	17 $\frac{1}{2}$	4 $\frac{1}{2}$	...
do preferred...	37 $\frac{1}{2}$	33 $\frac{1}{2}$	35 $\frac{1}{2}$	37 $\frac{1}{2}$ — May 18	27 — Mar. 12	31	11	...
N. Y., Lake E. & W'n	35 $\frac{1}{2}$	33 $\frac{1}{2}$	35 $\frac{1}{2}$	35 $\frac{1}{2}$ — Apr. 12	29 $\frac{1}{2}$ — Feb. 1	38 $\frac{1}{2}$	22 $\frac{1}{2}$	...
do preferred...	76	72	75 $\frac{1}{2}$	76 — May 23	65 $\frac{1}{2}$ — Jan. 29	81 $\frac{1}{2}$	50 $\frac{1}{2}$	...
N. Y. & New Eng....	61 $\frac{1}{2}$	65	59 $\frac{1}{2}$	66 — Mar. 29	51 — Jan. 12	68 $\frac{1}{2}$	30 $\frac{1}{2}$	...
N. Y., Ont. & West'n.	19 $\frac{1}{2}$	18 $\frac{1}{2}$	19 $\frac{1}{2}$	20 $\frac{1}{2}$ — Jan. 3	15 $\frac{1}{2}$ — Feb. 4	22 $\frac{1}{2}$	15	...
N. Y., Susq. & West'n	13 $\frac{1}{2}$	12	12 $\frac{1}{2}$	14 — Feb. 14	11 — Feb. 1	12 $\frac{1}{2}$	6	...
do preferred...	37 $\frac{1}{2}$	36 $\frac{1}{2}$	36 $\frac{1}{2}$	38 $\frac{1}{2}$ — Feb. 14	31 — Feb. 1	33 $\frac{1}{2}$	17 $\frac{1}{2}$	...
Norfolk & Western...	23	20	21 $\frac{1}{2}$	23 $\frac{1}{2}$ — Jan. 3	17 $\frac{1}{2}$ — Feb. 3	27 $\frac{1}{2}$	8 $\frac{1}{2}$	...
do preferred...	55 $\frac{1}{2}$	51 $\frac{1}{2}$	54 $\frac{1}{2}$	55 $\frac{1}{2}$ — May 16	43 $\frac{1}{2}$ — Feb. 3	59 $\frac{1}{2}$	25	...
Northern Pacific....	33 $\frac{1}{2}$	29 $\frac{1}{2}$	33 $\frac{1}{2}$	33 $\frac{1}{2}$ — May 27	26 $\frac{1}{2}$ — Feb. 1	31 $\frac{1}{2}$	22	...
do preferred...	63 $\frac{1}{2}$	61 $\frac{1}{2}$	62 $\frac{1}{2}$	63 $\frac{1}{2}$ — May 19	56 $\frac{1}{2}$ — Feb. 1	66 $\frac{1}{2}$	53 $\frac{1}{2}$	...
Ohio & Mississippi...	31 $\frac{1}{2}$	30	30 $\frac{1}{2}$	32 $\frac{1}{2}$ — Apr. 4	22 $\frac{1}{2}$ — Feb. 1	35 $\frac{1}{2}$	19 $\frac{1}{2}$	...
Oregon & Transc....	35 $\frac{1}{2}$	33 $\frac{1}{2}$	34 $\frac{1}{2}$	35 $\frac{1}{2}$ — Apr. 7	29 $\frac{1}{2}$ — Jan. 24	38	25	...
Peoria, Dec. & Evnsv.	30 $\frac{1}{2}$	34 $\frac{1}{2}$	39 $\frac{1}{2}$	39 $\frac{1}{2}$ — May 25	30 $\frac{1}{2}$ — Jan. 3	34 $\frac{1}{2}$	16	...
Phila. & Reading....	46 $\frac{1}{2}$	44	46 $\frac{1}{2}$	47 $\frac{1}{2}$ — Apr. 18	34 — Feb. 1	53 $\frac{1}{2}$	18 $\frac{1}{2}$	...
Richm'd & W. Point.	41 $\frac{1}{2}$	38 $\frac{1}{2}$	39 $\frac{1}{2}$	53 — Jan. 17	37 $\frac{1}{2}$ — Mar. 15	77 $\frac{1}{2}$	27 $\frac{1}{2}$	...
Rome, Wat'n & Og'bg	95	90	94	95 — Jan. 17	80 — Feb. 8	...	...	...
St. L. & San F.....	44 $\frac{1}{2}$	37	44	44 $\frac{1}{2}$ — May 26	30 — Jan. 27	...	...	...
do preferred...	84 $\frac{1}{2}$	77 $\frac{1}{2}$	83 $\frac{1}{2}$	84 $\frac{1}{2}$ — May 26	61 $\frac{1}{2}$ — Feb. 2	72 $\frac{1}{2}$	37 $\frac{1}{2}$	...
do 1st pref.....	119 $\frac{1}{2}$	116 $\frac{1}{2}$	119 $\frac{1}{2}$	119 $\frac{1}{2}$ — May 12	112 — Jan. 28	118 $\frac{1}{2}$	97 $\frac{1}{2}$	...
St. Paul & Duluth...	90	63	90	90 — May 28	55 $\frac{1}{2}$ — Jan. 7	...	...	...
do preferred...	114 $\frac{1}{2}$	108 $\frac{1}{2}$	113	114 $\frac{1}{2}$ — May 23	107 — Jan. 10	...	...	...
St. Paul, Minn. & Man	120 $\frac{1}{2}$	114	120 $\frac{1}{2}$	120 $\frac{1}{2}$ — May 27	113 — Feb. 1	124 $\frac{1}{2}$	106 $\frac{1}{2}$	...
Texas & Pacifc.....	35 $\frac{1}{2}$	30 $\frac{1}{2}$	34 $\frac{1}{2}$	35 $\frac{1}{2}$ — May 23	23 $\frac{1}{2}$ — Feb. 17	25	7 $\frac{1}{2}$	...
Union Pacific.....	63 $\frac{1}{2}$	60 $\frac{1}{2}$	62 $\frac{1}{2}$	63 $\frac{1}{2}$ — May 18	53 $\frac{1}{2}$ — Feb. 4	68 $\frac{1}{2}$	44 $\frac{1}{2}$	...
Wabash, St. L. & Pac.	22 $\frac{1}{2}$	20 $\frac{1}{2}$	21 $\frac{1}{2}$	22 $\frac{1}{2}$ — May 6	13 $\frac{1}{2}$ — Feb. 1	12 $\frac{1}{2}$	6	...
do preferred...	53 $\frac{1}{2}$	47 $\frac{1}{2}$	50 $\frac{1}{2}$	53 $\frac{1}{2}$ — May 19	35 $\frac{1}{2}$ — Feb. 1	22 $\frac{1}{2}$	14	...
Col. Coal & Iron Co.	105 $\frac{1}{2}$	103 $\frac{1}{2}$	103 $\frac{1}{2}$	105 $\frac{1}{2}$ — Apr. 18	100 $\frac{1}{2}$ — Mar. 14	108 $\frac{1}{2}$	88 $\frac{1}{2}$	...
Del. & Hudson Canal	105 $\frac{1}{2}$	101	104 $\frac{1}{2}$	105 $\frac{1}{2}$ — May 19	97 $\frac{1}{2}$ — Jan. 22	109 $\frac{1}{2}$	93	...
Oregon R. & Nav. Co	57 $\frac{1}{2}$	54 $\frac{1}{2}$	55 $\frac{1}{2}$	58 $\frac{1}{2}$ — Apr. 7	48 $\frac{1}{2}$ — Jan. 8	67	45 $\frac{1}{2}$	...
Pacific Mail.....	78 $\frac{1}{2}$	75 $\frac{1}{2}$	78	78 $\frac{1}{2}$ — Mar. 9	70 $\frac{1}{2}$ — Feb. 1	80 $\frac{1}{2}$	60 $\frac{1}{2}$	...
Western Union Tel...	...	...	...	...	...	...	...	...

* First assessment paid. † Assented. ‡ Conn. Repts. § Second assessment paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange.

The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAY- BLE.	YEAR 1886.		JUNE 1, 1887.	
				High.	Low.	Bid.	Askd.
Alabama Class A 3 to 5.....	1906	6,728,800	J & J	108	97	108½	109½
do do small.....				105	97	106½	108
do Class B 5's.....	1906	539,000	J & J	110	105	112	115
do Class C 4's.....	1906	959,000	J & J	103½	95	103	105
do 6's, 10-20.....	1900	960,000	J & J	107½	104	104	107
Arkansas 6's, funded.....	1899, 1900	3,000,000	J & J	11½	5	11	14
do 7's, Little Rock & Fort Smith...		1,000,000	A & O	28	12	26	33
do 7's, Memphis & Little Rock....		1,200,000	A & O	27	13	25	30
do 7's, L. R., Pine Bluff & N. O....		1,200,000	A & O	27½	12½	25	33
do 7's, Miss., Ouachita & Red River		600,000	A & O	20½	12	25	33
do 7's, Arkansas Central R. R.....		1,350,000	A & O	8	5	10	14
Georgia 7's, gold bonds.....	1890	2,000,000	Q J	114	108½	108	109
Louisiana 7's, consolidated.....	1914		J & J	94	84	100	
do 7's, do stamped 4's...		12,089,000	J & J	82½	67	88	88½
do 7's, do small bonds...				78	67	87½	
Michigan 7's.....	1890	231,000	M & N	112	108	107	
Missouri 6's.....	1887	3,242,000	J & J	104½	102	102½	
do 6's.....	1888	3,251,000	J & J	106½	103½	103½	104½
do 6's.....	1889 or 1890	1,105,000	J & J	110	107	106½	
do Asylum or University.....	1892	401,000	J & J	113	110	112	
do Funding bonds.....	1894, 1895	1,000,000	J & J	119	115	115	
do Hannibal & St. Joseph.....	1887	1,000,000	J & J	104	101	*118	
New York 6's, gold, registered.....	1837	942,000	J & J	104	102	102½	
do 6's, coupon.....	1887	643,200	J & J	104	102	102½	
do 6's, loan.....	1891	4,302,600	J & J	115	110	112	
do 6's, loan.....	1892	2,000,000	A & O	120	112	115	
do 6's, loan.....	1893	473,000	A & O	122	115	118	
North Carolina 6's, old.....	1886-98	4,738,000	J & J	36½	30	35	
do April & October.....		3,639,400		36½	30	35	
do to N. C. R. R.....	1883-4-5		J & J	175	165	170	
do do 7's, coupon off....		3,000,000	J & J	175	165	140	
do do April & October...			J & J	145	135	170	
do do 7's, coupon off....				145	135	140	
do Funding Act.....	1866-1900	2,417,000	J & J	13½	10	12½	
do do.....	1868-1898	1,721,400	A & O	13½	10	12½	
do new bonds, J. & J.....	1892-1898	2,383,000	J & J	23	20	22	
do do April & October...		495,000		23	20	22	
do Chatham Railroad.....		1,200,000	A & O	13	5	9	
do special tax, Class 1.....			A & O	14½	8	12½	15
do do Class 2.....			A & O	10½	10	12½	15
do do to W'n N. C. R.....			A & O			12½	13
do do to West'n R. R.....			A & O			12½	15
do do to W'il., C. & R'n R. R.....			A & O			12½	15
do do to W'n & Tar R. R.....			A & O			12½	15
do consolidated 4's.....	1910	3,620,511	J & J	100¾	88½		98
do do small bonds...			J & J	98	87	95	100
do do 6's.....	1919	2,553,000	A & O	129	115	123	128
Rhode Island 6's, coupon.....	1893-4	1,372,000	J & J	124	118	116	
South Carolina 6's, Act March 23, 1869, {							
non-fundable.....	1888, {	5,965,000		7¾	5	6	7
South Carolina, Brown consolid'n 6's.....	1893	4,280,000	J & J	110½	104	108½	110½
Tennessee 6's, old.....	1890-2-8			65½	53	62½	65
do 6's, new bonds.....	1892-8-1900	4,397,000		65½	53	62½	65
do 6's, new series.....	1914			65½	53	62½	65
do compromise 3-4-5-6's.....	1912	2,014,000	J & J	75½	62	72	75
do new settlement 6's.....	1913	823,000	J & J	109	103	103½	
do do small bonds...		49,400	J & J			*103	
do do 5's.....	1913	347,000	J & J	102	100	102½	
do do small bonds...		10,100	J & J				
do do 8's.....	1913	10,571,000	J & J	80	71½	75	77
do do small bonds...		845,800	J & J			72	

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STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAY- BLE.	YEAR 1886.		JUNE 1, 1887.	
				High.	Low.	Bid.	Askd
Virginia 6's, old.....		9,427,000		47	42	48	
do 6's, new bonds.....1886		700,000		47	42	48	
do 6's, do.....1867		486,000		49	42	48	
do 6's, consolidated bonds.....		20,239,000		100	80	90	
do 6's, ex-matured coupons.....				60	50	52	56
do 6's, consolidated, 2d series.....		2,442,784		69	60	65	
do 6's, deferred bonds.....		12,691,531		134 1/2	9	11	12
do Trust receipts.....				134 1/2	9	11	11 1/4
District of Columbia 3-6's.....1894			F & A	120	116		
do small bonds.....		14,033,800	F & A				
do registered.....			F & A				
do funding 5's.....1899			J & J	112 1/2	110	107	
do do small.....		948,400	J & J				
do do regist'd.....			J & J				
FOR. GOV. SECURITIES.—Quebec 5's.....1908		8,000,000	M & N			108	108

CITY AND COUNTY.

Brooklyn 6's.....			J & J			110	
do 6's, Water Loan.....		9,708,000	J & J			125	
do 6's, Improvement Stock.....		730,000	J & J			125	
do 7's, do.....		8,084,000	J & J			140	
do 6's, Public Park Loan.....		1,217,000	J & J			125	
do 7's, do.....		8,016,000	J & J			163	
Jersey City 6's, Water Loan.....		1,183,000	J & J			108	
do 7's, do.....		8,108,800	J & J			110	
do 7's, Improvement.....		8,669,000	J & J			117	
Kings County 6's.....							
New York City 6's, 20, 50.....1877						128	
do 6's.....1878						130	
do 6's.....1887		8,068,000	F. M. A. N			101	
do gold 6's, consolidated.....1896			M & N			121	
do do 6's.....1902		14,702,000	J & J			138	
do do 6's, Dock bonds.....		8,976,000				110	
do do 6's, County bonds.....						120	
do do 6's, C's, Park.....1894-6		10,843,000	J & D			118	
do 6's.....1896						120	
do 5's.....1898		674,000	Q J			115	

MISCELLANEOUS.

	PAR.						
Bankers & Merchants' Telegraph.....100	8,000,000		84	2 1/2	*2 1/2		
Boston Land Co.....10	800,000						
Canton Co., Baltimore.....100	4,500,000		65	53			
Chartiers Valley Gas Co.....100	3,000,000						
Cent. New Jersey Land Improvement.....100	2,200,000				*24	28	
Consolidated Gas Co.....100	35,430,000		111	74 1/2	85	86 1/2	
Delaware & Hudson Canal.....100	24,500,000	Q M	108 1/2	87 1/2	103 1/2	103 1/2	
Equitable Gas Light Co.....100	3,000,000				102 1/2	108 1/2	
Iron Steamboat Company.....100	2,000,000				28	30	
Philadelphia Company.....50	6,500,000	Mthy			108		
Pullman's Palace Car Co.....100	15,927,200	Q F	147 1/2	128	148	150	
Southern & Atlantic Telegraph.....25	948,875	A & O			*142		
Sutro Tunnel Co.....10	20,000,000						
Western Union Telegraph.....100	81,200,000	Q F	80 1/2	60 1/2	77 1/2	77 1/2	
North-Western Telegraph.....50	2,500,000						
Central & So. American Telegraph.....100	4,006,800	Q J					
Commercial Telegraph Co.....100	1,800,000				*35	40	
do do preferred.....100	200,000		105	103 1/2	*102	103	
Mexican Telegraph Co.....100	1,500,000	Q J	122 1/2	110	*16 1/2	17	
Joliet Steel Co.....100	2,666,000		131	105	143	145	

GOVERNMENT SECURITIES.

United States 4 1/2 registered.....1891		M. J. S. & D			109 1/2	109 1/2	
do 4 1/2 coupons.....1891	250,000,000	M. J. S. & D	114	109 1/2	110 1/2	111	
do 4's registered.....1907		J. A. J. & O			129 1/2	129 1/2	
do 4's coupons.....1907	737,792,150	J. A. J. & O	129 1/2	123	129 1/2	129 1/2	
do 3's reg'd option U. S.....	23,079,950	F. M. A. N	102 1/2	100	100 1/2	100 1/2	
do 6's, currency.....1885	3,002,000	J & J			126 1/2	127	
do 6's, do.....1886	8,000,000	J & J			129 1/2	130	
do 6's, do.....1887	9,712,000	J & J			132 1/2	132 1/2	
do 6's, do.....1888	29,904,952	J & J	138 1/2	128	134 1/2	135 1/2	
do 6's, do.....1899	14,004,500	J & J			137 1/2	138	

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RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JUNE 1, 1887.	
				High.	Low.	Bid.	Ask d
Albany & Susquehanna.....	100	8,500,000	J & J	148	136	*140	150
Atchafson, Topeka & Santa Fe.....	100	68,000,000	Q F	99%	84%	*115%	116
Atlantic & Pacific.....	100	25,000,000		13%	7	14%	14%
Beech Creek.....	50	3,700,000				23%	23%
do preferred.....	50	1,800,000				80	85
Burlington, Cedar Rapids & Northern.....	100	5,500,000		75	45	*50	
Buffalo, Rochester & Pittsburgh.....	100	6,000,000		36%	22%	68	70
Canada Southern.....	100	15,000,000	F & A	71%	34%	63	63%
Canadian Pacific.....	100	65,000,000	F & A	73	61	62%	64
Central of New Jersey.....	100	18,583,200	Q	64	42%	80%	80%
Central Iowa.....	100	9,100,000		22%	12	12	13
do 1st preferred.....	100	907,000				*17	
do 2d preferred.....	100	1,187,800				*10	11
Central Pacific.....	100	68,000,000	F & A	51	38	40	41
Charlotte, Columbia & Augusta.....	100	2,573,000		50	30		
Chesapeake & Ohio.....	100	15,906,138		13%	7	7	7%
do do 1st preferred.....	100	10,986,740		21%	13	13	14%
do do 2d preferred.....	100	10,379,350		15%	8%	8%	10
Chicago & Alton.....	100	14,091,000	Q M	148	138	*143	144
do do preferred.....	100	8,479,500	Q M	162	150	*155	160
Chicago & Northwestern.....	100	41,373,000	J & D	120%	104%	124%	125%
do do preferred.....	100	22,325,200	Q M	144	135	151	152
Chic., St. Paul, Minneapolis & Omaha.....	100	21,403,293		55	35%	52%	52%
do do preferred.....	100	12,646,833	J & J	116%	97	117	117%
Chicago, Rock Island & Pacific.....	100	150,000,000	Q F	131	120%	136%	138
Chicago, Burlington & Quincy.....	100	76,385,800	Q M	141	128%	*142%	144
Chicago, Milwaukee & St. Paul.....	100	30,904,261	A & O	99	82%	93%	93%
do do do preferred.....	100	21,555,900	A & O	125%	116	124	124%
Chicago & Eastern Illinois.....	100	3,000,000					
Chicago, St. Louis & Pittsburgh.....	100	10,000,000		19%	9%	18%	19%
do do do preferred.....	100	20,000,000		43%	26%	49	50
Chicago & Indiana Coal Railway Co.....	100	2,197,800				61%	64
do do do preferred.....	100	1,485,200				98	99
Cin., New Orleans & Texas Pacific.....	100	3,000,000					
Cleveland & Pittsburgh guaranteed.....	50	11,243,736	Q M	153	146%	*56	56%
Cleve., Columbus, Cin. & Indianapolis.....	100	14,991,800	F & A	75%	43%	64%	65%
Columbia & Greenville.....	100	1,000,000					
do do preferred.....	100	1,000,000		60	42		
Columbus, Hooking Valley & Toledo.....	100	11,700,000		45%	26%	33%	33%
Delaware, Lackawanna & Western.....	50	26,200,000	Q J	144	115	137%	137%
do Morris & Essex.....	50	15,000,000	J & J	144	132%	139	140
do N.Y., Lackawanna & Western.....	100	10,000,000	Q J	109	100%	*105%	107
Dubuque & Sioux City.....	100	5,000,000	A & O	101	60%	*68	72
Denver & Rio Grande.....	100	38,000,000		35%	21%	32	32%
do do preferred.....	100	23,650,000		63%	53%	67	67%
Denver & Rio Grande Western.....	100	7,500,000				18%	20%
Denver, South Park & Pacific.....	100	3,500,000					
Detroit, Mackinac & Marquette.....	100	4,750,000					
Det. Bay Cit. & Alp. R. R.....	100	1,583,300					
East Tennessee, Virginia & Georgia.....	100	27,500,000		18%	11	14%	14%
do do do 1st preferred.....	100	11,000,000		53%	67	75	77
do do do 2d preferred.....	100	18,500,000		35%	24	27	27%
Elizabethht'n, Lexington & Big Sandy.....	100	5,000,000		22	15	15%	18
Evansville & Terre Haute.....	50	3,000,000		91%	67%		99
Flint & Pere Marquette preferred.....	100	6,500,000				*14	
Green Bay, Winona & St. Paul.....	100	8,000,000		14%	8	15%	16%
do do preferred.....	100	2,000,000				27	27%
Harlem.....	50	8,518,100	J & J	240	212%	223	226
do preferred.....	50	1,381,500	J & J				
Houston & Texas Central.....	100	10,000,000		44%	26	30	34
Illinois Central.....	100	80,000,000	M & S	143%	130	136	137%
do leased line 4 per cent. stock.....	100	10,000,000	J & J	100%	93	*97	100
Indiana, Bloomington & Western.....	100			28%	12	*17%	19
do assented, first instalment paid.....	100	10,000,000				*23	24
do assented, full assessment paid.....	100					24	26
Joliet & Chicago.....	100	1,500,000	Q J	150%	150		
Kentucky Central.....	100	5,500,000				45%	45%
Kingson & Pembroke.....	50	4,500,000				*24%	24%
Lake Erie & Western.....	100	11,840,000				*60%	60%
do do preferred.....	100	11,840,000				97%	97%
Lake Shore & Michigan Southern.....	100	49,466,500	F & A	100%	78%	97%	97%
Long Island.....	50	10,000,000	Q F	100	80	98	99

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NAME.	PAR.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886.		JUNE 1, 1887.	
				High.	Low.	Bid.	Askd.
Louisville & Nashville.....	100	30,000,000	F & A	69	33½	68½	68½
Louisville, New Albany & Chicago.....	100	5,000,000		71	32	63	65
Marquette, Houghton & Ontario.....	100	2,378,600					
do preferred.....	100	3,278,500					
Mexican Central (limited).....	100	33,170,000				17¼	18½
Milwaukee, Lake Shore & Western.....	100	2,000,000		71¼	22	92¼	94
do do preferred.....	100	5,000,000		103	50¼	116¼	117½
Milwaukee & Northern.....	100	2,155,000		42¼	40	55	57
Manhattan Beach Company.....	100	5,000,000		21¼	13½	17	18
Michigan Central.....	100	18,738,204		98¼	61¼	93¼	94
Missouri Pacific.....	100	45,000,000	Q J	119	100¾	110	110¼
Missouri, Kansas & Texas.....	100	46,405,000		38¼	21	32	32½
Mobile & Ohio assented.....	100	5,320,600		21½	11	15½	16
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100					
Minneapolis & St. Louis.....	100	6,000,000		23½	16¼	19½	20
do do preferred.....	100	4,000,000		52½	40	46¼	47¼
Manhattan consolidated.....	100	23,895,630	Q J	175	120	159½	158½
New York Central & Hudson River.....	100	89,428,300	Q J	117½	98¾	118¼	113¾
New York, New Haven & Hartford.....	100	15,500,000	Q & J	223	204¼	222	
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000		102	96	90	101
New York, Lake Erie & Western.....	100	78,000,000		38¾	22½	34¼	34¾
do do preferred.....	100	8,536,900	Q	81¼	50¼	74¼	75¼
New York, Ontario & Western.....	100	58,113,982		22¾	15	19½	19¾
New York & New England.....	100	20,000,000		68¾	30½	59¾	59¾
New Jersey & New York.....	100	1,500,000					
do preferred.....	100	800,000					
New York, Chicago & St. Louis.....	100	28,000,000		17¾	4½	19½	20
do do asse nted.....	100						
do do preferred.....	100	22,000,000		31	11		
do do do asse nted.....	100					36	37
New York, Susquehanna & Western.....	100	13,000,000		12¼	6	12¼	12¼
do do preferred.....	100	8,000,000		33¼	17½	36	36¼
Northern Pacific.....	100	49,000,000		319½	22	32½	32½
do preferred.....	100	37,936,776		66¼	53¼	62	62¼
Nashville, Chattanooga & St. Louis.....	25	6,668,375		105¼	43¼	84¼	85¼
Norfolk & Western.....	100	7,000,000		27¾	8	21¼	21¾
do preferred.....	100	18,000,000		59¾	25	53½	53¾
Norfolk Southern.....	100	1,000,000					
Ohio & Mississippi.....	100	20,000,000		35¾	19¾	30	30¼
do preferred.....	100	4,030,000		91	79	51½	51¾
Ohio Southern.....	100	3,840,000		22¼	13½	20½	21¼
Oregon & California.....	100	7,000,000					
do preferred.....	100	12,000,000					
Oregon & Trans-Continental.....	100	40,000,000		38	25	34	34¼
Oregon Short Line.....	100	15,285,000		38	19¼	26	28
Oregon Improvement Co.....	100	7,000,000		51	16	53	
Oregon Railway & Navigation Co.....	100	24,000,000	Q J	109½	93	102	105½
Philadelphia & Reading.....	50	34,702,000		53¾	18½	49¾	46¾
do new reconstruction certificates.....							
do reconstruction cert's pref.....		1,286,800					
do new reconstruction certificates.....							
Pittsburgh, Ft. Wayne & Chic. guar'd.....	100	19,714,285	Q J	150	141	*148	150
do do special.....	100	10,776,600		140	132½		
Pitts., McK'sport & Youghiogheny con.....	100	3,000,000				101	
Peoria, Decatur & Evansville.....	100	8,400,000		34¾	16	38¾	38¾
Rochester & Pittsburgh.....	100	1,682,500		7½	3¾	*34	
Richmond & Allegheny reorganiz'n cert.....	100	5,000,000		15¼	2	*14	11½
do stamped assessment paid.....							
Richmond & Danville.....	100	5,000,000	Q F	200	75	*150	
Richmond & West Point R. & W. Co.....	100	40,000,000		77¼	27¼	39¾	40
do do preferred.....	100	5,000,000	J & J			74	76
Rome, Watertown & Ogdensburg.....	100	5,293,900		96	25	92	94
Utica & Black River guaranteed.....	100	2,223,000		125	117¼	121	
South Carolina.....	100	4,204,180		24	10¼	*34¼	34¼
Southern Pacific.....	100	88,076,200		41¼	30¼	34	34¼
St. Louis, Alton & Terre Haute.....	100	2,300,000		46	27	42	43
do do preferred.....	100	2,468,400	May	95	80	80	85
Belleville & Southern Illinois pref.....	100	1,275,000	M & N			75	
St. Louis & San Francisco.....	100	11,954,300		36¼	17	43¼	43¾
do do preferred.....	100	10,000,000		72¾	37¼	83½	83¾
do do 1st preferred.....	100	4,500,000	F & A	18¼	97	119	120
St. Louis, Arkansas & Texas.....	100	9,555,000				20	21¼

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				High.	Low.	Bid.	Ask.
St. Paul & Duluth.....	100	4,055,400		67	37	85	80
do preferred.....		5,377,000	J & J	114	99½	110	114
St. Joseph & Grand Island.....	100	4,500,000		37	25	28½	29½
St. Paul, Minneapolis & Manitoba.....	100	20,000,000	Q F	124½	106½	117½	118
Texas & Pacific.....	100			25	7¼	*18½	20½
do Trust Co. Cts., 8 aasts. paid..		32,188,700		26½	17¼	*22	22½
do 4th assessment paid.....						34	34½
Toledo & Ohio Central.....	100	1,592,000		38½	28	28	
do preferred.....		3,108,000		90½	46¼	55	
United New Jersey R. & Canal Co.'s.....	100	21,240,400					
Union Pacific.....	100	60,968,500	Q J	68½	44¼	61¼	62
Utah Central.....	100	4,250,000		18	11		
Virginia Midland.....	100	6,000,000		51¼	15	41	41½
Wabash, St. Louis & Pacific.....	100		Q	13	6	*6¼	7
do do full-paid p. c. cert.....		28,419,500		24½	12	21	21¼
do do preferred.....		24,223,200		27	14		*17
do do full-paid p. c. cert.....				41½	23½	36½	37¼
Wheeling & Lake Erie Railway.....	100	3,600,000				57¼	

RAILROAD BONDS.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Aitchison, Topeka & Santa Fe 4½'s.....	1820	4,687,000	A & O				
do do sinking fund 6's.....	1911	12,348,000	J & D				*115¼
Atlantic & Pacific guar'd 1st gold 4's.....	1887	17,810,000	J & J				87½
Beech Creek 1st gold 4's.....	1886	5,000,000	J & J				87
Balt. & Ohio 1st 6's (Parkersb'g br'ch).....	1919	3,000,000	A & O	128¼	120	124	126
do 5's, gold.....	1885-1925		F&A	114	108¼	111¼	112¼
do do registered.....		10,000,000	F&A	113½	109½		*112
Boston, Hoosac Tunnel & W'n deb. 5's.....	1913	2,000,000	M & S	93¼	92¼	99¼	100
Bur., Cedar Rapids & Northern 1st 5's.....	1906	6,500,000	J & D	111	106	109¼	110
do con. 1st & col. tr. 5's.....	1934		A&O	110	98	100½	101
do do do registered.....		5,000,000	A&O				
Minneapolis & St. L. 1st 7's, gold.....	1927	150,000	J & D	134	128	140	
Iowa City & Western 1st 7's.....	1909	456,000	M & S	114½	109¼	*109	
Cedar Rapids, Iowa Falls & N. 1st 6's.....	1920	825,000	A & O	111	110¼	105	107
do do do 1st 5's.....	1921	1,905,000	A & O	106½	100		105
Buffalo, N. Y. & Phila. con. 1st 6's.....	1921		J & J	51	37		*57¼
do do trust certificates.....		11,000,000				45	46
do do general 6's.....	1924						*45
do do trust certificates.....		3,700,000	M & S			30	40
Canada Southern 1st int. gold 5's.....	1908	14,000,000	J & J	108½	103½	108	108½
do 2d mortgage 5's.....	1913	6,000,000	M & S	95	84	94	94¼
do do registered.....			M & S			92	93
Central Iowa 1st mortgage 7's.....	1899	3,700,000	J&J15			*112	
do do coupons off.....				111	84	90	91½
do (Eastern division) 1st 6's.....	1912	1,515,000	A & O	75	66	72	74
do (Illinois division) 1st 6's.....	1912	1,520,000	A & O	70	66	70¼	72¼
Chesapeake & Ohio pur. money fund.....	1898	2,300,000	J & J	117	111¼		115
do 6's, gold, Series A.....	1908	2,000,000	A & O	114	103¼		107
do 6's, gold, Series B.....	1908		M&N			*68¼	
do do coupons off.....			M&N	88	60	75½	76
do small bonds.....	1908		M&N			*74	
do do coupons off.....		15,000,000	M&N			74	77
do extension coupon 4's.....	1886		M&N			72	72½
do do reg'd 4's.....	1886		M&N				*73½
do 6's, currency.....	1918		J & J	41¼	25	25	26½
do small bonds.....	1918	10,122,500	J & J			24	26
do mortgage 6's.....	1911	2,000,000	A & O	108	94¼	95	97¼
Ches., Ohio & S.-W. mortgage 5-6's.....	1911	6,678,000	F & A	104	86¼	107	107¼
do do 2d mortgage 6's.....	1911	2,495,000	F & A			*65	
Chicago & Alton 1st mortgage 7's.....	1898	2,383,000	J & J	121¼	117	116½	117½
do sinking fund 6's.....	1903	2,655,000	M & N	125	121	123	
Louisiana & Missouri River 1st 7's.....	1900	1,785,000	F & A	124	120	122¼	125
do do 2d 7's.....	1900	300,000	M & N	116¼	116	115	118
St. Louis, Jacksonville & Chic. 1st 7's.....	1894	2,365,000	A & O	122	116¼	116¼	119
do 1st guarantee (544) 7's.....	1894	584,000	A & O			116¼	
do 2d mortgage (300) 7's.....	1898	44,000	J & J			118¼	
do 2d guarantee (188) 7's.....	1898	188,000	J & J			*117	
Mississippi River Bridge 1st s. r'd 6's.....	1912	660,000	A & O	107	105	107	
Chicago, Burling'n & Quincy cons. 7's.....	1903	300,000,000	J & J	138	132½	134	136
do 5's, sinking fund.....	1901	2,500,000	A & O			110	
do 5's, debentures.....	1913	9,000,000	M & N	110¼	105	107	108

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1896.		JUNE 1, 1897.	
				High.	Low.	Bid.	Askd.
do (Iowa div.) sinking f'd 5's. 1919		3,000,000	A & O	118%	112½	111	.....
do do do 4's. 1919		10,591,000	A & O	108	99½	98	98½
do Denver division 4's. 1922		7,968,000	F & A	101½	97½	97½	98
do do 4's. 1921		4,300,000	M & S	101½	92½	97	.....
Chic. Burlington & Northern 1st 5's. 1926		9,000,000	A & O	104%	102½	105	.....
do do debentures 6's. 1896		2,250,000	J & D				.....
Chic., Rock Island & Pacific 6's. coup. 1917		+12,500,000	J & J	140	128½	123½	.....
do 6's. registered. 1917			J & J	140	130	128½	.....
do extension & conv. 5's. 1924		8,860,000	J & J	118	109	109½	110
do do reregistered			J & J			109	109½
Keokuk & Des Moines 1st mort. 5's. 1923		2,750,000	A & O	118	108	109	110
do do small bonds. 1923			A & O			109	110
Central Railroad of N. J. 1st 7's. 1890		5,000,000	F & A	114½	107	107½	.....
do 1st consolidated 7's. 1899		+26,000,000	Q J			111	.....
do assented. 1902				118	106	116	116½
do convertible 7's. 1902		5,000,000	M & N			110	.....
do assented. 1903				120	106	115½	116½
do adjustment 7's. 1903		5,550,000	M & N	112	108½	107½	.....
do convertible deb. 6's. 1906		5,000,000	M & N	92½	63	102½	108
Lehigh & Wilkes-Barre con. gold. 1900		+11,500,000	Q M				.....
do do assented				114½	103	114½	115½
\$6,116,000 held by Central R. R. of N. J. unassented; \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's. 1921		5,000,000	J & J	103	89	105	106½
Mil. & St. Paul 1st m. 8's Pra. du Chn. 1898		3,674,000	F & A	138½	132	130	131½
do 2d 7-10 Pra. du Chn. 1898		1,241,000	F & A	129	125	123½	126
do 1st 7's \$ gold, Riv. division. 1902			J & J	134½	130	130	.....
do 1st 7's \$ do 1902		3,804,500	J & J				*126
do 1st m. La Crosse div. 7's. 1893		5,294,000	J & J	125	120	122½	.....
do 1st m. Iowa & Minn. 7's. 1897		3,198,000	J & J	127½	122½	125½	126
do 1st m. Iowa & Dakota 7's. 1899		541,000	J & J	132	124½	125½	127
do 1st m. Chicago & Milw. 7's. 1903		2,393,000	J & J	134	130	130	.....
do consolidated 7's. 1905		+35,000,000	J & J	138	129½	130½	.....
do 1st 7's, Iowa & Dak. exten. 1908		3,506,000	J & J	134½	125½	130	131
do 1st 6's, Southwest'n div'n. 1909		4,000,000	J & J	121	115½	117	.....
do 1st 5's, LaCrosse & Dav. 1919		3,000,000	J & J	109½	105	105½	.....
do 1st So. Minnesota div. 6's. 1910		7,422,000	J & J	121	114½	118½	.....
do 1st Hastings & Dak. div. 7's. 1910		5,680,000	J & J	131	124	127	128
do do 5's. 1910		585,000	J & J			106½	.....
do Chic. & Pacific div. 6's. 1910		2,500,000	J & J	124½	119	122½	.....
do 1st Chicago & Pac. W. 5's. 1921		23,400,000	J & J	111	103	108½	109½
do Chic. & Mo. R. div. 5's. 1926		2,049,000	J & J				.....
do Mineral Point div. 5's. 1910		2,840,000	J & J	108½	102	105½	.....
do Chic. & L. Sup'r div. 5's. 1921		1,390,000	J & J			104½	.....
do Wis. & Min. div. 5's. 1921		4,755,000	J & J	109½	102	108½	109½
do terminal 5's. 1914		4,666,000	J & J	108½	101½	105	106½
do Far. & So. 6's assu. 1924		1,250,000	J & J	119	114½		*118
do inc. conv. sink'g fund 5's. 1916		2,000,000	J & J			96½	.....
Dakota & Gt. Southern 5's. 1916		1,000,000	J & J			100	108
Chic. & Northw'n consol. bonds, 7's. 1915		+12,900,000	Q F	143½	138½	139	139½
do coupon gold 7's. 1902			J & J			132½	133½
do registered gold 7's. 1902		+48,000,000	J & D			131½	.....
do sink'g fund 6's. 1879-1929			A & A			117	120½
do do registered. 1879-1929		6,305,000	A & O				*120½
do do 5's. 1879-1929			A & O		116	106½	106½
do do registered. 1879-1929		8,155,000	A & O	111½	107	108½	108½
do debenture 5's. 1923			M & N	110½	105	109½	.....
do do registered. 1923		10,000,000	M & N	110½	105	107	109
do 25 year debenture 5's. 1909			M & N	109	104½	106½	107½
do do registered		4,000,000	M & N			105	.....
do extension gold 4's. 1886-1926		8,190,000	F & A	101½	101½	96½	97½
Escanaba & Lake Superior 1st 6's. 1901		720,000	J & J	115½	115	116	.....
Des Moines & Minneapolis 1st 7's. 1907		600,000	F & A				*131
Iowa Midland 1st mortgage 8's. 1900		1,350,000	A & O	137	134	132½	133
Peninsula 1st convertible 7's. 1898		152,000	M & S			130	.....
Chicago & Milwaukee 1st mortg. 7's. 1898		1,700,000	J & J	133	124	123	124½
Winona & St. Peters 2d 7's. 1907		1,562,000	M & N			130	134
Milwaukee & Madison 1st 6's. 1905		1,600,000	M & S	117½	116½	115	.....
Ottumwa, C. F. & St. P. 1st 5's. 1909		1,600,000	M & S	111	108	109
Northern Illinois 1st 5's. 1910		1,500,000	M & S	110½	108	107	109

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JUNE 1, 1887.	
				High.	Low.	Bid.	Ask d
Cin., Ind., St. L. & Chic. 1st guar. 4's. 1896		1,255,000	J Q F	.....	.....	.....	*90
do do registered.....		3,000,000	J Q F	.....	.....	.....	.....
C., C. & Ind'polis 1st 7's sink. fund. 1899		3,000,000	M & N	123	123	119	123½
do consolidated mtge 7's. 1914		7,500,000	J & D	124	123½	.....	123
do sinking fund 7's. 1914			J & D	123	124	120½	.....
do gen'l consol. 6's. 1894		3,500,000	J & J	110½	100	.....	111½
do do registered.....			J & J	.....	.....	*110½	.....
Chic., St. P., Min's & Omaha con. 6's. 1890		22,839,000	J & D	126½	118½	124	124½
Chicago, St. Paul & Min. 1st 6's. 1918		8,000,000	M & N	180	125	123	126
North'n Wisconsin 1st mortgage 6's. 1890		800,000	J & J	.....	.....	125	127
St. Paul & Sioux City 1st 6's. 1919		6,080,200	A & O	130	125	124	124½
Chic. & Eastern Ill. 1st sink'g f'd o'y. 1907		3,000,000	J & D	122	115	117½	118
do do small bonds.....			J & D	.....	.....	*118	119
do do 1st o. 6's. gold. 1894		3,000,000	A & O	119	110	115	114½
Chic., St. Louis & Pittsb. 1st con. 5's. 1892		222,000,000	J A & O	100	92	.....	101
do do registered.....			J A & O	.....	.....	.....	.....
Chic. & West'n Ind. 1st sinking f'd 6's. 1919		2,500,000	M & N	116	112½	.....	117½
do general mortgage 6's. 1892		23,896,626	Q M	113	109	115	115½
Chicago & St. Louis 1st 6's. 1915		1,500,000	M & S	108	101	.....	*120
Chicago & Indiana Coal 1st 5's. 1936		2,689,000	J & J	100½	92	102½	103
Columbia & Greenville 1st 6's. 1916		2,900,000	J & J	.....	.....	*105	.....
do do 2d 6's. 1896		1,000,000	A & O	.....	.....	.....	*92
Col., Hocking Valley & Toledo 1st 5's. 1931		14,500,000	M & S	94	81	81½	84
do general mortgage gold 6's. 1904		2,000,000	J & D	97½	88½	.....	87
Col. & Cincinnati Midland 1st 6's. 1914		2,000,000	J & J	.....	.....	.....	99½
Delaware, Lackawanna & W. conv. 7's. 1892		600,000	J & D	116½	114	115	116
do do mtge 7's. 1907		10,000,000	M & S	140	135½	132	135
Syracuse, Binghamton & N. Y. 1st 7's. 1906		1,750,000	A & O	137½	131½	132½	135
Morris & Essex 1st mortgage 7's. 1914		5,000,000	M & N	146	140½	140½	142
do 2d 7's. 1891		3,000,000	F & A	117	112½	110½	112
do bonds, 7's. 1900		281,000	J & J	.....	.....	119	122
do 7's. 1871-1901		4,991,000	A & O	133	125	125	126½
do 1st cons. gua'd 7's. 1915		25,000,000	J & D	133	130	137½	138
N. Y., Lackawanna & W'n 1st 6's. 1921		12,000,000	J & J	133	125	127½	129
do do construction 5's. 1923		5,000,000	F & A	113	106½	108½	109½
Delaware & Hud. Canal 1st reg. 7's. 1891		4,988,000	J & J	115½	110	110	.....
do 1st extension 7's. 1891		549,000	M & N	115½	112½	108	110
do coupon 7's. 1894			J A & O	121	115½	116½	.....
do registered 7's. 1894		4,829,000	J A & O	120½	118	115½	.....
do 1st Penna. Div. coupon 7's. 1917		10,000,000	M & S	144½	138	141	.....
do do do reg. 1917			M & S	141	140½	140	.....
Albany & Susquehanna 1st 7's. 1888		1,000,000	J & J	109	106½	105	.....
do do 1st con. gua'd 7's. 1906		3,000,000	J A & O	135	123½	.....	140
do do registered.....			J A & O	.....	.....	*128	.....
do do 6's. 1906		5,449,000	J A & O	124	117½	119	120½
do do registered.....			J A & O	119½	118	.....	*122½
Rensselaer & Saratoga 1st coup. 7's. 1921		2,000,000	M & N	144	141½	141½	141½
do do 1st reg. 7's. 1921				140	.....
Denver & Rio Grande 1st consol. 4's. 1896		22,575,000	J & J	81½	75½	81½	82½
do do 1st mtge 7's. 1900		6,382,500	M & N	124	114½	120	121
Denver, South Park & Pac. 1st 7's. 1905		1,800,000	M & N	89	72	81	82
Denver & Rio Grande West'n 1st 6's. 1911		5,857,000	M & S	85½	72½	82	83
do do assented.....				83½	72	77½	78
Detroit, Mack. & Marquette 1st 6's. 1921		2,280,000	A & O	100	55	*90	.....
do land grant 3¼ S. A. 1911		4,580,000		58	20	53	54
Detroit, Bay City & Alp'a 1st 6's. 1913		2,300,000	J & J	108½	105	108	110
East Tenn., Virginia & Georgia 1st 7's. 1900		8,500,000	J & J	123	118½	122½	123½
do do divisional 5's. 1890		3,108,000	J & J	108	105	110	112½
do do con. 1st gtd 5's. 1896		12,770,000	M & N	99½	94½	99½	99½
E. & W. of Ala. 1st con. gld 6's. 1923		1,109,000	J & D	.....	.....	.....	.....
Elizabeth City & Norfolk s.f. deb. cert. 6's.		250,000	A & O	.....	.....	.....	*104
do 1st mtge 6's. 1920		900,000	M & S	.....	.....	*52½	.....
Elizabeth'n, Lex & Big Sandy 6's. 1902		3,500,000	M & S	110	99	103	104
Erie 1st mortgage extended 7's. 1897		2,482,000	M & N	127½	121	*125	.....
do 2d extended 5's. 1919		2,149,000	M & S	117½	118	115½	116
do 3d extended 4½'s. 1923		4,618,000	M & S	112½	108	108	109
do 4th extended 5's. 1920		2,928,000	A & O	119	112½	115	117½
do 5th extended 7's. 1898		709,500	J & D	109	103	105½	.....
do 1st consolidated gold 7's. 1920		16,990,000	M & S	139½	129	136	137
do 1st cons. f'd coup. 7's. 1920		3,705,997	M & S	133	120½	130	134
do reorganization 1st lien 6's. 1908		2,500,000	M & N	112	108½	112

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				High.	Low.	Bid.	Ask d
Long Dock bonds, 7's.....1893		3,000,000	J & D	120	112½	116	117
do do consolidated 6's.....1935		4,500,000	A & O	124	114½	116	117
Buffalo, New York & Erie 1st 7's.....1916		2,380,000	J & D	140	133½	138	139
N. Y., L. Erie & W. new 2d con. 6's. 1969		33,597,400	J & D	116½	89	105	106
do collateral trust 6's.....1922		5,000,000	M & N	108	102	105	108
do fund coupon 5's.....1885-1969		4,032,000	J & D	96½	77½	98	99
Buffalo & Southw'n mortgage 6's.....1908			J & J			90	
do do small.....		1,500,000	J & J				
Evansville & Terre Haute 1st con. 6's. 1921		3,000,000	J & J	120½	111½	119	121
do Mt. Vernon 1st 6's.....1923		375,000	A & O	112½	106	115	116
do Indianapolis 1st con. 6's. 1926		1,020,000	J & J	113	109	108	112
Flint & Pere Marquette mortgage 6's. 1920		5,000,000	A & O	122½	116	120	122½
Fort Worth & Denver City 1st 6's.....1921		4,816,000	J & D	95½	81	97½	97½
Gal., Harrisburg & San Antonio 1st 6's. 1910		4,800,000	F & A	116	109½	106	
do 2d mortgage 7's.....1905		1,000,000	J & D	119½	108		110
do Western division 1st 5's.....1931		13,500,000	M & N	103	92		97½
do do 2d 6's.....1931		6,750,000	J & J	94	80	92	
Grand Rapids & Indiana general 5's.....1924		3,217,000	M & S				98
do do registered.....			M & S				
Green Bay, Winona & St. Paul 1st 6's. 1911		1,900,000	F & A	107½	80	104	110
Gulf, Col. & Santa Fe 1st 7's.....1909		11,400,000	J & J	128½	116½	124½	124½
do do gold 6's.....1923		5,000,000	A & O	108½	86½		108½
Hannibal & St. Joseph consol'd 6's.....1911		8,000,000	M & S	125	119½	120	121
Henderson Bridge Co. 1st 6's.....1931		2,000,000	M & S	112	108½	108½	110
Houston & Texas Cent. 1st main l. 7's. 1891		6,896,000	J & J			115	119
do do 1st West. div. 7's.....1891		2,375,000	J & J			115	118
do do 1st Waco & N. W. 7's. 1903		1,140,000	J & J				
do do 2d c. main line 8's.....1912		4,118,000	A & O	95½	76	109	110
do do gen'l mort. 6's.....1921		4,325,000	A & O	78½	60	76½	77
Houston, E. & W. Texas 1st 7's.....1898		1,344,000	M & N	89½	65	68	70
Illinois Central 1st gold 4's.....1951		1,500,000	J & J	110	108½	107	108½
do do registered.....			J & J	102½	99½	97	108
do do gold 3½'s.....1951		2,500,000	J & J				98½
Springfield division coupon 6's.....1898		1,600,000	J & J	121	117½		118½
Middle division registered 5's.....1921		600,000	F & A	109½	106½	112½	
Chicago, St. L. & N. O. Tenn. lien 7's. 1897		541,000	M & N			118	
do 1st consol. 7's.....1897		857,000	M & N	123	122½	116	
do 2d mortgage 6's.....1907		80,000	J & D			118	
do gold 5's.....1951		18,000,000	J & D 15	120½	112	117	119
do gold 5's, registered			J & D 15				115½
Dubuque & Sioux City 2d div. 7's.....1894		586,000	J & J	119	118½		
Cedar Falls & Minn. 1st 7's.....1907		1,334,000	J & J	120	108	107	112
Ind., Bloomington & W'n 1st pref'd 7's. 1900		1,000,000	J & J	120½	116	122½	123
do 1st 5's, 6's.....1909		3,500,000	A & O	104½	89½	96	98½
do Trust Co. receipts.....			A & O			96½	98
do 2d 5-6's.....1909		1,500,000	A & O	90	66½		86½
do Trust Co. receipts.....			A & O			86	90
do Eastern division 6's.....1921		3,000,000	J & D	106½	89		98½
do Trust Co. receipts.....			J & D			96	98
Ind., Decatur & S. 1st 7's, ex. fund coup. 1906		1,613,000	A & O	108	96½	108	109
Internat'l & Gt. Northern 1st 6's, gold. 1919		7,954,000	M & N	119	114	114½	118
do do coupon 6's.....1909		7,054,000	M & S	96	84	93	94
Kentucky Central mortgage 6's.....1911		780,000	J & J				
do stamped 4 per cent. 1911		5,600,000	J & J	71	59½	74½	
Knoxville & Ohio 1st 6's, gold.....1925		2,000,000	J & J	106½	86½	96	96½
Lake Shore & Michigan Southern.							
Cleve., Painesville & Ashtabula 7's. 1892		920,000	A & O	119	114	112	113
Buffalo & Erie new bonds 7's.....1898		2,784,000	A & O	120	121½	121½	123
Kal'zoo & White Pigeon 1st 7's.....1890		400,000	J & J	103	108	108	105
Detroit, Monroe & Toledo 1st 7's.....1906		924,000	F & A			128	
Lake Shore div. bonds 7's.....1899		1,356,000	A & O	126	121½		124½
do consol. coupon 1st 7's.....1900			J & J	134½	127	127	123
do consol. registered 1st.....1900		25,000,000	Q J	132½	127	128	127½
do consol. coupon 2d 7's.....1903			J & D	127	119½	126	126½
do consol. registered 2d.....1903		25,000,000	J & D	125	116½	122½	
Mahoning Coal 1st 5's.....1934		1,500,000	J & J	105	108		
Long Island 1st mortgage 7's.....1898		1,500,000	M & N	130	119	120½	123

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				High.	Low.	Bid	Ask
Long Island 1st consolidated 5's.....	1931	\$5,000,000	Q & J	115½	108	...	115
N. Y. & Manhattan Beach 1st 7's.....	1897	500,000	J & J	...	...	...	*110
N. Y., B'klyn & M'n B. 1st c. g. 5's....	1935	783,000	A & O	...	...	...	...
Louisville & Nashville consol'd 7's.....	1896	7,070,000	A & O	125	117	118½	119
do Cecilian branch 7's	1907	1,000,000	M & S	113	107½	...	111
do N. O. & Mobile 1st 6's.....	1930	5,000,000	J & J	107½	99	112½	112½
do do 2d 6's.....	1930	1,000,000	J & J	97	86	...	100
do Evans., Hend. & N. 1st 6's.....	1919	2,400,000	J & D	116½	112	117	117½
do general mortgage 6's.....	1930	\$20,000,000	J & D	109½	100½	114½	...
do Pensacola division 6's.....	1920	600,000	M & S	102	97½	*102½	...
do St. Louis division 1st 6's.....	1921	3,500,000	M & S	113	108	115½	...
do do 2d 3's.....	1980	3,000,000	M & S	57	51	...	*70
do Nash. & Decatur 1st 7's.....	1900	1,900,000	J & J	126	121	121	...
do So. & N. Ala. sink'g f'd 6's.....	1910	2,000,000	A & O	105	102	*106½	...
do Louisville, Cin. & Lex. 6's.....	1931	\$7,000,000	M & N	...	...	...	...
do Trust bonds, 6's.....	1922	10,000,000	Q M	107	98	108½	108½
do 10-40 6's.....	1924	5,000,000	M & N	100	84½	101½	103
do Penn. & At. 1st 6's, gold, gtd.....	1921	3,000,000	F & A	96	82½	...	100½
Lou., New Albany & Chicago 1st 6's.....	1910	3,000,000	J & J	120	100½	112	115
do do consol'd gold 6's.....	1916	3,500,000	A & O	100	94½	97½	97½
Louisville, N. Orleans & Texas 1st 5's.....	1934	13,641,000	M & S	92½	90½	...	*91
Manhattan Beach Imp't Co., lim'd, 7's.....	1909	1,000,000	M & S	90	80	...	90
Memphis & Charleston 6's, gold.....	1924	1,000,000	J & J	106½	102	106½	107½
Metropolitan Elevated 1st 6's.....	1908	10,818,000	J & J	123	115	119½	120½
do do 2d 6's.....	1899	4,000,000	M & N	113½	108½	108½	108½
Mexican Central 1st mortgage 7's.....	1911	39,375,000	J & J	...	...	*41	*42
do do ex. coupon 6-7-8.....	...		J & J	60	39	*61	...
do do new assented 4's.....	...		J & J	57	34	71½	...
do do income bonds.....	1911		...	...	...	25½	...
Michigan Central 1st consol. 7's.....	1902	8,000,000	M & N	133	126½	128½	129
do do 1st consol. 5's.....	1902	2,000,000	M & N	111½	107	...	110½
do do 6's.....	1909	1,500,000	M & S	...	...	...	*121
do do coupon 5's.....	1931	4,000,000	M & S	110	107½	...	106½
do do registered 5's.....	1931		Q M	110	107	...	*109½
Mich., Jackson, Lansing & Sag'w 6's.....	1891	1,100,000	M & S	...	...	104	...
Minwaukee & Nor. 1st main line 6's.....	1910	2,155,000	J & D	106½	102	110½	...
do do 1st extension 6's.....	1913	1,598,000	J & D	104	100	109½	110
Milw., L. Shore & West'n 1st 6's.....	1921	4,350,000	M & N	121½	112½	119½	...
do do conv. debent. 5's.....	1907	600,000	F & A	...	...	101	102
do do Mich. div. 1st 6's.....	1924	1,281,000	J & J	120½	106½	118½	119½
do do Ashland div. 1st 6's.....	1925	1,000,000	M & S	117	112½	116	117
Minneapolis & St. Louis 1st 7's.....	1927	950,000	J & D	136	128	133	...
do do Iowa exten. 1st 7's.....	1909	1,015,000	J & D	125	119	119	125
do do 2d mortgage 7's.....	1891	500,000	J & J	102	101	100	...
do do Southw'm ext. 1st 7's.....	1910	636,000	J & D	...	...	108	...
do do Pacific ext. 1st 6's.....	1921	1,382,000	A & O	110	108	106	115
do do imp't and equip. 6's.....	1922	2,000,000	J & J	100	90	88	90
Minnesota & Pacific 1st mortgage 5's.....	1936	3,035,000	J & J	...	...	...	*106
Minnesota & N. West 1st 5's, gold.....	1934	7,682,000	J & J	106	99½	103	104
Mo., Kansas & Texas gen'l cons. 6's.....	1920	\$35,125,000	J & D	105½	87½	102½	102½
do do gen'l cons. 5's.....	1920	8,982,000	J & D	93½	72½	88½	89½
do do cons. 7's.....	1904, 5-6	14,811,000	F & A	118	108	...	113
do do 2d mort. income.....	1911	715,000	A & O	90	78	...	96
Hannibal & Cent. Missouri 1st 7's.....	1890	729,000	M & N	115	110	105	106½
Mobile & Ohio new mortgage 6's.....	1927	7,000,000	J & D	116	109½	...	113
do collateral trust 6's.....	1892	59,000	J & J	...	...	104	...
do 1st extension 6's.....	1927	\$1,000,000	Q J	106	101	105½	...
St. Louis & Cairo 4's, guaranteed.....	1931	4,000,000	J & J	76½	72½	73	...
Morgan's Louisiana & Texas 1st 6's.....	1920	1,494,000	J & J	116	104½	*108	...
do do 1st 7's.....	1918	5,000,000	A & O	127	118	120	125
Nashville, Chattanooga & St. L. 1st 7's.....	1913	6,800,000	J & J	131	123	130½	...
do do 2d 6's.....	1901	1,000,000	J & J	111½	110	110½	111½
N. Y. Central 6's.....	1887	2,391,000	J & D	106	101	103½	103½
do debenture cert. ext. 5's.....	1893	6,450,000	M & N	108½	104	104½	105
do & Hudson 1st coup. 7's.....	1903	\$30,000,000	J & J	140½	134	136	136½
do do 1st registered.....	1903		J & J	137½	133½	136	136½
do do deb. 5's.....	1904	7,850,000	M & S	112½	107½	109	109½
do do deb. 5's, registered.....	1900		M & S	110½	107½	108	...
Harlem 1st mortgage 7's, coupon.....	1900	\$12,000,000	M & N	139	131	130	130½
do do 7's, registered.....	1900		M & N	139	131½	130	130½

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1896		JUNE 1, 1897.	
				High.	Low.	Bid.	Ask'd
N. J. Junction guaranteed 1st 4's... 1906		2,000,000	F & A			104	106
do registered certificates...							
N. Y. Elevated 1st mortgage 7's... 1906		8,500,000	J & J	130	123	122	
N. Y. Penn. & Ohio prior lien 6's... 1896		8,000,000	M & S			110	
N. Y. City & Northern gen'l mtgce 6's... 1910		4,000,000	M & N	78 1/4	55	78 1/4	80
do do Trust Co. receipts...				78 1/4		77 1/4	77
N. Y. & New England 1st 7's... 1906		4,000,000	J & J	130	125	*116	73
do do 1st 6's... 1906		4,000,000	J & J	117 1/4	117 1/4		
N. Y., Chicago & St. Louis 1st 6's... 1906		15,000,000	J & D	99	85 1/2	101 1/4	101 1/4
do do Trust Co. receipts...			J & J	100 1/4	84	100	101
do do 2d 6's... 1923		10,000,000	M & S	7	66	99	
N. Y., Ontario & W. 1st gold 6's... 1914		3,000,000	M & S	109	108	108 1/4	108 1/4
N. Y., Susquehanna & W'n deben. 6s. 1897		600,000	F & A				
do do coupons off...			F & A	94	76 1/4	78	
do do 1st refund 5's... 1837		8,750,000	J & J			95 1/4	96 1/4
Midland R. of New Jersey 1st 6's... 1910		3,500,000	A & O	110	100	114	
N. Y., N. Haven & H. 1st reg. 4's... 1903		2,000,000	J & D	112 1/4	112	112 1/4	
No. Pac. g'l 1st m. r'd and l.g. c.c. 6's... 1921		52,500,000	J & J	120	111 1/4	118	118 1/4
do do do reg. 6's... 1921			J & J	117 1/4	111 1/4	117 1/4	
do g'l 2d m. r'd and l.g. s.f. c.c. 6's... 1933		20,000,000	A & O	104	91 1/4	104 1/4	106 1/4
do do do reg. 6's... 1933			A & O			*106	
James River Valley 1st 6's, gold... 1936		993,000	J & J	109	106 1/4	109	111
Spokane & Pal. 1st sinking f. gold 6's... 1936		698,000	M & N			104	105 1/4
St. Paul & North'n Pacific gen'l 6's... 1923		6,000,000	F & A			110 1/4	110 1/4
do registered certificates...			Q F				
No. Pacific Terminal Co. 1st gold 6's... 1933		3,000,000	J & J	100 1/4	102 1/4	106 1/4	107
New Orleans Pacific 1st 6's, gold... 1920			J & J			*102 1/4	63
do do coupons off...			J & J	85 1/4	51	*73	
do do Trust Co. receipts...		6,720,000	J & J	85 1/4	73 1/4	85 1/4	85 1/4
N. O. & N. East'n prior lien gold 6's... 1915		1,050,080	A & O				*107
Norfolk & Western gen'l mtgce 6's... 1931		6,902,000	M & N	115 1/4	104	113	
do New River 1st 6's... 1932		2,000,000	A & O	118	99 1/4		*114
do improvement & ext. 6's... 1934		3,500,000	F & A	102	87 1/4	101	
do adjustment mortg. 7's... 1924		1,500,000	Q M	107	82 1/4	106 1/4	
Ogdensburg & Lake Champl. 1st con. 6's... 1920		3,500,000	A & O	104 1/4		*100	
Ohio & Miss. consol. sinking fund 7's... 1898		3,426,000	J & J	125	116	117 1/4	120
do consolidated 7's... 1898		3,066,000	J & J	125	118	117 1/4	118 1/4
do 2d consolidated 7's... 1911		3,715,000	A & O	120	113 1/4		118
do 1st Springfield division 7's... 1905		8,000,000	M & N	110 1/4	91	106	
do 1st general 5's... 1932		3,216,000	J & D	94 1/4	87 1/4	*92	
Ohio Central 1st terminal trust 6's... 1920		600,000	J & J				
do 1st Mineral division 6's... 1921		300,000	J & J				
Ohio River 1st 5's... 1936		2,000,000	J & D			98	100 1/4
Ohio Southern 1st mortgage 6's... 1921		2,100,000	J & D	108	97 1/4		110 1/4
Oregon & California 1st 6's... 1921		9,000,000	J & J			*104	
Oregon & Transcontinental 6's... 1882-1922		10,063,000	M & N	104 1/4	92 1/4	101 1/4	101 1/4
Oregon Improvement Co. 1st 6's... 1910		5,000,000	J & D	99	84	102	103
Oregon Railroad & Navigation 1st 6's... 1909		6,000,000	J & J	114 1/4	110	111 1/4	112

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1896.		JUNE 1, 1897.	
				High.	Low.	Bid.	Ask'd
Union Pacific 1st 6's.....	1896	27,229,000	J & J	119½	114	116½	117
do do.....	1897		J & J	.....	.....	116½	117
do do.....	1898		J & J	.....	.....	117	117½
do do.....	1899		J & J	.....	.....	117	117
do land grant 7's.....	1887-9		A & O	108½	101½	103½	103½
do sinking fund 8's.....	1893	14,348,000	M & S	123½	116	116½	116½
do registered 8's.....	1893		M & S	121	117	115½	115½
do collateral trust 6's.....	1908		J & J	108½	104	109	109
do do 5's.....	1907		J & D	.....	.....	101½	102½
Kansas Pacific 1st 6's.....	1895	2,240,000	F & A	114½	110½	114	114
do 1st 6's.....	1896	4,063,000	J & D	116	110	114½	116
do Denver division 6's, ass'd.....	1899	6,242,000	M & N	118	113	114½	116½
do 1st consol. 6's.....	1919	14,855,000	M & N	109½	99½	103½	104
Central Br'ch U.P. fund coup. 7's.....	1895	630,000	M & N	.....	.....	*105	111
Atchison, Colorado & Pac. 1st 6's.....	1905	3,972,000	Q F	107	101½	106½	111
Atchison, Jewell Co. & West. 1st 6's.....	1905	542,000	Q F	105	100	105	105
Oregon Short Line 1st 6's.....	1922	14,931,000	F & A	109	97½	102½	102½
Utah South'n general mortgage 7's.....	1909	1,950,000	J & J	90½	85	91	94
do extension 1st 7's.....	1909	1,950,000	J & J	88	72½	91	91
Missouri Pacific 1st consol. 6's.....	1920	20,184,000	M & N	117	108	116	116
do 2d mortgage 7's.....	1906	3,323,000	M & N	127½	116½	121	123
Pacific R. of Mo. 1st mortgage 6's.....	1888	7,000,000	F & A	107	108½	103½	103½
do 2d mortgage 7's.....	1891	2,573,000	J & J	113	109	110	110
St. L. & S. Francisco 2d 6's, class A.....	1906	500,000	M & N	118	108	113	113
do 6's, class C.....	1906	2,400,000	M & N	117	106½	113	113
do 6's, class B.....	1906	2,763,500	M & N	118	105½	113	113
do 1st 6's, Pierce C. & O. b. equipment 7's.....	1895	1,080,000	F & A	117	111½	113	113
do general mtge. 6's.....	1931	650,000	J & D	.....	.....	108½	111
do general mtge. 5's.....	1931	7,782,000	J & J	114	99½	114	114½
do general mtge. 5's.....	1931	5,000,000	J & J	.....	.....	100	101
South Pacific (Mo.) 1st 6's.....	1888	7,144,500	J & J	106	103	108½	104
Kansas City & Southw'n 1st 6's, gold.....	1916	744,000	J & J	107½	105	.....	105
Fort Smith & Van B. Bdg. 1st 6's.....	1910	475,000	A & O	.....	.....	109	109
St. L., Kansas & Southw'n 1st 6's.....	1916	785,000	M & S	.....	.....	*100	104½
Texas & Pacific 1st 6's.....	1905	3,784,000	M & S	105½	106½	109	109
do ex coupon.....	.....		M & S	.....	.....	109	109
do consolidated 6's.....	1905		J & D	103½	90	*108	108
do do coupons off.....	.....		J & D	100½	70	*100	102½
do do Trust Co. receipts.....	.....		J & D	104	99	102	103½
do income & land grant reg. 7's.....	1915	7,922,000	July	61½	34	*63½	63
do assented Trust receipts.....	.....		July	63½	53½	62	63
do RioGrande 6's, Aug. '84 c.on.....	1890		F & A	75	72½	*74	75
do do coupons off.....	.....		F & A	75½	45½	75	75
do do Trust Co. receipts.....	.....		F & A	78	66	78½	78½
do do gen. m. & ter. 6's.....	1905	22,859,000	A & O	62	34½	*67	70
do do Trust Co. receipts.....	.....		A & O	71	49	70½	72
Pennsylvania Railroad Company.	.....	.....	.....	.....	.....	.....	.....
Penna. Co.'s guar'd 4½'s, 1st coup.....	1921	15,000,000	J & J	108½	102½	.....	*106½
do do do registered.....	1921		J & J	108½	101½	106½	107½
Pitt., C. & St. Louis 1st coupon 7's.....	1900		F & A	121	120½	.....	107
do 1st registered 7's.....	1900		F & A	.....	.....	119	119
do 2d 7's.....	1913		A & O	.....	.....	.....	*124
Pitts., Ft. Wayne & Chicago 1st 7's.....	1912	5,250,000	J & J	145	141	*140½	144
do do 2d 7's.....	1912	5,160,000	J & J	142½	138	139½	141
do do 3d 7's.....	1912	2,000,000	A & O	138	133½	135	137
Clev. & Pitts.con. sinking fund 7's.....	1900	2,292,000	M & N	131	126	128	129½
do 4th do 6's.....	1892	1,105,000	J & J	111	109	107½	107½
St. L., Van. & Terre H. 1st guar. 7's.....	1897	1,894,000	J & J	122	120	119	123
do do 2d 7's.....	1898	1,000,000	M & N	.....	.....	108½	109
do do 2d guar. 7's.....	1898	1,600,000	M & N	.....	.....	*112	112
Pine Creek 6's.....	1932	3,500,000	J & D	.....	.....	.....	.....
Pittsburgh, Cleve. & Toledo 1st 6's.....	1922	2,400,000	A & O	110½	106½	115	118
Pittsburgh Junction 1st 6's.....	1922	1,440,000	J & J	.....	.....	*122	122
Pittsburgh, McKeesport & Y. 1st 6's.....	1932	2,250,000	J & J	.....	.....	.....	*130
Rome, Watertown & Ogd. 1st 7's.....	1891	1,021,500	J & D	117	108½	.....	112½
do do consol. 1st ex. 5's.....	1922	6,337,000	A & O	108	87½	102½	102½
Rochester & Pittsburgh 1st 6's.....	1921	1,300,000	F & A	117	113½	120	120
do do consolidated 1st 6's.....	1922	3,920,000	J & D	112	105½	116	118
Richmond & Alleghany 1st 7's.....	1920	5,000,000	J & J	*71½	71½
do Trust Co.'s receipts.....		J & J	80	65	*73½	77
do do stamped.....		J & J	76½	77

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				High.	Low.	Bid.	Askd.
Richmond & Danville consol. gold 6's. 1915	6,000,000	J & J	119%	111%	114	
do do debenture 6's. 1927	4,000,000	A & O	114	86	110	114%	
do do do assented	500,000	J & J	118%	106%	.....	98	
do do consol. m.g. 5's. 1936	1,500,000	A & O	.....	.....	90%	93	
Atlanta & Charlotte 1st pref'd 7's. 1897	750,000	A & O	.....	.....	114	124%	
Atlanta & Charlotte income. 1900	8,500,000	F & A	.....	.....	101	.....
Rich. & W. Point terminal trust 6's. 1897	1,750,000	J & J	.....	.....	98	100	
San Antonio & Aran. Pass 1st g. 6's. 85-1916	1,056,000	J & J	.....	.....	91	91%	
do do 1886-1926	603,000	J & J	72	47	85	.....
Scioto Valley 1st consolidated 7's. 1910	7,000,000	J & J	.....	.....	64	67%	
do do coupons off	4,000,000	M & N	110%	104	104%	105	
St. Joseph & Grand Island 1st 6's. 1925	8,080,000	F & A	118	110	111%	112	
St. Louis & Iron Mountain 1st 7's. 1892	2,500,000	M & N	119	111	111	113	
do do 2d 7's. 1897	7,555,000	J & D	116%	112%	112%	.....
do Arkansas branch 1st 7's. 1895	1,450,000	J & J	118	108%	108%	108%	
do Cairo & Fulton 1st 7's. 1891	485,000	J & D	116%	109%	115	117	
do Cairo, Ark. & Texas 1st 7's. 1897	435,347,000	A & O	100	90	98	95	
do gen'l con. r'y & land g't 5's. 1931	2,200,000	J & J	119%	115	115%	.....
St. L., Alton & Terre Haute 1st 7's. 1894	2,800,000	F & A	114	110%	111%	112	
do 2d mortgage preferred 7's. 1894	1,700,000	M & N	108	108%	105	106	
do 2d mortgage income 7's. 1894	1,041,000	A & O	117%	116%	.....	125	
Belleville & Southern Illinois 1st 6's. 1896	485,000	J & D	110%	110%	110	112%	
Bellev'e & Carondelet 1st 6's. 1923	10,049,000	M & N	.....	.....	98%	100	
St. Louis, Ark. & Tex. 1st etfs. 6's. 1936	9,529,000	F & A	.....	.....	50%	51	
do 2d etfs. 6's. 1936	5,250,000	J & J	116	112	116	.....
St. Paul, Minn. & Manitoba 1st 7's. 1909	8,000,000	A & O	122%	116%	120	.....
do do small	5,676,000	M & N	122	116%	118%	119	
do do 2d 6's. 1909	18,690,000	J & J	125	115	119%	120%	
do Dakota extension 6's. 1910	.....	J & J	119	114%	.....	120	
do 1st consolidated 6's. 1933	.....	J & J	.....	.....	100%	101%	
do do registered	2,150,000	J & J	.....	.....	112	.....
do do reduced to 4½'s	1,000,000	F & A	.....	.....	110	113	
do do do regist'd	5,000,000	A & O	118	102	96	96	
Minneapolis Union 1st 6's. 1922	1,500,000	J & J	90	81	65	.....
St. Paul & Duluth 1st 5's. 1931	2,270,000	J & J	100	70	101%	108	
South Carolina Railway 1st 6's. 1920	46,212,000	J & J	49%	29	52	108%	
do do Trust Co. receipts.	500,000	A & O	105	101	.....	106	
Shenandoah Valley 1st 7's. 1909	2,145,000	M & N	80	68	80	81	
do do gen'l mtge 6's. 1921	1,254,000	M & N	.....	.....	80	.....
Sodus Bay & Southern 1st 5's, gold. 1924	3,000,000	J & J	102%	92%	98%	99%	
Texas Central 1st sinking fund 7's. 1909	4,500,000	Q J	106	91	108%	108	
do 1st mortgage 7's. 1911	2,120,000	M & N	95	90	99	99%	
Toledo & Ohio Central 1st gold 5's. 1935	1,260,000	J & J	107	101	106	107	
Toledo, Peoria & W'n 1st 7's. 1917	1,620,000	F & A	.....	.....	115	.....
do do Trust Co. receipts.	2,075,000	M & S	107%	100%	108%	104%	
Toledo, Ann Arbor & No. Mich. 1st 6's. 1924	4,000,000	J & J	100	63%	.....	97	
Toledo, Ann Arbor & G.T. 1st 6's, gold. 1921	3,195,000	M & N	.....	.....	86	89	
Texas & New Orleans 1st 7's. 1905	16,000,000	J & D	62	45	58%	60	
do do Sabine div. 1st 6's. 1912	4,500,000	J & J	67	44	58%	60	
Virginia Midland mortgage inc. 6's. 1927	1,600,000	J & J	97	85	102%	108	
do gen'l mortgage 6's. 1936	2,275,000	J & D	88	88	.....	90	
Wabash, St. L. & Pac. gen. mtge 6's. 1920	2,052,000	J & J	92	78	.....	90%	
do Trust Co. receipts.	3,857,000	J & J	55	55	50	.....
do Chicago division 5's. 1910	2,000,000	A & O	91	70	98	98	
do Havana division 6's. 1910	3,400,000	F & A	116%	110	117%	118	
do Indianapolis division 6's. 1921	2,700,000	F & A	111	100	116	.....
do Detroit division 6's. 1921	2,500,000	M & N	106%	97	106%	106%	
do Cairo division 5's. 1931	600,000	M & N	6	4	4	.....
Wabash mortgage 7's. 1879-1909	2,800,000	Q F	100	84%	93	93	
Tol. & Wabash 1st extended 7's. 1890	2,500,000	F & A	114	109%	116%	116%	
do 1st St. Louis division 7's. 1889	2,500,000	M & N	106	96	106	106%	
do 2d mortgage extended 7's. 1893	600,000	M & N	97	94	90	.....
do equipment bonds 7's. 1883	2,800,000	J & D	.....	.....	100	105	
do consol. convertible 7's. 1907	2,500,000	F & A	116	106%	113	.....
G't Western 1st mortgage 7's. 1888	2,500,000	M & N	.....	.....	106	106%	
do 2d mortgage 7's. 1893	500,000	M & N	.....	.....	90	.....
Quincy & Toledo 1st mortgage 7's. 1890	500,000	J & D	.....	.....	100	105	
Hannibal & Naples 1st 7's. 1909	300,000	F & A	.....	.....	100	105	
Illinois & So. Iowa 1st exten. 6's. 1912	3,000,000	M & S	116	106%	113	
St. L., Kan. C. & N. R'l E'e & R'y 7's. 1895	

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JUNE 1, 1887.	
				High.	Low.	Bid.	Ask d
do Omaha div. Trust Co. receipts	2,398,000	A & O	.....	.....	124	125	
do Clarinda br. 6's.....1919	224,000	F & A	76½	65	.....	65	
do St. Charles bridge 1st 6's.....1908	1,000,000	A & O	108½	94	104	.....
North Missouri 1st mortgage 7's.....1895	6,000,000	J & J	120	112½	118	.....
Wabash, St. L. & P. Iowa div. 6's.....1921	2,269,000	M&S	.....	.....	.....	*80	
do Trust Co. receipts.....	.....	M&S	.....	.....	.....	103½	
West Shore 1st guaranteed 4's.....	50,000,000	J & J	108	100½	103½	103½	
do do registered.....	.....	J & J	105½	101½	103½	.....
Western Union coupon 7's.....1900	3,920,000	M&N	123	116	117	.....
do registered.....1900	.....	M&N	125	117	116½	.....
North Western Telegraph 7's.....1904	1,250,000	J & J	.....	.....	*102	.....
Wheeling & Lake Erie 1st 5's.....1926	3,000,000	A & O	.....	.....	.....	.....
Mutual Union Tel. sinking fund 6's.....1911	5,000,000	M & N	90½	75	86½	87	
Colorado Coal & Iron 1st 6's.....1900	3,500,000	F & A	101½	90	103½	104½	
Tenn. Coal, Iron & R. consol. 6's.....1901	620,000	M & N	100	97	*105	.....
do South Pittsburgh 1st 6's.....1902	720,000	F & A	98	96	*107	.....
do Bir. div. 1st consolidated 6's.....1917	4,000,000	J & J	.....	.....	89	90	
Col. & Hocking Coal & Iron gen'l 6's.....1917	1,000,000	J & J	.....	.....	.....	*89	

INCOME BONDS. Interest payable if earned, and not to be accumulative.

Atlantic & Pacific West'n div. income.1910	10,500,000	A & O	81½	20½	38½	.....
do do do small.....	.....	A & O	.....	.....	.....	.....
do do Cent'l div. income. 1922	2,100,000	J & D	.....	.....	*80	.....
Central Iowa coupon debt certificates....	629,000	A & O	.....	.....	*20	.....
Chicago & Eastern Illinois income.....1907	1,000,000	D	.....	.....	*100	.....
Des Moines & Fort Dodge 1st inc. 6's...1905	1,200,000	J & J	.....	.....	.....	*90	
Detroit, Mack. & Marquette income.....1921	1,500,000	.....	48½	12	*40	.....
Elizabeth City & Norfolk 2d income. 1970	1,000,000	.....	.....	.....	.....	.....
Green Bay, Winona & St. Paul 2d inc.1911	3,781,000	.....	42½	24½	51	52	
Indiana, Bl'n & W'n consol. inc. 6's...1921	4,680,000	J & J	41½	21½	*33	34	
do do Trust Co. receipts....	.....	J & J	.....	.....	*32½	62½	
Ind'y, Decatur & Springfield 2d inc.1906	2,850,000	J & J	39	22	.....	*33	
do do Trust Co. receipts.....	.....	J & J	41	20	45	47	
Lehigh & Wilkesbarre Coal Co.....1888	1,119,200	M & N	100	90	96½	.....
do do small bonds.....1888	.....	M & N	.....	.....	96	.....
Milw. L. Shore & Western income.....	500,000	M & N	107	88	102	104½	
Mobile & O. 1st preferred debentures....	4,763,000	.....	74½	53	56	60	
do 2d do do.....	1,850,000	.....	44½	32	30	.....
do 3d do do.....	800,000	.....	85	30	23	25	
do 4th do do.....	800,000	.....	81	25	20	25	
N. Y., Lake E. & Western income 6's.1977	508,000	.....	76	56	72½	80	
N. Y., Penn. & Ohio 1st inc. acc. 7's...1905	35,000,000	J & J	.....	.....	*48½	.....
Ohio Central (Min'l division) inc. 7's...1921	300,000	.....	.....	.....	*30½	.....
Ohio Southern 2d income 6's.....1921	2,100,000	J & D	49½	34	45	48	
Ogdensburg & L. Champlain income..1920	200,000	Oct	.....	.....	*40	.....
do do small.....	200,000	Oct	.....	.....	*84	.....
Rochester & Pittsburg income.....1921	1,370,000	.....	.....	.....	*60	.....
South Carolina Railway income 6's.....1931	3,000,000	.....	83	22½	15	20	
St. Louis, I. M. & S. 1st 7's pref. int. ac's..	348,000	Feb	.....	.....	.....	.....
Sterling Iron & Railway (series B) inc.1894	418,000	Feb	.....	.....	.....	.....
do plain income 6's.....1896	491,000	April	.....	.....	.....	.....
Sterling Mountain Railway income.....1895	478,000	Feb	.....	.....	.....	.....
St. Louis, Alton & Terre H. div. bds...1894	1,357,000	June	50	33	.....	47½	
St. Joseph & Grand Island 2d income 1925	1,680,000	J & J	77	55½	70½	72½	
Shenandoah Valley income 6's.....1923	2,500,000	Feb	.....	.....	.....	.....

COAL AND MINING.

American Coal Co.....	1,500,000	.....	.....	.....	.....	.....
Consolidated Coal Co. of Maryland...100	10,250,000	.....	.....	.....	*25	26	
Cumberland Coal and Iron Co.....100	500,000	.....	.....	.....	.....	.....
Colorado Coal and Iron Co.....100	10,000,000	.....	.....	.....	50	50½	
Cameron Iron and Coal Co.....100	2,729,900	.....	.....	.....	40	41	
Columbus & Hocking Coal & Iron Co..100	4,700,000	.....	.....	.....	46	46½	
Marshall Consol. Coal Co.....100	2,000,000	.....	.....	.....	.....	.....
Maryland Coal Co.....100	4,400,000	.....	.....	.....	18	15	
Montauk Gas Coal Co.....100	2,500,000	.....	.....	.....	69½	70½	
New York & Perry Coal and Iron Co...100	1,500,000	.....	.....	.....	70½	71	
New Central Coal Co.....100	5,000,000	.....	.....	.....	13	15	
Pennsylvania Coal Co.....50	5,000,000	Q F	.....	.....	266	270	
Quicksilver Mining Co.....100	5,708,700	.....	.....	.....	6½	7½	
do do preferred.....100	4,291,300	83	85	
Tenn. Coal, Iron & R. R. Co.....100	10,000,000	89½	89½	

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EXPRESS.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JUNE 1, 1887.	
				Hgh.	Low.	Bid.	Ask d
Adams Express.....	Par 100	12,000,000	Q M	150	188½	145	150
American Express.....	" 100	18,000,000	J & J	111	101½	114	118
United States Express.....	" 100	7,000,000	Q F	66	61	68	72
Wells Fargo Express.....	" 100	6,850,000	J & J	120	119	124	140
Pacific Mail Steamship Co..	" 100	20,000,000	.....	67	45½	55½	.....

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph.....	100	3,000,000	.....	45	30	.....	.....
Albany City 6's.....	.....	.....	.....	.....	.....	.....	.....
Albemarle & Chesapeake 1st 7's.....	1909	500,000	J & J	.....	.....	.....	*115
Alabama Central Railroad 1st 6's.....	1918	1,000,000	J & J	.....	.....	.....	.....
Allegheny Central 1st mortgage 6's.....	1922	600,000	J & J	.....	.....	.....	.....
Atlantic & Pacific (W'n div.) 1st m. 6's.....	1910	.....	J & J	.....	.....	.....	.....
Boston, H. & Erie 1st mtg 7's.....	1900	348,000	J & J }	.....	.....	.....	.....
do do guaranteed.....	.....			.....	.....	.....	.....
Boston & New York Air Line.....	100	1,000,000	.....	.....	.....	.....	.....
Bradford, Bordell & Kinzua.....	100	500,000	.....	.....	.....	.....	.....
do do 1st 6's.....	1932	500,000	J & D	.....	.....	*55	60
Bradford, Eldred & Cuba.....	100	500,000	.....	.....	.....	.....	.....
do do 1st 6's.....	1932	500,000	J & J	.....	.....	*37	42
Brooklyn City R. R.....	10	2,000,000	Q F	.....	.....	.....	.....
Brooklyn Gas Company.....	25	2,000,000	.....	.....	.....	.....	.....
Brooklyn, Bath & Coney Island 1st 6's.....	1912	200,000	F & A	.....	.....	.....	.....
Buffalo & southwestern.....	100	471,900	.....	.....	.....	.....	.....
do do preferred.....	100	471,900	.....	.....	.....	.....	.....
Carolina Central 1st mortgage 6's.....	1920	2,000,000	J & J	.....	.....	.....	*109
Cedar Falls & Minnesota.....	100	1,586,000	.....	19½	11	*13	17
Cincinnati, Sandusky & Cleveland.....	50	4,500,000	.....	51	32	.....	.....
do do preferred.....	.....	429,000	.....	.....	.....	.....	.....
do do 1st 7's.....	1890	1,072,300	J & D	.....	.....	.....	.....
Cincinnati, Lafayette & Chic. 1st 7's.....	1901	900,000	M & S	.....	.....	.....	*118
Cin. & Sp. 1st mort. C., C. & I. 7's.....	1901	1,000,000	A & O	119	114	119	.....
do. 1st m. g'd Lake S. & M. S. 7's.....	1901	1,000,000	A & O	121	117½	121	.....
Cincinnati, Hamilton & Dayton.....	100	3,500,000	.....	149	105½	147	.....
do consol sinking fund 7's.....	1905	1,000,000	A & O	120	120	.....	*105½
Cincinnati, Ind., St. Louis & Chicago.....	100	7,000,000	.....	101	70	*92	95
do do consol. 6's.....	1920	1,000,000	M & N	.....	.....	.....	.....
Cin., W. & Baltimore prior lien 4½'s.....	1893	500,000	A & O	.....	.....	.....	.....
do 1st 6's.....	1931	1,250,000	M & N	.....	.....	*115	.....
do 1st 4½'s guaranteed.....	1931	5,922,000	M & N	106½	103½	*104	105½
do 2d 5's.....	1931	3,040,000	J & J	.....	.....	.....	.....
do 3d ¾'s.....	1931	2,270,000	F & A	.....	.....	.....	.....
do 1st income mortgage.....	1931	3,040,000	F & A	.....	.....	.....	.....
do 2d income mortgage.....	1931	4,000,000	.....	.....	.....	.....	.....
do preferred stock.....	100	12,993,000	.....	12	5	8	8½
do common stock.....	100	5,886,100	.....	6¾	2½	4¾	5½
Citizens' Gas Company.....	20	1,200,000	.....	.....	.....	.....	.....
Columbus, Springfield & Cin. 1st 7's.....	1901	1,000,000	M & S	.....	.....	.....	.....
Consolidation Coal convertible 6's.....	1897	1,250,000	J & J	.....	.....	.....	.....
Cumberland & Penn. 1st 6's.....	1891	903,500	M & S	.....	.....	102	.....
do do 2d 6's.....	1888	392,000	M & N	.....	.....	100½	.....
Cumberland & Elk Lick Coal.....	100	1,000,000	.....	.....	.....	.....	.....
Chicago City 7's.....	1890	220,000	J & J	.....	.....	.....	.....
Charlotte, Col. & Augusta 1st 7's.....	1895	2,000,000	J & J	.....	.....	.....	.....
Chicago & Atlantic 1st 6's.....	1920	6,500,000	M & N	.....	.....	.....	*104½
do do 2d 6's.....	1923	2,500,000	F & A	.....	.....	.....	.....
Des Moines & Ft. Dodge 1st mort. 6's.....	1905	1,200,000	J & J	87½	85	*97	*101
do 1st 2½'s.....	1905	1,200,000	J & J	.....	.....	.....	.....
Dubuque & Dakota 1st 6's.....	1919	630,000	J & J	.....	.....	.....	.....
Duluth Short Line 1st 5's.....	1916	500,000	M & S	.....	.....	.....	.....
Danbury & Norwalk.....	50	600,000	.....	.....	.....	.....	.....
Detroit, Hillsdale & Southwestern.....	100	1,350,000	82	79
Eighth Avenue.....	100	1,000,000

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FREE LIST—Continued.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAY- BLE.	YEAR 1886.		JUNE 1, 1887.	
				High.	Low.	Bid.	Ask d
Erie & Pittsburgh.....	50	1,998,400	Q M	.....	.....	.....	.....
do do consolidated T's.....	1898	\$2,485,000	J & J	.....	.....	.....	.....
Farmers' Loan & Trust Company.....	25	1,000,000	.....	.....	.....	450	.....
Frankfort & Kokomo.....	50	800,000	.....	.....	.....	.....	.....
do do 1st T's.....	1908	200,000	J & J	.....	.....	.....	.....
Fort Worth & Denver City.....	100	3,880,000	.....	25½	15	55½	55½
Galveston, H. & H. of '82, 1st 5's.....	1913	2,000,000	A & O	79	71	78	79
Gold & Stock Telegraph Co.....	100	5,000,000	Q J	.....	.....	.....	.....
Grand Rapids & Indiana 1st T's.....	1899	505,000	A & O	.....	.....	*105	.....
do 1st guaranteed T's.....	1899	3,984,000	J & J	.....	.....	*116	.....
do 1st extended land T's.....	1899	1,010,000	A & O	.....	.....	*113	120
Hendersen Bridge Co.....	100	1,000,000	.....	.....	.....	.....	.....
Ind., Decatur & Sp. 1st coupon T's.....	1900	187,000	A & O	.....	.....	.....	.....
Iron Steamboat Company 6's.....	1901	500,000	J & J	90	85½	.....	*94
Int. & Great Northern 2d income.....	1909	370,000	.....	.....	.....	.....	.....
Jefferson R. R. 1st mortgage T's.....	1889	2,000,000	J & J	107	102½	103	107
Jerome Park Villa Site & Imp. Co.....	100	1,000,000	.....	.....	.....	.....	.....
Keokuk & Des Moines.....	100	2,800,400	.....	16	5½	*6	8
do do preferred.....	100	1,524,600	.....	38½	28	*31	31½
Little Rock & Fort Smith.....	100	4,096,135	.....	.....	.....	.....	.....
do 1st T's.....	1905	3,000,000	J & J	.....	.....	.....	.....
Louisville City 6's, act. of Leb. branh. 1886	.....	225,000	J & D	.....	.....	.....	.....
do 6's, Leb. branch extension. 1886	.....	383,000	A & O	.....	.....	.....	.....
Long Island Railroad.....	50	.....	.....	100	80	.....	.....
{ Brooklyn & Montauk.....	100	900,000	.....	.....	.....	.....	.....
{ do do preferred.....	100	1,100,000	.....	.....	.....	.....	.....
{ Smithtown & Port Jefferson 1st T's.....	1901	900,000	M & S	.....	.....	.....	.....
Louisiana & Missouri River.....	100	2,272,700	.....	.....	.....	*24½	25
do do preferred.....	100	1,010,000	.....	.....	.....	*55	.....
do do preferred g'd.....	100	329,100	.....	.....	.....	*120½	124
Louisiana Western 1st 6's.....	1921	2,240,000	F & A	.....	.....	.....	.....
Lac. & Sus. Central 1st E. side T's.....	1892	500,000	J & J	.....	.....	.....	.....
do W. side T's.....	1892	500,000	J & D	.....	.....	.....	.....
Metropolitan Elevated.....	100	1,136,000	Q J	.....	.....	.....	.....
Mariposa gold convertible T's.....	1898	250,000	J & J	.....	.....	.....	.....
Memphis & Charleston.....	25	5,312,725	.....	69½	29	*123	123
do 1st consolid'd Tenn. lien T's.....	1915	1,400,000	J & J	38½	21	*123	*123
Missouri, Kansas & Texas.....	100	.....	.....	.....	.....	.....	.....
{ Union Pacific (South branch) 1st 6's.....	1899	2,296,000	J & J	.....	.....	.....	.....
{ Tebo & Neosho 1st mortgage T's.....	1903	847,000	J & D	.....	.....	.....	.....
{ Hannibal & Central Missouri 2d T's.....	1892	32,000	M & N	.....	.....	.....	.....
{ Boonville Bridge Co. T's, guarant'd.....	1906	1,000,000	M & N	.....	.....	.....	.....
Milwaukee & St. P. con. sink. f'd T's.....	1906	209,000	J & J	.....	.....	.....	.....
do 1st m. Hastings & Dakota T's.....	1902	89,000	J & J	.....	.....	.....	.....
Milwaukee & Lake Winnebago.....	100	520,000	.....	.....	.....	.....	.....
do do preferred.....	100	780,000	.....	.....	.....	.....	.....
do do 1st 6's.....	1912	1,430,000	J & J	.....	.....	*106	.....
do do income 5's.....	1912	520,000	.....	.....	.....	.....	.....
New York Life & Trust Co.....	100	1,000,000	F & A	.....	.....	560	.....
Norwich & Worcester.....	100	2,804,000	.....	.....	.....	.....	.....
Nash., C. & St. L. 1st 6's, T. & P. branch.....	1917	800,000	J & J	.....	.....	.....	.....
do 1st mort. 6's, McM., M. W. & A. b.....	.....	220,000	J & J	.....	.....	.....	.....
New London Northern.....	100	1,500,000	.....	.....	.....	.....	.....
New York Mutual Gas Light.....	100	3,500,000	.....	.....	.....	.....	*100
N. J. Southern Int. guaranteed 6's.....	1899	1,449,800	J & J	101½	91	*100½	101½
New Orleans, Mobile & Texas.....	100	4,000,000	.....	.....	.....	.....	.....
N. Y. & Texas Land Co., limited.....	50	1,500,000	.....	180	149½	*161½	.....
do do land scrip.....	.....	2,948,400	.....	57½	50	87	45
N. Y., Texas & Mexico 1st 6's.....	1912	2,108,000	A & O	.....	.....	.....	.....
N. Y., Wood. & R. 1st 6's.....	1902	800,000	J & J	.....	.....	.....	.....
do do 2d income.....	1912	1,000,000	.....	80	10	*10½	11½
N. Y., Brooklyn & Man. Beach pref.....	100	650,000	A & O	.....	.....	.....	.....
Nevada Central 1st mortgage 6's.....	1904	720,000	A & O
Oswego & Syracuse.....	1,320,400
Ohio Central incomes.....	1920	642,000	1½

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				High.	Low.	Bid.	Askd
Panama.....	100	7,000,000	Q F				
Pullman's Palace Car debenture 7's.....	1888	1,000,000	A & O			*102½	
Phila. & Reading con. coupon 6's.....	1911	7,304,000	J & D				
do registered 6's.....	1911	863,000	J & D				
do coupon 7's.....	1911	7,810,000	J & D				
do registered 7's.....	1911	3,339,000	J & D				
do imp't mtge. coupon 6's.....	1897	9,384,000	A & O				
do general mtge. coupon 6's.....	1908	19,888,000	J & J				
do income mtge. coupon 7's.....	1886	10,000,000	J & D			*54	
do debenture coupon 6's.....	1883	870,500	J & J				
do debenture conv. 7's.....	1883	10,385,900	J & J			*24½	
do pref. 1st series con. 5's.....	1922	6,000,000	M & N			*71½	
do pref. 2d series con. 5's.....	1933	5,000,000	F & A			*34	
do def'd inc. irredeemable.....		84,300,000					
do do small.....							
Pittsb'h, Bradford & Buffalo 1st 6's.....	1911	800,000	A & O	82½	70	*80	85
Rensselaer & Saratoga R. R.....	100	7,000,000		170	155		
Second Avenue R. R.....	100	1,199,500					
Sixth Avenue R. R.....	100	1,500,000					
do 1st mortgage.....	1889	415,000	J & J				
Savannah & Charleston 1st 7's.....	1889	500,000	J & J				
Sandusky, Day'n & Cincinnati 1st 6's.....	1900	608,000	F & A				
St. Louis, Jacksonville & Chicago.....	100	1,448,800					
do do preferred.....		1,084,000					
St. Louis Southern 1st gold 4's.....	1931	550,000	M & S				
do 2d income 5's.....	1931	525,000	M & S				
Sterling Iron & Railway Co.....	50	2,300,000					
Scioto Valley Railway.....	50	‡ 2,500,000		17	6¼	*10	11
Spring Valley Water Works 1st 6's.....	1906	‡ 7,000,000	M & S				
Terre Haute & Indianapolis.....	50	1,988,000	F & A			*97	100
Third Avenue R. R.....	100	2,000,000				*220	240
do coupon bonds.....		2,000,000	J & J				
do registered bonds.....							
Toledo, Delphos & Burlington.....	50	7,000,000					*7¼
do do 1st main line 6's.....	1910	1,250,000	J & J				
do do 1st Dayton div. 6's.....	1910	1,000,000	A & O				
do do 1st term. trust 6's.....	1910	250,000	J & J				
do do income 6's.....	1910	1,250,000					*7
do do Dayton div. inc. 6's.....	1910	1,000,000					
Tonawanda Valley & Cuba.....	100	800,000					
do do 1st 6's.....	1931	500,000	M & S				
Union Trust Co.....	100	1,000,000				425	
United States Trust Co.....	100	2,000,000				550	
Valley Railway Co. cons. gold 6's.....	1921	1,700,000	M & S	106¼	104	*100	104¼
Vermont Marble Co.....	100	3,000,000					
do do sinking fund 5's.....	1910	1,200,000	J & D				
Warren Railroad.....	50	1,800,000				*125	
do 2d mortgage 7's.....	1900	750,000	A & O			*123	
Williamsburgh Gas Light Co.....	50	1,000,000	Q J				
Wabash funded interest bonds.....	1907					*100	
Toledo & Illinois Division 7's.....		128,000	F & A			*100	
Lake Erie, Wabash & St. Louis 7's.....		350,000	F & A			*90	
Great Western 1st mortgage 7's.....		350,000	F & A			100	
Illinois & Southern Iowa 7's.....		42,000	F & A			*95	
Decatur & East St. Louis 6's.....		472,500	F & A			*88	
Quincy & Toledo 6's.....		37,500	F & A			*80	
Toledo & Wabash 2d mortgage 6's.....		127,500	F & A			*85	
Wabash & Western 2d mortgage 6's.....		262,500	F & A			*85	
Great Western 2d mortgage 6's.....		437,500	F & A			*85	
Consolidated convertible 6's.....		637,000	F & A			*85	
Central Arizona Mining.....	10	8,000,000					
Excelsior Water & Mining Co.....	100	10,000,000					
Homestake Mining Co.....	100	12,500,000	Mo.	23	11	16	16¼
La Plata Mining & Smelting Co.....	10	12,000,000					
Little Pittsburgh Consol. Mining.....	100	10,000,000					
Mariposa L. & M. Co., California.....	100	20,000,000					
do do preferred.....	100	5,000,000					
Ontario Silver Mining Co.....	100	15,000,000	Mo.	30	22	24¼	25
Robinson Consolidated Gold Mining.....	50	10,000,000					
Standard Consol'd Gold Mining Co.....	100	10,000,000					
Silver Cliff Mining Co.....	50	10,000,000					

NEW YORK CITY NATIONAL BANKS.—The following is an abstract of the reports made to the Comptroller of the Currency, showing the condition of the National banks in the city of New York at the close of business on May 13, 1887, the number of banks being 46. The figures for March 1, 1886, are also given for comparison:

RESOURCES.

	May 13, 1887.		Mar. 1, 1886.
Loans and discounts.....	\$267,068,432		\$261,854,443
Overdrafts.....	37,082		48,484
United States bonds to secure circulation.....	9,751,000		10,525,000
United States bonds to secure deposits.....	2,140,000		920,000
United States bonds on hand.....	1,368,060		5,446,900
Other stocks, bonds and mortgages.....	17,907,230		15,746,961
Due from other national banks.....	25,573,968		17,861,869
Due from State banks and bankers.....	2,346,727		2,108,179
Real estate, furniture and fixtures.....	10,157,565		10,118,391
Current expenses and taxes paid.....	964,624		585,896
Premiums paid.....	1,425,950		507,248
Clearing-House loan certificates.....			505,000
Checks and other cash items.....	1,840,387		2,941,839
Exchanges for Clearing-House.....	55,991,869		68,723,558
Bills of other National banks.....	1,776,346		1,425,907
Fractional currency & trade dollars.....	47,940		246,718
Specie, viz:			
Gold coin.....	\$7,787,348	\$12,786,728	
Gold Treasury certificates.....	39,637,550	48,322,120	
Gold Clearing-House certificates.....	14,989,000	15,840,000	
Silver coin (dollars \$408,968).....	750,518	664,158	
Silver Treasury certificates.....	524,068	107,360	77,221,262
Legal-tender notes.....	17,243,850		20,424,825
U. S. certs. of deposit for legal-tender notes....	1,530,000		3,096,000
Five per cent. redemption fund.....	423,045		451,540
Due from United States Treasurer.....	886,273		518,821
Total.....	\$481,638,809		\$501,285,337

LIABILITIES.

Capital stock paid in.....	\$48,650,000		\$45,450,000
Surplus fund.....	28,050,704		24,839,078
Other undivided profits.....	11,210,869		9,452,220
National bank notes issued.....	\$8,460,900	\$9,127,800	
Amount on hand.....	133,488	1,102,018	
Amount outstanding.....	8,327,412		8,025,782
State bank notes outstanding.....	24,365		31,594
Dividends unpaid.....	172,852		245,841
Certified checks.....			
Individual deposits.....	236,554,286		259,611,084
United States deposits.....	1,202,605		492,098
Deposits of U. S. disbursing officers.....	199,532		159,749
Due to other National banks.....	110,302,328		114,145,563
Due to State banks and bankers.....	36,943,856		32,832,325
Notes and bills rediscounted.....			
Total.....	\$481,638,809		\$501,285,337
Excess of reserve.....	8,313,752		20,304,999
Proportion to liabilities.....	27.74 %		31.28 %

BANKERS' OBITUARY RECORD.

Allen.—Ira C. Allen, President of the Allen National Bank, Fairhaven, Vt., died recently aged 71.

Bedell.—Jonathan Bedell, Vice-President of the State Bank of Warwick, Kansas, died of serous apoplexy on the 4th of May, aged 59 years, 6 months and 6 days.

Bigelow.—Abraham O. Bigelow, who within a few months resigned the Presidency of the Massachusetts National Bank of Boston on account of ill-health, died April 29th, aged 75 years.

Breed.—Henry A. Breed, a prominent business man of Lynn and formerly interested in the old Lynn Mechanics' Bank, died recently at the age of 90. He was the oldest Freemason in Lynn.

Carter.—Ezra Carter, of Portland, Me., died on May 11th, at the age of 88 years. He was, until the winter of 1886, a Director in the First National Bank of that place, and was formerly a Director of the Casco National Bank.

Church.—Frederick L. Church, Cashier of the Old Boston National Bank of Boston, died at Saratoga Springs, where he had gone for his health, on April 19th. His connection with the Old Boston Bank dates back thirty-six years.

Forst.—Daniel P. Forst, President of the Mechanics' National Bank of Trenton, N. J., died suddenly on May 9th.

Gay.—Nelson Gay, President of the National White River Bank of Bethel, Vt., was killed on May 7th by being thrown from a carriage at Bethel.

Greenebaum.—Henry G. Greenebaum, Cashier of the Livingston County National Bank, Pontiac, Ill., died on April 24th.

Guild.—James Guild, formerly a Director of the People's Bank in Roxbury, Mass., and President of the Roxbury Gas Company, died on May 3d, aged 75 years.

Hale.—Calvin Hale, who for twenty-five years was Cashier of the Dover National Bank, and Secretary and Treasurer of the Dover Five Cents Savings Bank of Dover, New Hampshire, and who retired from both positions one year ago, died at Dover on May 16th, aged 68 years.

Hoyt.—Oliver Hoyt, one of the oldest leather merchants of New York and a Director in the National Park Bank and in the Home Fire and Phoenix Insurance Company, died on May 11th from the effects of a fall from his carriage, aged 64 years.

Macy.—Wm. H. Macy, the oldest officer and President of the Seamen's Savings Bank and Vice-President of the Leather Manufacturers National Bank, who has for some time been ill with a derangement of the heart, died on May 18, 1887. He was 83 years old.

McKim.—Robert McKim died of Bright's disease on May 9th at Madison, Ind., aged 71. He was well known as President of the First National Bank of Madison, and was exceedingly liberal in his bequests to all public charities and institutions of learning.

Monahan.—Thomas Monahan, for twenty-eight years President of the Fulton National Bank of New York, died of pneumonia on the 13th of May. He was for ten years a member of the old Volunteer Fire Department.

Osgood.—John H. Osgood, President of the Chelsea Savings Bank, Chelsea, Mass., and a well-known auctioneer of dry-goods, died on May 7th of pneumonia. He was within a few days of 80 years of age.

Plumer.—Avery Plumer, Director and at one time President of the National Bank of the Republic, of Boston, died in that city on April 27th. He was 74 years of age.

Smithers.—C. F. Smithers, President of the Bank of Montreal, Canada, died on May 20th. He was 65 years of age.

Ward.—George Cabot Ward died in this city at the age of 63. He was a member of the firm of S. G. & G. C. Ward, who were for many years the agents of Baring Bros. of London, and was a Director of the National Bank of Commerce and Secretary of the Bank for Savings.

Westover.—Judge John Westover, President of the Bank of Richmondville, N. Y., died on May 19th.

WANTED—OFFICERS AND CLERKS, POSITIONS, BANKS FOR SALE, LOCATIONS WANTING BANKS, ETC.

[Notices under this head—space not over four lines—cost \$2 an insertion. If replies are to be sent to this office the advertiser must send us two stamped envelopes addressed to himself, in which the replies will be forwarded.]

WANTED.—Position in a bank by the advertiser, who has had over twelve years' experience as assistant in National and Savings banks. Best of references. Address: R. I., care of RHODES' JOURNAL OF BANKING, New York.

A YOUNG MAN now occupying position of Cashier of country bank in Illinois desires to make a change. Have occupied present position five years, and am well acquainted with details of the business. Would like a position in a National bank. Good references. Address: CASHIER, care of BRADFORD RHODES & Co., New York.

A YOUNG MAN now occupying the position of Teller in a small National bank desires a position where there is a chance for promotion. Address: MASS., care BRADFORD RHODES & Co., New York, N. Y.

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No. 7.

THE failure of the Fidelity National Bank of Cincinnati, Ohio, in consequence of the speculation of its officers in wheat, is another illustration of the impossibility of securing absolute safety for depositors by any known system of banking. The National banking system has a most excellent record in this respect, and it is well when such a failure occurs as that of the Fidelity National, to bear in mind that during a period of nearly twenty-five years the National banks have held average aggregate deposits amounting to \$850,000,000. The claims proved against insolvent National banks up to November, 1886, were \$44,211,338, of which \$27,299,108 had up to that time been paid from the assets. Assuming that the remainder, \$16,912,230 were a total loss, the annual average loss during a period of twenty-four years, would foot up \$704,697, or less than one-tenth of one per cent. of the average aggregate deposits. Inasmuch as a large part of this assumed loss will be paid from assets not yet collected, the probability of loss to any National bank depositors is even less than stated. While this is the showing for the system as a system, yet it is very little comfort to the one who actually incurs the loss of his deposit to know that the average loss is small. Although a railroad may carry a million of passengers and kill or injure but one out of that number, the pangs of the actual sufferer are not in the least mitigated by the fact that 999,999 have reached their destination in safety. Likewise the depositors in the Fidelity National cannot have their sense of loss much mitigated by the fact that they are the exception and not the rule among depositors in National banks. They feel that they had a right to expect better of such an institution. To the victims it seems as if there should be some way of preventing such reckless use of the depositors' money as the failure of the Fidelity National has revealed. Within a very short time the Fidelity Bank has received the encomiums of the public because of the fancied success which had attended its business. Organized less than two years since, in March, 1886, with a capital of \$1,000,000, it had built up a line of deposits amounting to nearly five millions. This success has been due, so it was said before

the failure of the bank was announced, to its liberal dealings with its customers, charging nothing for collections and paying three and four per cent. interest on deposits. Since the failure some may not think these practices so wise as they seemed before. Of course the payment of excessive interest, and doing your customers' business for nothing, may not result in dishonesty, but if money cannot be made in legitimate ways there is great temptation to resort to methods which, to say the least, are unsafe, and if unsuccessful sure to result in actual dishonesty. No doubt there will be much criticism of the office of the Comptroller of the Currency, and the system of bank examinations. Perhaps the only dereliction of which the Comptroller can be accused is that the business methods of banks are not more closely scrutinized. A bank like the Fidelity National, which has grown like a mushroom, under what any banker would suspect to be a forcing process of some kind, should have attracted closer attention to its manner of business. In cases where there is reason to believe that unsound banking is going on, examinations should be made more frequently. Perhaps the beginning of the dangerous dealings in which the officers of this bank were engaged might have been discovered. The directors should be held to a strict accountability; but when the directors who ruin the bank and themselves form the majority of the board, what responsibility is there left for the creditors to avail themselves of? Any one can be ruined by a plot, and when the guards themselves are in the conspiracy, there is no further hope. What can the Comptroller and his bank examiner do when the directors and officers of a bank agree among themselves to use the money intrusted to them for their own purposes. Would it be possible for the Government to insure absolute safety to the individual depositor? The only way this could be done would be to indemnify, by the money raised by taxation from the whole people, the depositors who lost by failures. This would be taxation for the benefit of a class, and the depositors in National banks are no more entitled from any inherent virtue in themselves to Government protection than any other class of citizens. The Government enters into no engagement with them, and they do nothing for the Government. It has been said that the law authorizing bank examinations amounts to a Government guarantee of the safety of the bank; but even admitting this, it can be a guarantee to the extent only that such examinations are known, on the average, to be effective. That the system of examinations is effective is shown not in that it brings about absolute safety, but in that it has reduced losses to a minimum. But none the less those who are hurt will howl.

THE SINKING FUND is getting to be a great bore. It has become a sort of fetich, almost as ridiculous except to its worshippers as the defunct rag baby. The celebrated Dr. Price, the inventor of this alleged automatic machine for the payment of debts, believed that a

sinking fund once provided for by a fixed annual appropriation, would go on grinding out interest and compound interest, regardless of the revenues and expenditures of the debtor, until the debt was paid. Practically it has been demonstrated that sinking fund or no sinking fund, all that can possibly be applied to the payment of the principal of any debt is the surplus revenue which remains after the expenditures of the debtor are provided for. If the law decrees that a million dollars shall be appropriated each year for a sinking fund, the law can be executed if the surplus revenue equals \$1,000,000; but if not, then it is a dead letter to the extent of the shortage. If, on the other hand, the surplus revenues exceed \$1,000,000, there is no reason why the payment of the debt should be limited to just that amount, when the correctness of the general principle of the rapid payment of debt has been assented to. As a matter of fact, the payment of the debt of the United States has not proceeded in accordance with the terms of the sinking fund law, and if it be held that investors in United States bonds, in making their investments calculated the length of their holdings on the basis of an annual payment of 1 per cent. and compounded interest, then by paying the debt at a more rapid rate the United States has broken its contract, just as much as it would if it should insist on paying 4 per cent. bonds before they become due. The general sentiment has been in favor of a rapid reduction of the debt, and the revenues of the Government having been unexpectedly great this sentiment has been crystalized in practice. But nevertheless there was a period just after the war when there was no surplus revenue, and when the sinking fund provision was a dead letter. Its strict construction, therefore, has been violated in both ways, by deficient and by excessive payments, and it is too late to insist that any awful sanctity attaches to the sinking fund requirement, or that an abject observance of the mere letter of this law is an indication of superior financial righteousness.

The proper view to take is that, at the commencement, the 1 per cent. provision was a guarantee to creditors that the policy of the United States was to pay the principal of its debt to the extent of at least 1 per cent. annually on the original principal and compound interest calculated on the investments and reinvestments of this amount, if the surplus revenues permitted it. It did not bind the Government either to oppress its citizens by undue taxation to produce a surplus revenue, or to create new debts by borrowing money to pay the stipulated amounts on the old ones. Nor did it restrict the Government from paying more than the sum if the surplus revenue should warrant. This latter proposition is sustained by the support which the more rapid payment of the debt has actually received. There have been disputes as to the manner in which the requirements of the sinking fund law should be computed and determined. Until within a year or two the compound interest had been computed at

the higher rates of interest prevailing prior to the refunding of the debt, but by the most liberal computations the requirement was only \$44,532,702, and by changing the method to one more consonant with the present rates of interest, the Treasury Department has reduced the amount to about \$35,000,000. Payments above this are assumed to be discretionary with the Secretary of the Treasury. That the general sense of Congress is in favor of larger payments is indicated by the joint resolution passed by the House of Representatives on July 14, 1886, which provided that the excess of surplus over \$10,000,000 kept for the redemption of United States notes, should be used in payment of the bonds, payable at the option of the Government, at the rate of \$10,000,000 per month. It did not pass the Senate because it was thought best to leave the matter to the discretion of the Secretary of the Treasury; but all the same it voiced the general feeling in favor of the use of the surplus revenues and all of them, as they accrued, in the reduction of the debt.

Now that the threes are all called and the surplus continues to accumulate, it is a weak expedient to assume that the country is safe because the Secretary of the Treasury is not compelled by the sinking fund law to buy any bonds in the market. It must not be forgotten that the main object now is not to preserve this sacred old fetic, but to relieve the country from the pressure caused by locking up the surplus revenues. The sinking fund law is as inert in this emergency as the wooden image before a cigar shop would be to avert a visitation of the yellow fever, and any talk about its importance now is of the same character as a serious dissertation on the protecting principle of amulets and exorcisms.

As has been seen, Congress by the resolution of July 14, 1886, and its fate in the Senate, left the treatment of the surplus to the wise discretion of the Secretary of the Treasury, with the advice that it be used as rapidly as possible in the reduction of the debt. As indicated in the June number of the JOURNAL, law and precedent give the Secretary a wide scope, and if the anticipated pressure should come, only lack of sense or nerve can hinder that officer from relieving it. Juggling with the sinking fund law and its assumed requirements indicates a disposition to evade real responsibility.

THE REPORT OF THE DIRECTOR OF THE MINT estimates the output of gold from the mines of the United States during the fiscal year 1886 to have been \$35,000,000. This indicates an increase over any year since 1880, when the estimated output was \$36,000,000. The estimated output of silver for 1886, was \$51,000,000. The estimate for silver was made at the coining rate for the silver dollar, viz. at \$1.2929 per oz., gold value, whereas, the actual market rate was only about 88 cts. per ounce, and consequently in making any comparison between the output of gold and that of silver, the estimate is much too high.

A calculation based on the actual gold market value shows an output of silver for the year 1886 of about \$35,000,000 instead of \$51,000,000. The total gold and silver production of the world for the year 1885 is estimated to have been, gold \$105,862,857 and silver \$124,422,342. Again the value of the silver is estimated at \$1.2929 per ounce instead of at its market value. Making a new estimate on the latter basis and the value of the silver production of the world was \$82,954,077 only. In the sense of value, therefore, the production of silver is not increasing at a greater rate than the gold production, nor even in the sense of mere weight and bulk, is the production of silver increasing at a greater rate than that of gold. For instance, according to the directors of the mint, the world's output of gold for 1883 was 144,727 kilogrammes, and for 1884, 153,193 kilogrammes; an increase of 8,466 kilogrammes, or .058 per cent. of the production of 1883. The production in 1885 indicated an increase of .04 per cent. over that of 1884. The output of silver for 1883 was, 2,746,123 kilos. and that for 1884, 2,788,727 kilos. showing an increase of 42,604 kilos. or .015 per cent. on the production of 1883. The production of silver for 1885 shows an increase of .062 per cent. over that of 1884.

The world's production of silver in 1885 is estimated to be worth at the rate of \$1.2929 per oz., the coinage value of the silver dollar, \$124,422,342, and of this amount, \$51,600,00 was produced in the United States. Since the establishment of the United States Mint in 1791, the price of silver in the London market has never been so low. For the first forty years the price averaged 61½ pence per oz. sterling. During the next forty years it averaged 60½ pence. In 1859 the price rose to 62 1-16 pence, but in 1876 it had fallen to 46½ pence. The standard silver dollar is at par with the gold dollar when the London price of silver is 58 98-100 pence per oz.

While the production of silver in the United States during the year ending July 1, 1887 was \$51,000,000, the number of silver dollars coined was, \$31,423,386 upon which the Government gained a seignorage of \$7,095,361. The imports of gold during the year exceeded the exports by \$25,959 and the exports of silver exceeded the imports by \$9,333,891. The total product of silver in excess of the amount coined was about \$18,913,291, and of this it appears \$9,333,891 was exported, showing an increase of the uncoined silver in the country of about \$9,579,400, but probably as there has been a largely augmented consumption of silver in the arts, this increase has been utilized in this way.

THE SUPREME COURT of the State of Illinois has recently decided a suit brought by a depositor of a State bank against its directors individually, claiming that if deposits were received when the directors by exercising due diligence might have known that the bank was insolvent, they were liable for the deposits. The opinion of the court in brief was that the directors of a bank are trustees for the depositors

as well as for the stockholders, and are bound to the observance of ordinary care and diligence, and are liable for injuries to depositors and stockholders which result from the non-observance of such ordinary care and diligence. In the case of National banks it has been decided that no single stockholder or depositor can bring suit against the directors until after the receiver—who represents the bank, its depositors, stockholders and creditors—refuses to bring such suit, and then the depositor or stockholder must join with himself all the other stockholders and depositors. The courts, however, hold the directors of National banks responsible for neglect of duty. While this is so, yet it appears that the proof of such neglect must be very clear against any individual director before he can be held liable. An abstract of a recent decision by the United States Circuit Court for the Northern District of New York is given in the law department of the JOURNAL, in the suit of the receiver of the First National Bank of Buffalo against the directors of the association for losses alleged to have been caused by their neglect of duty. While this decision faintly adheres to the doctrine that directors may under some circumstances be the trustees of the creditors, depositors and stockholders of their institution, it refines the liability for simple neglect of duty to such a point that it virtually amounts to nothing. In this case it was proved that five directors were elected, accepted the position and qualified in a legal manner. One of them was made President, and within three months after the election had by his transactions rendered the bank insolvent. Of the other four one sold out his stock to this President within a week or two after his election and ceased to act as a director. One was sick; one went once and looked over the loans and discounts but noticed nothing wrong, and the others never went near the bank. The management was entirely left in the hands of one director, the President of the institution. It does not appear to be disputed that if the other directors had performed any duty as a board that loss might have been prevented.

The decision is that under the seventh sub-division of section 5,136 of the Revised Statutes, the business of a National bank may be done by the President, Cashier, or other officer, as well as by the board of directors. In other words, after the board of directors of a National bank has appointed the officers of the bank and defined their duties, their occupation is gone. The court even favors the view that they are not trustees of the funds and property of the bank. If they decide to take charge, and do take charge of them, they might be responsible, but if they depute this to the officers or President then they are not. But the court sees no liability created against them simply because they neglected to restrain another director from ruining the bank, especially when that director was an officer to whom the management was deputed. If the court sees any blame anywhere other than what might attach to the President individually, it would seem by implica-

tion that it was of the opinion that the clerks, tellers, etc., of the bank were the ones at fault, in that they did not refuse to discount the paper the President authorized to be discounted. If this decision is sustained by the United States Supreme Court, it will render the office of director of a National bank a sinecure, without labor or liability

HON. JOHN JAY KNOX has a letter in the *Financial Chronicle* of June 11th in which he further elaborates his plan for refunding the 4 per cent. bonds into bonds bearing $2\frac{1}{4}$ per cent. interest. The only objection urged against this plan has been that there was no sufficient inducement to the holders of the fours to exchange them for the new bonds. This objection is, however, an allegation rather than a statement susceptible of proof, but this newest form of Mr. Knox's proposition makes the exchange much more desirable to the banks and other holders than it was before. The new bonds are to be made payable either in seven installments of 100 millions—one on July 1st of each year, beginning with July 1, 1907, the last being payable July 1, 1913, leaving 37 millions to be paid the following July—or in eighty million installments, when the last 37 millions would be in the year 1917. This being arranged, the holders of fours first presenting their bonds for exchange would receive the two-and-a-halves having the longest time to run, and thus there would be a direct inducement held out to National banks, to Savings banks, to trustees and others seeking the longest solid investments, to hasten their acceptance of the new bonds in exchange for fours. The objection which obviously will be suggested is that the plan postpones the payment of the debt, the rapid liquidation of which many consider the crowning glory of our national history. As suggested in Mr. Knox's letter, none of these bonds can be paid until 1907, and it is very unlikely that the Treasury could hold in cash 737 millions of dollars to pay them all off at once on July 1st of that year. The contraction necessary to accumulate such a sum, in addition to the other funds usually kept, would never be submitted to by the public; and if it were, the subsequent inflation consequent on paying out such an enormous sum would inflict no less injury. The purchase of bonds, which has charms apparently for such a large number, is sustained on the ground that the premium paid would never equal the interest which the Government will have to annually pay if they remain until maturity. But it is not by any means certain what limit there is to the rise of that premium in case the Government should become an enforced purchaser. Some of those in favor of purchasing argue that the premium cannot exceed the interest for the time the bonds have to run, viz., 4 per cent. per year for 20 years, or \$80 on a \$100 four per cent. bond, and say that it would be better to pay even this than to lock up cash in the Treasury. But they calculate at simple interest and annual payments, when they should calculate at compound interest and quarterly payments; and if the argument

that the Government must pay out its money at any disadvantage rather than to keep it locked up is to prevail, the holder of a 4 per cent. bond might demand, and according to these people the Government ought to pay, \$221 for it, as this is what it will amount to at compound interest in 20 years. It is not fair that the transaction should be put in such shape that all the disadvantage will be on the side of the Government. By Mr. Knox's plan the difficulty under which the Government labors is reduced to a minimum. Theoretically something may be lost by extending the payment of the new two-and-a-halves, but this loss is more than made up by a gain in the exchange, and the purchase of a portion of the interest on the fours at its present value computed at $2\frac{1}{4}$ or 3 per cent. This is a positive profit realized at once, while the loss on lengthening the time of maturity of the $2\frac{1}{4}$ bonds only occurs in case the assumption be correct that the Government will be prepared to pay all the fours in cash on July 1, 1907, which is hardly possible.

IN OUR NEWS DEPARTMENT will be found a paragraph stating the withdrawal by the United States District Attorney of the criminal suit against Richard J. Lane, the President of the Abington National Bank, of Abington, Mass., who was indicted in the fall of 1886 for embezzlement. The prosecuting attorney may in this case be warranted in his action; very often, however, the settlement with creditors in civil suits for amounts lost by criminal action, and the simultaneous withdrawal of criminal proceedings, are to be viewed by the general public with suspicion. It is a very bad state of things when creditors can force settlements with defaulters by intimations that they can influence the pressure or withdrawal of a criminal prosecution. The feelings of friends and relatives of the offending party are worked on, and the money is forced from them by a species of blackmail which is derogatory to the judicial machinery of the Government. Moreover, to permit criminals to escape through the sacrifices of their friends has a tendency to remove the check upon dishonesty which certainty of punishment imposes. It is the law of the land which is to be vindicated by the prosecution and punishment, and because the few people who have been the immediate losers by the crime are willing to be bribed into a merciful view of the case, is no reason why the interests of millions of citizens, which can only be protected by rigid enforcement of penalty, should be jeopardized.

The view taken by a creditor of an institution which has become insolvent through an embezzlement is necessarily very narrow. He is angry at the embezzler, not because he has violated law, but because the creditor's money has disappeared. Return the money, or even part of it, and all the rage against the defaulter vanishes. Other men usually sympathize in this view, and say what is the use of prosecution when the money is paid back. That money is the essence of the matter is true, but not only the money that was stolen is concerned,

all the money deposited in the hands of banks or trustees is just as much involved; for if it were well known that a defaulter may escape punishment by settling with and satisfying those who have lost by him, many others in positions of trust would be exposed to greater temptation than they were before. Nothing shows greater moral obtuseness than the course frequently taken by creditors of insolvent banks. When the loss is incurred they urge criminal proceedings at once, with the utmost malignity of spirit. The criminal being captured and proceedings begun, there often commences a system of dickering, of working on the feelings of friends and relatives, on the part of the creditor to recover as much as possible, and on the part of the criminal and his friends to pay as little as possible. Of course, a criminal dependent on friends could not legally be compelled to pay anything. Judgment might of course be obtained, but it would produce nothing. What friends pay, therefore, is not really in satisfaction of the judgment, but merely a gratuity given on the ground that the recipients can in some way influence the authorities to stay criminal proceedings. This influence, if exercised, is social and political, and the public officer yielding to it generally vails the withdrawal of the prosecution with ingeniously constructed excuses and palliations of the crime which, if presented in court, would be of no weight whatever. They generally go down with the public.

ON ANOTHER PAGE we give a table made up from figures furnished by the Comptroller of the Currency, from which the effect up to May 13, 1887, of the change of Chicago and St. Louis to central reserve cities, and of Kansas City and St. Joseph to reserve cities of the second class, upon the distribution of reserves held by the National banks with their reserve agents. One object of the new law, it has been announced, was to distribute these reserves more widely, or, in other words, counteract an alleged dangerous tendency of funds under the previous law to accumulate in New York city. An examination of the table will, we think, show that the only change effected by the law has been to cause the National banks of Chicago and St. Louis to keep a slightly increased home reserve. In the first place, the amount of National bank deposits held by the National banks of New York city has not been diminished. On October, 1885, it was over 105 millions; on June 3, 1886, 94 millions; and on October, 1886, 103 millions; but on May 13, 1887, after the new law went into operation, the deposit had increased to 110 millions, or 16 millions in excess of that held at the corresponding date in 1886. In Chicago, although no amounts are on May 13 reported under the head of due from reserve agents, there is reported as due from other National banks \$10,568,000. On June 3, 1886, the Chicago banks then held due from National bank, including reserve agents, only \$10,157,000. So that under either law Chicago keeps the same amount of her funds with her correspondents. Not

being able to count any of this as reserve as formerly, the home reserve of the banks has necessarily increased from about \$16,801,000 to \$20,656,000. The individual deposits have increased about 6 millions, and the National bank deposits about five. It is very doubtful whether this increase is to be ascribed to the effect of the new law, inasmuch as there is a corresponding increase in State bank deposits, which are in no way affected by the law. It looks as if there would have been an equal gain even if the conditions in regard to reserves had not been changed. Kansas City as a banking centre is evidently outstripping St. Louis, but what profit St. Joseph can have from the change is not indicated by the May 13th report. Business appears to have increased with the banks in all the reserve cities, and as a rule they all hold larger amounts due from National banks than at the corresponding period in 1886.

CONTRACTION OF THE CURRENCY.—The contraction of the currency of the country in circulation outside of the Treasury for the month of May amounted to \$4,471,300. Gold coin increased from May 1st to June 1st by \$2,552,646. Silver dollars decreased \$363,745. Subsidiary silver increased \$43,326. Gold certificates decreased \$3,473,508. Silver certificates increased \$1,402,898. United States notes decreased \$1,541,902, and National bank notes decreased \$3,091,015. The resultant of these changes was as stated above. In the Treasury the gold coin increased \$988,650 during the month, standard silver dollars increased \$3,263,745, subsidiary silver \$173,667, gold certificates \$3,196,318, silver certificates \$281,464, United States notes \$1,541,902, National bank notes \$446,591—a total increase in all forms of currency of \$9,892,337. The gold bullion fund increased by \$1,303,184, and silver bullion, counting as bullion trade dollars redeemed, decreased \$264,732. It is plain that most of the contraction is due to the locking up of funds in the Treasury. The effect of the latter operation is counteracted to a considerable extent by the importation of gold into the country and its production.

FROM AN ELABORATELY prepared article in the *Financial Chronicle* it appears that the prospect is good for an unusually large crop of cotton. The last markedly good year was 1882. Since then, considering the wider area of land cultivated, there have been no crops that will rank as good, and those of 1883 and 1884 were poor. The crops of 1885 and 1886 are catalogued as fair rather than good or poor, distinguished from the poor crops of 1883 and 1884, because the yield was 800 or 900 thousand bales larger than in those years, but from good crops by the fact that the acreage was intended for a larger yield. If the crops of 1885 and 1886 had shown a yield per acre equal to that of 1882, there would have been an increased production of over a million bales. The prospect of great production tends, of course, to depress prices, but there may, before the new crop is available, be an advance in the manufacturing demand which will tend to restore them.

TREASURY STATEMENTS.

Complaints are often made in regard to the monthly statement of the resources and liabilities of the Treasury of the United States which is issued each month by the United States Treasurer, and widely published. It is said that these statements do not show the assets and liabilities so that people not accustomed to analyze financial statements can understand the moneyed operations of the Government. Of course it is very desirable that if possible the average citizen should be able to understand at a glance the general state of the Treasury, but matters that are naturally of a complicated nature cannot be understood without some study, and when those who are unwilling to exercise their minds even a little, make complaints that they cannot comprehend, they are not very much to be pitied. Still on the other hand if it were possible to make the Treasury statements intelligible even to the dull, stupid and lazy, it would perhaps be an advantage. The Treasury deals not only with the receipts and expenditures of the Government, but acts also as a trustee for many important interests and as a banker for many more. Some of these interests are public or governmental and others are private and individual. The operations of the Treasury can therefore be separated into two main divisions. One concerning the receipts and expenditures of the Government and the other covering all the cases where the Treasury acts as trustee or banker, for Government officers, or for private corporations or individuals. For the Government proper it receives the revenues and expends them in carrying out the laws, in paying the interest and principal of the debt, etc. As a trustee it redeems the notes of National banks and pays the interest on the bonds of the District of Columbia. As a banker it opens accounts with the Post-office Department, with United States Disbursing officers, with the National banks, and lastly in the matter of gold, silver and legal-tender certificates, with the public.

The Treasurer's statement might perhaps be made more clear for some purposes if it was arranged with reference to the foregoing division. At least it could be more readily and intelligently condensed when it was advisable to show merely the salient points. Upon this plan a concise summary of the statement on June 1st might be made as follows :

Aggregate funds exclusive of fractional silver and minor coin and cash vouchers		\$550,486,072.07
Immediate liabilities of Government for matured or called debt, interest, outstanding checks, etc.....	\$43,881,786.82	
Less cash vouchers, interest and coupons paid.....	46,797.58—	43,834,989.29
		\$506,651,102.78
Liability as trustee or banker for District of Columbia, banks, and public	424,063,439.58	
Deduct cash vouchers held	41,364,029.19—	382,699,410.34
Net balance including \$100,000,000 for redemption of legal-tender notes,		\$123,951,692.44

The subsidiary silver and minor coin are omitted from the aggregate cash because they are not available for payments in large amounts, and moreover, these items are not money in the strictest sense, being merely tokens of value

issued and redeemable by the Government. If it were desirable to bring them into the statement the best plan would be to treat them precisely like the gold or silver certificates, treating the total amount coined as a liability of the Government, which may at any time be presented for redemption and the amount on hand as a cash voucher.

The total cash on June 1st amounted to \$581,804,691.07. Of this sum \$27,208,814.28 consisted of subsidiary silver and minor coin, and \$3,610,804.72 of what may be styled cash vouchers, being items which the Treasury held as evidence of payment, made up of \$2,064.40, fractional currency redeemed; \$46,797.58, interest checks and coupons paid; \$3,552,068.74, National bank notes redeemed, and \$9,374.05 interest paid on bonds of the District of Columbia. These items being taken out, there is left in actual cash \$550,486,072.07.

Assuming the Pacific Railroad bonds to be debentures of the United States, the immediate liabilities of the Treasury on account of indebtedness properly belonging to the Government, were \$43,881,766.82. From this may be deducted \$46,797.55, vouchers in hand for interest and coupons paid leaving a net liability of \$43,834,969.29. This includes all interest due and accrued, and all principal whether actually due or merely called for payment, and also all Treasury checks and drafts issued but unpaid. Deducting this item leaves \$506,651,102.78. Next come the liabilities of the Treasury as trustee or banker amounting to \$424,068.439.53, made up, (1) of the fund for the redemption of notes of National banks, failed, in liquidation or reducing circulation, \$101,769,625.10, (2) five per cent. redemption fund for the redemption of notes of going banks, \$3,209,082.04, (3) Post-office Department account \$4,889,551.86, (4) Disbursing officers balances, \$31,094,358.46, (5) currency and minor coins redemption account, \$1,980, (6) fractional silver coin redemption account \$4,900, (7) redemption and exchange account, \$421,789.28, (8) account of District of Columbia, \$56,814.66, and (9) fund held for redemption of gold, silver and legal-tender note certificates, \$276,894,827. From the gross sum of these items must however be deducted a number of vouchers held for payments made from the several accounts which have already been taken out of the assets and which are, (1) fractional currency redeemed, \$2,064.40, (2) National bank notes redeemed, \$3,552,068.74, (3) interest on District Columbia bonds paid, \$9,374, and (4) gold, silver and legal-tender note, certificates of deposit redeemed, \$37,800,522, making \$41,364,029.19 in all. The net liabilities of the Treasury as trustee and banker are thus brought down to \$382,699,410.84, which deducted from the remaining cash, (\$506,651,102.78) leaves a net balance of \$123,951,692.44, which includes the \$100,000,000 held as reserve on legal-tender notes.

As this method of statement deals with the cash as an aggregate without separating it into gold, silver and paper, it will be necessary, in order to arrive at the net gold and silver held by the Treasury, to have in addition the balances as now given in the Treasury statement, which on June 1st were net gold, \$186,667,773.47 and net silver, \$73,157,590. That is, the Government after closing its gold and silver certificate accounts with the public would have these amounts of gold and silver to meet its own demand liabilities and to execute its other trusts.

WHEAT MARKETS OF THE WORLD.

Wheat is the king of the cereals and supplies the staple food of the largest number of civilized men. Other grain, oats, corn or more properly maize, are eaten to some extent by human beings, but the greater portion of the supply goes to sustain the existence of domestic animals, and through them is transmuted into other forms useful to human beings. Rice is very largely consumed by the half civilized portions of mankind. Barley and rye are generally utilized in the potable form of beer and whiskey. Stress of circumstances has often compelled men in all parts of the world to live upon other grain than wheat. The oatmeal of Scotland, the black rye bread of Germany and the corn bread or hoe cake of the United States have all an honorable history, but it was necessity and not preference which led to their use. Whenever wheat can be obtained the use of other grain for human consumption is soon discontinued. Wheat was the usual grain supplied to the Roman legions, and one form of punishment for lack or infringement of discipline was to give the soldiers barley instead of wheat. A short course of this food for horses usually brought the refractory ones to repentance. Egypt in ancient times was the granary of the world, and the first corner in wheat of which we have any record was engineered by Pharaoh with the assistance of Joseph, and the banks of the Nile. The early civilization of that country as well as of Mesopotamia was consequent on the ease with which the rich alluvial bottoms of the Nile and of the Tigris and Euphrates could be made to produce wheat. Agriculture made progress and other countries began to raise sufficient of this grain to supply their local wants, but that they were thus successful in competing even to this extent with Egypt was due to the constant warfare between the petty States, which had the effect of preventing commerce and was virtually a protection to the home grower. When commerce became safe the competition of countries favorably situated for raising wheat drove the agricultural population of other countries into other pursuits, and consumers became more and more dependent on imported supplies. When the Roman power was confined to Italy, and the interests of the Italian farmers were protected by an almost constant state of war from the enterprise of foreign merchants, all the grain for home consumption was raised in Italy. But as the whole world became a dependency of Rome and trade free, Egypt and other favored localities for wheat production soon successfully outstripped all competitors. The city of Rome became dependent for its supplies on the grain ships from Alexandria, and on any failure in their arrival a famine was imminent. The Roman Emperors took the greatest precautions to obtain the necessary supply, and Claudius offered to insure without charge all ships and cargoes making the voyage in the winter season. In modern times the history of the production of wheat in England has been an analogous example of the blighting effect of free competition with the regions of the world more fitted for its growth. Of course, the governing power of Great Britain has been influenced by the fact that gains in other directions have been made commensurate with the losses in this, but the result has been that more than any

country in the world, unless it is Belgium and the Netherlands, she is dependent on foreign countries including her colonies for her supplies of wheat. Nor would the grain raised in her colonies alone supply the demand.

The United States is at the present time the greatest wheat producing country in the world. The Department of Agriculture estimates the wheat produced in 1886 to have been 2,031,322,285 bushels. Of this the United States produced 457,218,000 bushels, or more than one-fifth; France, 299,107,620 bushels, or over one-seventh; India, nearly as much, 258,317,632 bushels; Russia, 213,907,084 bushels; Austria-Hungary, 143,001,488 bushels; Spain, 131,660,000 bushels; Italy, 129,412,133 bushels; Germany, 82,000,000; Great Britain and Ireland, 65,285,353; Canada, 37,219,234; Australasia, 22,258,146; Egypt, 16,457,500, and Algeria, 32,915,000. It will be seen that Great Britain and her colonies, including Egypt, produce 399,337,865 bushels. In order to arrive at the movement of wheat, and to discover just what relation each wheat producing country bears to every other, it is necessary to know in addition to the production, the supply that it is customary to keep at home. We see that France, for example, is the second largest wheat producer in the world, but on the other hand she is the very largest wheat consumer. Enormous as is her production, an examination of the figures for the years from 1872 to 1883 shows that the average annual supply required for home consumption has been larger, viz.: about 340 millions. So that France has to calculate on obtaining from abroad about 40 millions of bushels each year. In the same way, although Italy and Germany produce large amounts they have to purchase from other nations an important part of their home supply; Italy requiring 8 millions, and Germany about 13 millions of bushels of wheat more than they respectively produce. Spain and Portugal have none to export and usually require a little from their neighbors. Austria-Hungary, Denmark, Roumania, Russia, Australasia, India and the United States are the only countries that can be depended upon for a steady surplus for other countries, and of these the only ones that have a sufficient surplus to at all come in competition with the United States are Russia and India. The former has an annual average surplus of 78 millions of bushels and exported about 21,000,000 bushels in 1886, and the total exports of wheat from the latter during the same year were 43,272,000 bushels, of which 20,296,000 bushels were shipped to Great Britain, and 22,976,000 to other places in Europe. During the same year, 57,759,209 bushels of wheat and 8,179,241 barrels of flour were exported from the United States. Of this, 37,678,739 bushels of wheat and 4,914,782 barrels of flour were sent to Great Britain. The largest export in any one year from this country was in 1880, when we sent abroad 153,252,795 bushels of wheat and 6,011,419 barrels of flour.

The chief countries which furnish the markets for the surplus wheat of the world are Great Britain requiring about 143 millions of bushels, Belgium 24 millions, France 40 millions, Germany 25 millions, Italy 17 millions, the Netherlands 7 millions, Sweden and Norway about 2 millions of bushels. These figures, of course, only give a general idea. It must be remembered that crops vary from year to year. Countries that usually require more than they produce, in some years through an excessive home crop do not require to import any, and those that usually have an excessive production are in some poor years obliged to buy of others. But as a rule the figures given show the

usual course of the markets. As has been seen the only important competitors of this country in the wheat trade are India and Russia. The latter has always been a rival, but the development of wheat growing in India is recent. And perhaps to some extent the grain dealers and speculators in this country have themselves to blame for this new and dangerous competitor. Were there no surplus wheat in India, the United States would usually have a market at almost her own price for all of her surplus crop. The surplus crop is the amount that could be exported after satisfying the usual home demand. Thus for the year 1886, the total production was estimated to be 457,218,000. Of this on March 1, 1887, 122,000,000 bushels was in the hands of farmers, and 57,000,000 bushels in commercial hands, making a total of 179,000,000 bushels left in the country, and 5,620,488 were in addition exported from January 1st to March 1st. It is, of course, difficult to arrive at what portion of any given average crop the United States might export under favorable conditions, but probably it would be in the neighborhood of 150 millions of bushels. The favorable conditions are a foreign demand and the price at which it is held in this country. The average price in the United States during the years from 1875 to 1886 inclusive has been as follows: *

1875.	1876.	1877.	1878.	1879.	1880.	1881.	1882.	1883.	1884.	1885.	1886.
\$1.00	1.08	1.08	77.7	1.10	.95	1.19	.88	.91	.64	.77	.68

The average export price has been:

\$1.12	1.24	1.17	1.84	1.07	1.24	1.11	1.19	1.13	1.07	.86	.87
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and this indicates that in order to cause a free exportation there must be a difference of nearly 25 cents per bushel between the price here and in the foreign market. It is claimed that the speculation in wheat in the United States carried on in the grain markets has, by the use of large amounts of capital, kept the home price generally too near the rate offered abroad, and prevented the exportation of much wheat that was not really needed at home. While the United States had practically a monopoly of the trade in wheat this was for the immediate advantage of the country. Great Britain, the greatest purchaser of the surplus, became tired of paying the price the manipulators of the market might choose to fix and turned her attention to raising up a rival to destroy the monopoly possessed by the United States, and within the last five or six years India has become almost as great an exporter of wheat as the United States. On the other hand, with a smaller export demand the consumption in various forms—especially in the manufacture of whiskey—has increased within the country. The effect produced by the rivalry of India has been supplemented by the action within a year or two of most of the foreign countries, who depend on foreign grain to make up comparatively small deficiencies in their own production, in increasing duties on imported grain. A country like France, for instance, raising within forty million bushels of the amount required by her people, thinks it better to increase the duties on importations in order to keep up the home price and encourage her own agriculturists. Of course, this a tax on the rest of her people, but, as the agriculturists are similarly taxed to protect French manufacturers, neither class can very well complain, and the general prosperity of the nation is supposed to be enhanced. France exacts an import duty of 26 cents per bushel on all wheat sent to her from abroad. Her deficiency, as has

* From Bureau of Agriculture.

been shown, is forty millions of bushels, and of this Algeria producing 82 millions bushels annually can make up a large portion, so that the amount for which she is obliged to seek outside of her own production and that of her colonies is small. Germany takes foreign wheat 19½ cts.; Spain, 30½ cts.; Portugal, 29½ cts.; Italy, 15¾ cts.; Greece, 6¼ cts.; Austria-Hungary, 19½ cts.; Turkey, 7½ cts.; Switzerland, 8¼ cts.; Canada, 15 cts.; Mexico, 1.02 cts.; Cuba, 81 cts.; Hayti, 20 cts.; China, 5½ cts. per bushel. Russia, Great Britain, Belgium, Holland, Denmark and Sweden admit wheat free. The United States and Russia are alike, in that they have no fear of any one underselling them in their own markets.

The manipulation of the wheat markets of the United States has become a science. There is so much capital that can be used to store and hold wheat that the price can be forced up or down just as is required by the views of the speculators. If the farmers who grow the wheat could hold and sell when they chose, they might perhaps be sure of a reasonable price from this state of things, but as a class farmers are compelled to realize immediately on their products, and the price is generally forced down at the time when the crops are ready for market, so as to get them into the hands of the middlemen. The work of raising prices then commences, with no limit except the foreign demand, and as has been seen in the case of England and other foreign countries, with the effect of reducing the aggregate requirement from this country. This manipulation of the market does not always insure the success of the speculators, but it often succeeds in keeping prices up until the foreign demand has satisfied itself at lower rates elsewhere, and then although they tumble to a reasonable figure, the wheat stays on our hands, glutting the market about the time when the next year's crop is ready, to the detriment and discouragement of the farmer.

SCHEMES TO ATTRACT INVESTORS.

The low rates for money prevailing in England have encouraged the placing before the public of a variety of projects for the investment of capital. In fact the days of the great South Sea bubble, described so vividly by Macaulay, appear to have come again. Mining, railroad, importing, distilling, brewing, manufacturing and agricultural schemes, are started almost every day. They spring into life with a prospectus, fully equipped. They have in England men called promoters, who exercise their skill in artistically presenting a project to the public in its most attractive light, and at the same time with sufficient ingenuity to avoid laying themselves liable to legal action on account of any straining of the facts. This promoting as it is called appears to be a regular profession as well established and recognized as the legal or medical professions. The proprietor of undeveloped mines, or manufactures or lands, or inventions, who wishes to shift the load at a fair price upon the public, or at least to take the latter into partnership with himself, either acts as his own promoter or goes to a professional, who for a consideration exercises his talents in booming his employer's scheme. As the sculptor sees the perfect statue within the rough hewn block of marble, so the promoter perceives what most fascinating form of project may be best evolved from the material furnished by his principal. In addition to the promoter and the Directors,

each company has its bankers, its legal advisers (if a mining company, its bullion brokers), its brokers, its Auditors, its Secretary and its registered offices. Some of the latest projects are the Slide and Spur Gold Mines Limited; capital, £400,000, in 400,000 shares of £1 each; the Holland & Company Limited (Deptford Distillery); share capital 10,000 preferred shares of £10 each; F. J. Besley & Company Limited; capital, £100,000 in 10,000, share £10, issue £70,000 in 7,000 shares of £10 each, of which 2,830 shares are reserved to be allotted to the vendor in part payment of the purchase money, this being the largest proportion of the capital allowed by the rules of the Stock Exchange. This company is formed to buy out and carry on the business of a firm of wharfingers and warehousemen. Winfields Limited. This is a company to buy out and carry on the business of a firm of brass and iron work, including chandeliers, gasfittings, bedsteads, tubes wire, etc., etc. The capital of this is to be £160,000, and it has a full complement of Directors, headed by a noble Lord, two bankers, a firm of solicitors, brokers, Secretary and offices. The reason given for newly capitalizing the business is the death of two of the former partners. Nottingham Brewery Limited, has a capital of £186,000 and shares £272,000. The Northampton Brewery Company Limited has a capital of £150,000. The Incandescent Gas Light Company Limited; capital, £500,000, in shares of £5 each. The Omnium Investment Company Limited has a capital of £1,000,000. Morgan's Brewing Company has a capital of £185,000. The London Consumers Sanitary Milk Company, with a capital of £50,000, in shares of £1 each. The Stratford, Ilford and Romford Tramways Company Limited. Caledonian and Australian Mortgage and Agency Company Limited. The Mexican Santa Barbara Mining Company Limited. The Hotel du Nord (Cologne) Limited, and last the Invisible Trouser Stretchers Company Limited. This last has a capital of £50,000, divided into shares of £1 each. This company is, it seems, formed for the purpose of purchasing and working the patent invisible Trouser Stretcher and the patent Ball-bearing Brace. The board of Directors is headed by Sir Stephen J. Hill, K. C. M. G., C. B., and the company has its bankers, solicitors, brokers, Auditor, registered offices, warehouses, Secretary and Managers. The prospectus announces that over 50,000 of the patent Invisible Trouser Stretcher had been sold, as the Accountant's certificate shows, within six or eight months. An estimate based on the sale of only 200 gross of stretchers per month or 2,400 gross per annum of Invisible Stretchers gives a clear profit of over £5,000. It is the only stretcher for use inside trousers, and as one is required for each leg the possible number that may be need by the trousers wearing public is at once seen to be enormous. The prospectus goes on to remark: "It is a well-known fact that enormous fortunes have been made out of simple inventions of articles that are in universal demand, and the Directors consider that the 'Invisible' Trouser Stretcher is an invention that will turn out most profitable to the company, pay regular and increasing dividend and enable them to return to the stockholders the bulk of their subscriptions from the amount realized by the sale of foreign patents alone." It will be noticed that the company contemplate stretching the trousers not only of the inhabitants of Great Britain and Ireland, but also of foreign countries, and a list of the foreign patents referred to includes almost every civilized nation with the exception of Germany. The omission of Germany, perhaps, indicates the

intense commercial rivalry between that country and England, or perhaps, as in the case of Patagonia, Congo, Zululand, and Abyssinia and a few other country where patents do not appear to have been taken out, the Directors think that the inhabitants do not wear trousers to an extent worth counting on. The expectation from the Ball-bearing Brace is not so great, but the profits to be derived from the sale of this invention form a considerable part of the anticipated profits of the company.

All of the instances cited appear to be genuine and at least feasible plans for the remuneration of those who may choose to invest therein. Many of the projects started are, to judge by the references to some of them seen in the London financial exchanges, decidedly of a wild cat nature. One of them, the "Universal Stock Exchange Company Limited," publishes reports of the stock markets and professes, it is alleged, to give quotations for stocks for several days in advance, which is equal to selling combinations for beating the bank at Monaco. The newspapers have to be very careful how they criticize the various projects as they appear. A libel suit means something in England, and the projectors of companies are very quick to bring them against papers that criticize even dishonest schemes incautiously, and this is why no company is complete without its solicitors and attorneys. The Moldacot Pocket Sewing Machine Company Limited appears to be rousing the indignation of its stockholders by the supineness and apathy of its management.

If a newspaper inserts a paragraph in the least detrimental to a company, it is apt to receive some such communication as the following: "The false and defamatory statement published by you is likely to do the licensees serious injury, and we are to call upon you forthwith at your expense, to insert in the leading London and Provincial newspapers, and also in the leading engineering and financial papers a full retraction and apology for it, in terms approved by us, and also in your next issue, in the part of your paper where the libel appeared, and in as conspicuous type, manner and style, otherwise action will be brought."

As may be seen from the names of the Companies, most of them are projects for carrying on by stock concerns an industrial business heretofore conducted by private business.

In regard to this tendency, a London paper remarks: Much of the prosperity of England has been built up by the thrift and energy of the small shop-keeping class. Private enterprise has suffered severely from the tendency to amalgamate capital. When all private concerns are converted and amalgamated it will come to this, that each trade of the country will be in the hands of some great Company. One enormous venture will supply all the beer, another the boots, and a third the trouser stretchers. This tendency to consolidation of capital is manifested with equal force in this country. We hear of the Cotton Seed Oil Trust, of the Standard Oil Trust, and of proposed trusts for conducting almost all the industries of the country. The result of the success of all these undertakings would be the death of competition. There is, however, little fear that these projects as a rule will be dangerously profitable.

THE COMPTROLLER OF THE CURRENCY, the Solicitor of the Treasury, the Bank Examiner for New York, and ex-Treasurer Jordan, went to Cincinnati after the failure of the Fidelity National to protect the interests of the public.

* DOMESTIC EXCHANGES :

How Handled, to Ensure Prompt Returns with the Greatest Economy and Safety.

BY X. Y. Z. NO. 1.

Such a subject is not only of the greatest importance to the banking community, but to the country at large. What industry is it that will not be affected by anything that concerns the banks?

We shall first consider how the "domestic exchanges" of the country are divided, and then see if we can find some easier mode of handling them.

First, we have checks or written orders addressed to a bank or banker by a person having funds on deposit to his credit, directing the sum named to be paid on demand

Second, Drafts or instruments of writing, by which one person is requested to pay to another some specified sum, either on presentation or at a time in the future, named in the instrument. And, in passing, let us say we would be glad to have all laws which allow grace on sight drafts repealed; and, in fact, we can see no good grace does anyway; it is seldom that a paper is paid until the last day. It may have been very well in times past, when all travel was slow and uncertain.

The greatest economy of time and great safety consists in keeping our paper in the class to which it properly belongs. We do not intend to say we would not take a check as a collection item, but we would insist on taking drafts only for collection, to be cashed only when reported as paid by the bank collecting the same at the point upon which it is drawn. If it is of very great importance to know if the draft is paid at once, we could resort to the telegraph, or instruct our collecting bank to report by "wire" if paid. But most banks take unnecessary trouble by taking such items as cash. If the paper is returned unpaid the depositor has to be hunted up and the money refunded by him. Sometimes he is out of the way. But if the draft is only taken for collection, we notify him that it is unpaid, and that ends our responsibility. No cross entries to be made on our ledgers, but only a note of its return on our collection books. See form "A," draft for account of C. S. Smith.

As soon as a draft is brought into the bank it should be given to the clerk whose duty it is to enter the paper for collection in the "Collection Register" (form "A"). He first puts down the date, "September 10, 1886;" then "No. 100." Now the name of the party to whom it belongs, "Grover Cleveland." It is drawn by "C. N. Jordan," and the endorser, "Jay Gould," drawn on or addressed to "Fisk & Hatch, New York," amount \$10,000, dated August 6th, has sixty days to run before maturity. The clerk who sends off the paper will enter in the "Register" the name of bank to which sent, in this case to The Importers & Traders' National Bank, and for that purpose he would use our form "B."

As can be seen the same register can be used for the bank's discounted paper. In this case we would enter the number of the paper in red ink, so as to distinguish it from the ordinary collection. When this draft reaches the Importers and Traders' Bank, they would enter it on the form "C," similar to the form "A" except after the payor they would put the number of the draft which the sending bank put on. When the paper has been paid they would put down the amount of charges, and the net amount remitted to their principal or passed to their credit, using forms "D" or "E," according to circumstances. Which, when received by the bank from which the draft

* One of a series of articles on "Country Collections," in competition for the prize of \$100 offered by the Publishers of the JOURNAL. Subscribers are invited to vote on the best when the series is completed; for particulars see page 574 of the June number.

originally came, they would enter on their form "A" the costs, net amount, date of the letter of the bank reporting and what disposition they make of it. It is of the greatest importance that banks should accustom their clerks to put numbers to all collections and report by the numbers. A bank with a large collection list will find it much easier to draft by its number than the name. I would much prefer to have the number than the name.

It will be seen that a bank which uses such forms will have the whole history of the draft from beginning to end, and one that it can refer to at any time without trouble.

As to promptness, that can only be ensured by taking such items as cash on condition that they be sent off subject to protest if not paid on presentation, and that positive instructions will be given to that end. Too many checks pass through banks these days with a waiver of protest. And there is one other point which will ensure promptness. Let the banks frown down the habit that merchants in the large cities have of taking the checks of country traders, require them to get checks from their own banks with which to make their remittances. Cases have come under the observation of the writer in which parties would let drafts drawn on them be returned, that they might send their own checks and gain a few days in time. This habit seems to be on the increase.

FORM A. (Left-hand page.)

DATE. 1885.	NO.	FOR ACCOUNT.	DRAWER.	ENDORSER.	PAYER.	PLACE.	TO WHOM SENT.
Sept. 10	100	Grover Cleveland...	C. N. Jordan.....	Jay Gould.....	Fiak & Hatch.....	New York.....	Imp. & Traders.
" 25	1000	Loans.....	M. S. Schott.....	C. A. Wedner.....	M. S. Schott	Bryant, Tex.....	Bryant Nat.
Oct. 8	101	C. S. Smith.....	R. L. Cox.....	H. C. Glen.....	J. L. Thomas....	Columbia, S. C....	Commercial Bank.

FORM A. (Right-hand page.)

AMOUNT.	COSTS.	NET AMOUNT.	DATE.	TIME.	MATURITY.	DATE OF LETTER.	DISPOSITION.	REMARKS.
\$10,000	\$10	\$9,990	Aug. 6	60 days.....	Oct. 5-8	Oct. 8	Paid and c'd....	Oct. 9
175	45	174.55	Sept. 15	80 "	15-18	" 18	" "	" 21
500.50	1.25	499.25	Oct. 8	90 "	6-9	Jan'y 10	Returned.....	" 12
								Hold for arrival of goods.

FORM B.

T. SMITH, President. BANK OF PROSPERITY. B. H. JONES, Cashier.
 , Esq., Cashier. Golden City, , 188

Dear Sir:

Your favor of the inst. received, with stated inclosures.

Respectfully, J. K. FOX, Cashier.

I enclose as follows:			
Cash Items.		Collection Items.	

Return Promptly all items not paid or accepted unless instructed otherwise. Please report by our numbers. Protest unless waived.

FORM D.

BANK OF GOLDEN CITY.

Golden City, , 188

..... , Esq., Cashier.

Dear Sir:

Yours of received, with stated enclosures. Find our Draft
 on for items as stated below. \$.....

Exchange

Net Amount

Yours respectfully,

DANIEL BOON, Cashier.

YOUR NO.	ITEM.	AMOUNT.

FORM E.

REDEMPTION NATIONAL BANK.

Fort Valley, , 188

..... , Esq., Cashier.

Dear Sir:

We credit your account this day, as stated below.

Yours respectfully, SAM. SLICK, Cashier.

NO.	NAME OF PARTY.	AMOUNT.	CHARGES.	NET.

FORM C. (Left-hand page.)

DATE. 1885.	NO.	ACCOUNT.	DRAWER.	ENDORSER.	PAYER.	THEIR NO.	AMOUNT.	CHARGES.	NET AMOUNT.
Sept. 11	1,020	Bank of Prosperity.	C. N. Jordan.....	Jay Gould.....	Fisk & Hatch...	100	\$10,000	\$10	\$9,990
" 27	1,021	"	M. S. Schott.....	C. A. Weidner ..	M. S. S.....	1,000	175	45	174.55
Oct. 10	1,022	Nat. Park Bank...	R. L. Cox	H. C. Glen	J. L. Thomas....	101	500.50	1.25	499.25

FORM C. (Right-hand page.)

DATED.	TIME.	DUE.	DISPOSITION.	REMARKS.
Aug. 6	60 days....	5-8 Oct.	Credited.....	Oct. 8.....
Sept. 15	30 "	15-18 "	Remitted 10-18....	Dft. No. 1,150....
Oct. 8	90 "	6-9 Jan'y	Returned.....	Oct. 15.....

How shall the banks secure a fair profit for their labor, postage, and stationary? A merchant sells his wares that he may make a living for himself and family, the broker buys and sells stocks for his commission, a manufacturer makes his goods that he may make a profit on them, but the bank is supposed to be very accommodating, and work for "the honor and glory of the thing." Banks should charge for all collections, whether drafts or checks; let the rate be governed by the cost of transferring funds from the two points, put it a little under that, then let the banks divide the cost or commission with each other. If a draft is drawn with exchange, do the same thing; allow the sending bank one-half of what is collected. The sending bank does in most cases as much work as the collecting bank, whilst if the draft is drawn with exchange, under present mode, the latter bank will get all the pay. By such a plan each party makes a fair living and lays up a fund out of which they can, when necessary, pay for transferring funds from one point to another; and this brings us to consider the subject of domestic exchange, which is one that the banks cannot regulate, the supply and demand of the country can only control it, for we see by the nature of things, so long, for instance, as the South sells to the North more cotton than the North can pay for in goods made or held by the North, so long will northern funds be at a discount and currency be in demand; but let cotton stop going forward, then the South will want funds at the North, and if they cannot put it there any other way, it must be sent by express.

I, a bank in New Orleans, owe a bank in New York \$100,000 which I do not want to express. I find that my correspondents, who owe me that amount, and are in Cincinnati, have \$100,000 due them by their New York bank, so they send me a check on New York and the whole thing is settled without the passage of the money; but if the New Orleans bank is short of currency it will have to resort to the express. Some system by which a huge Clearing-House could be established for the whole country would in most cases regulate the balances between banks, and save many a transfer of funds by express.

To sum up in a few words, we have tried to show the importance of keeping checks and drafts in their proper places. The proper forms for entering drafts on the Registers and forwarding the same and making reports thereon. The importance of reporting by numbers. Protesting checks when not paid, and let the banks break up the habit of country merchants sending out their checks. Banks divide their fees with each other. And charge on all out of town items. And, lastly, a Clearing-House for the whole country.

We think if these few hasty remarks could be carried out the business of the banks would be transacted in a much more satisfactory manner, not only to themselves, but to the community at large. Their customers would soon find it just as easy and in the long run as cheap, for they would make allowance for the bank charges in their transactions.

Of course we would find some individuals, as well as banks, who are too narrow-minded to make any change in their mode of doing business, but let them give it a trial and they would soon see the benefits from such a desirable change. The writer had an occasion to open an account with a bank in a town not more than twenty-five or thirty miles away, and it was agreed that each party would make a charge of $\frac{1}{2}$ of 1 per cent. on everything sent by the other. We find the plan works like a charm. Before neither made much, now both make something.

*DOMESTIC EXCHANGES.

BY "LET EVERY TUB STAND ON ITS OWN BOTTOM."

I note the general invitation for contributions on the subject of: "Domestic Exchanges," with offer of prize for the best plan for clearing country items by city banks. I have neither time nor inclination to attempt to prepare a paper of the length and scope indicated, but would like to barely touch the general subject, and then as briefly as possible take "Out of Town" items, and points incidental to a plan for taking care of them by banks in large cities.

Bill of Exchange—"A written order or request from one person to another desiring the latter to pay to some person designated a certain sum of money therein named."

Exchange is—"The process of settling accounts or debts between parties residing at a distance from each other without the intermission of money, by exchanging orders or drafts, called Bills of Exchange."

More than nine-tenths of the world's commerce consists in the simple exchange of one thing for another by means of these paper instruments. The exchange of property passing through our banks between the people amounts to more than ONE THOUSAND MILLION DOLLARS in value per week, and in all this vast aggregate comparatively little money is used. These simple paper instruments, called "Bills of Exchange," which convey, while they do not possess true money value, perform their appointed mission, die, and are withdrawn. Of all this vast amount of paper which enters into and forms so important a part in the world's commerce, by far the greater part consists of drafts drawn against actual values in the shape of products being shipped to the great cities for market, and of drafts or orders drawn by one bank or banker on another bank or banker doing business in some one of the great commercial centers.

These two classes of papers we will not discuss; the mechanical detail of caring for it by issuing, intermediate, and paying parties, are well defined and

* One of a series of articles on "Country Collections," in competition for the prize of \$100 offered by the Publishers of the JOURNAL. Subscribers are invited to vote on the best when the series is completed; for particulars see page 574 of the June number.

settled, as are the general rules governing it from its issue to its retirement, while the particular questions and issues liable to come up for the banker's decision and prompt action are so numerous and diversified that whole volumes are devoted to rules, discussions, and decisions, and one or more of these books will always be within easy reach of the careful banker.

By "out of town" items, as applied to city banks, we mean such paper as is born in the country, and must be returned to the country to die, but in the channels of trade finds its way to the city, and through the city banks must find its way home. In this class we will include notes and acceptances given by merchants or consumers in settlement of bills due at a future day, and checks on country banks sent to the city to pay bills already due, instead of sending regular, legitimate exchange; but will not include the city merchant's draft on his county customer, sent to remind him that his bill is due, with probabilities in favor of its being returned unpaid.

The note and acceptance are legitimate creatures of trade, and are invited to the banker's counter, for discount or collection, but the country check is a waif which should have gone to no other counter than that of the payer. Both classes come, however, and must be cared for, and by practically the same detail. How the most economically and satisfactorily?

In the first place, I think it may be safely laid down for country and city bankers that any piece of paper payable outside of a commercial center, which has no further mission to perform other than to find its payer and be retired, would better be sent to its destination by the most direct route; besides the waste in time, labor, and postage, the bank sending such an item by a circuitous route, in search of a free passage, should be charged with any loss which may occur from the paper being in transit an undue length of time. We wonder that the Denver merchant should send his check on a Denver bank in payment of his account due in New York, but not more so than that the check should find its way from New York back to Denver through banks in Cincinnati, Indianapolis, Chicago, St. Louis, and Kansas City.

In applying motor power to any machine, we recognize that any unnecessary wheel or pulley used is a waste of force; it is equally true here.

The practice which prevails to some extent among banks of undertaking to collect reciprocally for each other at points other than where they are located, is dangerously weak in point of time occupied in transit, and when traced to a conclusion, is wasteful to some and usually to all of the banks engaged in it; the extra work and postage must be paid by some one. As a country banker I might be glad to risk waste of time and allow our Chicago correspondent to collect for us free at all points where he has regular correspondent, but recognize that as we can only collect for him free in South Bend, we have no reason to expect, on the grounds of reciprocal relation, that he will collect for us free outside of Chicago; nor, on the other hand, has the Chicago banker a right to expect that we will collect free, if sent through him, for all of his thousand and one correspondents who may have items payable in South Bend, unless he will return the compliment by having his thousand and one customers collect free for us by way of Chicago. If the country bank would tamely submit, and not expect pay in kind or otherwise, a very economical plan for city banks to clear country items would be to make such arrangement among themselves that all items for any town would go from a bank having a reciprocal correspondent at such point. Thus the Merchants' National Bank, Chicago, would take for all the banks all items on La Porte, Michigan City, etc., the First National Bank all items for South Bend, Elkhart, etc. But the inevitable result of such a scheme would be to invite a flood of items of this class from their regular channel, seeking free passage via Chicago. Work is money, and time is money, and any plan which seeks to save paying exchange at the risk of largely increasing its list of free items must fail of good.

In all departments of mechanical work competition has come to demand that system lend a helping hand in getting the greatest possible amount of work done with the least possible outlay of force and money, and at the same time full pay be given for actual services rendered. The broker may sell to one party 200 tons of coal, and be fairly paid with a margin of \$35.00: if sold to five different parties, he may not be so well paid for time and work with a

margin of \$75.00. Why may not the banks in large cities take advantage of this principle in clearing country items? There is no good reason why the customer should not pay and expect to pay for his items received in a retail way the usual retail price for collecting such items, and at the same time the city banker take advantage of his ability to demand and get better rates by clearing in wholesale quantities. As country bankers we receive in one day from each of six different Chicago banks a demand bank item of \$50.00. We charge each bank 25 cents exchange, an aggregate for the six banks of \$1.50. We would remit the \$300.00 to one party for forty cents, and for less with contract for collecting such items for all the Chicago banks through one channel for a definite time. Why not all "out of town" bank items (and by banks items I mean notes and acceptances as well as checks) from all banks in any large city go from one source of collection, not from any one bank as agent for all, bank jealousies would render this impracticable, but from a special agency, created for this purpose alone, whose manager and clerical force should be in the direct employ of the associated banks.

The mechanical details of such an agency will readily occur to any accountant. They would be arranged with an eye to speed and absolute proof of all work, and at the same time would be so simple and systematic, that a very small force could care for a very great number of items.

To this agency each bank should send at the same hour each day its items of this class, carefully listed, and would secure from the agency by the same messenger a list of the items collected for it to date, with a check to balance. The hour for exchange would be about 12 o'clock, the forenoon being occupied by the bank in registering and listing items received by the morning mail and by the agency in distributing and getting ready to pay to the banks items reported in its morning mail as paid. As soon as the work of exchanging lists is over, the agency would at once distribute items alphabetically by towns, then assort, register and mail, sending at each point to the bank making the best terms.

The banks during the afternoon would check off its items reported paid, credit, and notify owners. By this arrangement there need be but little if any loss of time, the item would make its round almost, if not quite, as quick as if sent by the bank direct.

Some savings.—Six items can go out in one letter with one-third the work and one-sixth the stationery and postage required to send six items in six letters. This applies at both ends of the line. By allowing checks, notes and acceptances to go through the agency much better terms can be made with collecting banks than could be done if sight drafts on merchants were included, a large percentage of which go back unpaid. If the paper to be handled averaged \$250.00 per item, or more, the principle saving would be in clerical force and postage. But observation will show that such is not the case, that they will average less than \$100.00, and probably less than half that amount, and that much will be saved in exchange by having many items remitted for in one draft, even if regular rates of exchange be charged.

Some details.—The bank's list for agency need only include number, amount, and instructions, and the agency list for bank only number and amount. Both lists must be added and be correct, with a fine for errors.

For convenience in registering, each city bank would be known by a letter of the alphabet or a number. This letter or number, as well as the number of the item, would appear in the bank indorsement. Instructions "Protest" or "No protest" would be attached to the item. If with interest, only the amount due at maturity would be named, and on all paper the date due would be clearly marked. The advantage of having each item tell its own story clearly will be apparent when it is remembered that the items for all the banks will be mixed indiscriminately before the registering begins. The footing of the register will agree with footing of totals as reported by all the banks on their lists. The total of drafts drawn to pay agency lists to banks will agree with total receipts by mail, plus exchange paid. The expense of such an agency would be met as the banks might agree. Each could pay for all items collected a regular schedule price, about equal to the present cost of collection, and then share in the profits in the ratio of its patronage, or the entire expense could be periodically apportioned among the banks in ratio of the amounts collected.

WHAT'S IN A NAME?

The signature articles commenced in the January number of the JOURNAL with a representation of the sign manual of W. P. Hazen, then Cashier of Chatham T. Ewing & Co.'s Bank of Thayer, Kas., and who since has connected himself with the Farmers' and Merchants' Bank of Erie, Kas., and have been continued in March, April, May and June. The signatures of Carmon Parse, Cashier of the First National Bank of Plainfield, N. J., W. D. Mussenden, Cashier of the First National Bank of Bath, Me., and of Gordon, Kurtz & Co. of Indianapolis, Indiana, appeared in March; those of E. Keator, Cashier of the First National Bank of Cortland, N. Y., of L. M. Mielly, business man of Santa Fe, New Mexico, and of Hugh Harbison, Secretary and Treasurer of Colts' Patent Arms Manufacturing Company, Hartford, Conn., in April; of John Mohr, Jr., Cashier of the Hamilton National Bank of Fort Wayne, Ind., of H. G. Nolton, Vice-President of the Commercial Bank of Buffalo, N. Y., and of C. W. Bush, Cashier of the Bank of Yolo, Woodland, California, in May; and of E. Newell, Cashier of the First National Bank of Holly, Mich., of Wm. M. Peck, Cashier of the Cloud Co. Bank, Concordia, Kas., of F. C. Miller, Cashier, Salina National Bank, Salina, Kas., and of Lloyd Bowers, Cashier of the First National Bank of Mobile, Arkansas, in June. The facsimile letter in the June number was written and signed by Jas. V. D. Westfall, Banker, Wolcott, N. Y. It was not considered difficult to read, but only odd.

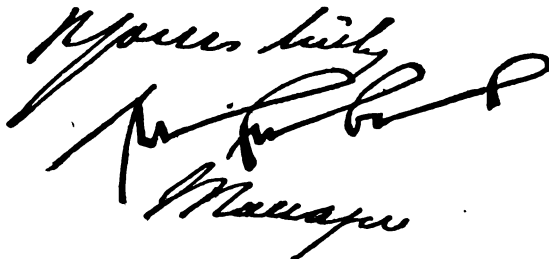
The name of Mr. Hazen was given alone, and it was intimated that he belonged in Kansas, and was correctly deciphered by over two hundred persons. Only one person gave correctly the names of all three of those whose signatures appeared in the March number. No one deciphered those given in the April number, although there were many ingenious attempts received. Some attempt was evidently made to read the illustrations given in the May article, but they were too difficult for successful elucidation. One correspondent recognized John Mohr, Jr., but says Mr. Nolton's mark looks like a Texas cattle brand, and suggests nothing that resembles the other. Another fails on Mohr, reads Nolton all right, but thinks Bush is C. T. Park. One from Iowa recognizes Mohr, but silently passes the others. Another reads the three as J. H. Ware, Jr., H. G. Nolton and C. T. Peck, just one-third right. Still another gets Mohr and Nolton, but calls Bush, L. G. Phelps. The growing difficulty seems to have induced a feeling of apathy, and we have up to the time of writing received but one attempt to decipher the names given in the June number, and that as to one of them only.

One surprising thing to many in regard to this whole business is that bankers generally are not better acquainted with each others signatures. There is an idea encouraged by politicians that banks and bankers are a guild banded together for mutual protection and the plunder of the public, and both parties affect to fear the influence of the banks. But the fact that so few correct replies have been received in regard to the names published in the JOURNAL shows that there is very little general communication among the banks. Each institution has its own little circle and is as little known outside of it as the ordinary business man or merchant.

We have received several other signatures which may be characterized as "interesting but tough," as Huck Finn said about the statements in Pilgrims Progress, but rather hesitate to present them to our readers, inasmuch as the dearth of answers to those published in the last two or three numbers seems to betray a waning interest. In fact the number of signatures of this kind received from all parts of the country does not exceed twenty-five, indicating that the signatures of business men and bankers, while they may be characteristic are generally legible. This state of things does not indicate any great need of reform. As to publishing specimens of good signatures we fear that the process would be somewhat invidious in view of the general standard of

excellence, and besides, as has been remarked of characters in fiction, the bad ones are more entertaining than the good. As a finale we give three more from our collection of curious writing.

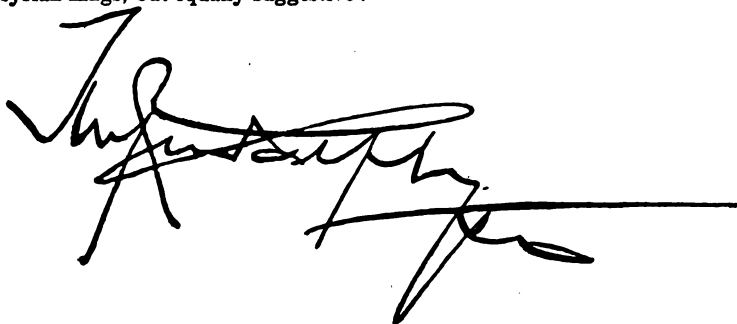
A bank Manager not in the United States provides this imitation of an ancient runic inscription :



This tea chest advertisement belongs to a Teller who is evidently seeking a Cashier's position. It is easy if one can recover from the idea that it is Chinese:



From the South comes the following interesting and beautiful signature, which is not more difficult to read than the cuneiform inscriptions of the Assyrian kings, but equally suggestive :



The first is that of R. J. B. Crombie, Manager of the Bank of Montreal, Picton, Ont. ; the second of F. S. Watts, Teller of Audubon County Bank, Audubon, Iowa; and the third of Tom Randolph, President Merchants' and Planters' National Bank, Sherman, Texas.

As to good, plain and yet characteristic signatures, the U. S. Treasury notes of recent issue present two which answer all these requirements, viz.: those of Gen. Rosecrans, Register, and C. N. Jordan, Treasurer. The latter signature is particularly fine, legible and graceful.

Notes and Comments on
BANKING PRACTICE.

SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

An Experiment in Savings Banks.—The value of Savings Banks as philanthropic agencies, "Helping those who help themselves" has long been recognized, so much so that they have become a part of our banking system. The main features of a savings bank are too well known, especially to readers of the JOURNAL to need any repetition here. But there has recently been established in Baltimore, at first an experiment, and now a recognized success, The Provident Savings Bank, which presents some peculiar features that may not be without interest. Some years ago a few persons, principally connected with the Society of Friends, organized a mission for moral, intellectual and religious instruction in one of the lower wards of the city of Baltimore. Their efforts were attended with gratifying success. About three years ago they started in connection with their mission work, a small savings society, which collected the scanty savings of the people who came to the mission, placed them to the credit of the society in one of the savings banks of the city and divided the interest received upon the total deposit among the respective depositors. The results were most encouraging. Little by little this branch of the work grew into more and more importance and at last it was said, Why not incorporate a savings society, and establish a regular bank of our own? Accordingly, at the last session of the Legislature, a charter was obtained authorizing the incorporators to establish a savings bank with branches in the city of Baltimore and the outlying villages. The primary object was to place the advantages of the bank within the reach of those who could not by reason of their distance from the central parts of the city, avail themselves of the older institutions.

It was found that not only was much time lost in going to and from the more distant parts of the city to the central banks, but also that it was extremely inconvenient for working people to take that much time in the busy part of the day. For children the older banks were almost entirely out of the question. The undertaking seemed rather an extensive affair, but six branches were opened, five in the outlying sections of the city and one in the neighboring village of Woodberry. The quarters at first were most unpretending in their character, but they had soon to seek more commodious places, and the rooms are now regular bank offices, with the usual counters, desks, and other necessary furniture. It has also been found necessary to open a central office in the business section of the city. This will sustain somewhat the relation of a parent bank to the various branches. The success of this bank lies not so much, for the present, in the sum total of its deposits, though that is no small item, being now, after ten months, nearly \$40,000 net; but it consists chiefly in the character of the depositors. The bank has reached most effectively that class of persons for whom these institutions are primarily intended, as is shown by the fact that the depositors, nearly 5,000 in number, have, on an average, a little over \$8.00 apiece. In other words, the persons who have taken advantage of the facilities offered are those who can save but little at a time, possibly 10, 25 or 50 cents, and to whom \$5.00 or \$10.00 seems quite an aggregation of capital. The work of this bank and its various branches has been most interesting and important. It has not only afforded absolute security with a small interest to the savings of the depositors, but it has encouraged and, in many

instances, has taught habits of thrift and economy to those who most needed the exercise of these virtues. These branch banks are not opened in the usual business hours of the day, but on two or three hours on Saturday or Monday night, thus removing one great obstacle in the way of those who might have desired to make use of the older institutions. A very interesting feature which has been developed in the experience of this bank has been the large number of little children who bring in their tiny deposits, many of them with a regularity which would be a credit to older heads. At first it has been remarked these young depositors seemed to have a great deal of difficulty in letting the money remain in the bank after it was placed there, but, after it has amounted to any sum, say \$2.00 or \$3.00, and they have realized the tangible results of saving little by little, they seem content to let it stay. The numerous small sums which the children have brought in has necessitated the adoption of what in this country is a new feature in savings banks, namely the Stamp deposit system. It was found that to keep an account of such small sums of money, by ordinary process of book-keeping, required more clerical labor than the bank could afford, and therefore, to prevent the institution from degenerating into a charity, and to keep it on a self-sustaining basis, it was necessary to devise some other method. The stamp deposit system consists in the use of a folded card about 6 inches by 9 inches, having on the outside the rules of the bank, the names of the officers and so on. The inside is ruled off into thirty squares of about the size of a postage stamp. The bank has had stamps prepared certifying on their face that the sum of 10 or 15 cents has been deposited, and will be paid to the owner of the card on demand. For every 10 or 15 cents deposited one or more of these stamps are pasted on the card. When the sum amounts to as much as one dollar, the depositor may be given a pass book with that sum entered to his credit in the regular way. The stamps are cancelled and the card continued in use until all the spaces are filled. This card system not only saves a great deal of labor, but is found to furnish an additional incentive to the children to hoard their savings; each one having an ambition to show the most stamps on his card, and bye and bye, to have a little book of his own like the grown-up people. This system of a savings bank having small branches over the city and extending to neighboring villages combined with the use of the stamp card, seems to furnish a substitute for the Government system of Postal Savings Banks more adapted to the genius of our institutions.

Rotation of Directors.—Old established banks with ample capital, and still more ample surplus fund, can well afford to move on in the good old-fashioned way, resting upon the maxim, "Nothing succeeds like success," but a new bank that has to work for business and often under difficulties must perforce resort to every honorable means to build up its line of deposits and to keep its losses from discounts at the minimum figure. A plan that is not without its advantages is to adopt a system of rotation in the board of directors, that is to provide in the bye-laws for a slight change in the directory every year. In a board, for example, of eight or ten directors, let two retire every year, and be ineligible for re election until the expiration of two more years. This plan has some advantages which may not be apparent at first sight. It affords a graceful and courteous means of exit for those who have served long and faithfully, and who may feel that they lag superfluous on the stage. It gives a chance for the introduction of new and younger elements in the composition of the directory without waiting for the uncertain chances of death or resignations. It affords opportunity to bring into the directory new depositors of wealth and influence, who will add to the strength of the council board, and who by elevation to the directory becomes so closely identified with the bank that their accounts with the institution may be regarded as a fixture. Thus, in every bank there is a certain set of men, some stockholders and some only depositors, who make up what may be called the eligible list for vacancies in the board, and this system of rotation practically constitutes the whole list of eligibles a standing board of directors.

Those who have had experience are ready with practical advice, and those who are looking forward to taking their places in the administration of the

institution are equally ready with their assistance, and take equal pride in the management of the bank and in its success and prosperity. It may be thought that this constant change would produce an element of fluctuation and uncertainty, which would be unfavorable to a settled policy in the management, but this objection disappears when it is remembered that every director serves a term of five or six years, and there is always in the board a number of experienced members. Sometimes it happens that the choice of a new director is made not wisely, and under this system of rotation there is some prospect of correcting the error without giving offence or waiting for the slow course of time.

New Ideas from the Clerks.—The general tendency seems to be to select the Cashiers of banks from the clerical force, and oftentimes a further step is taken in this direction by the elevation of the Cashier to the head of the institution. The line of distinction, therefore, between the two grades of offices, so to speak, does not seem to be very well defined, and it is proper that it should not be. Many banks are content to jog along in the same old-fashioned way, "The same old wheel in the same old rut," and appear averse to any changes whatever. But it is much better to encourage the clerks, and especially the younger ones, to introduce, test and adopt any new methods that may seem of practical value. Most men have a pretty keen eye for anything that promises to be of personal benefit, and if men, as they successfully take charge of particular desks, are allowed to introduce such improved methods as they may devise, the net result will be that the clerical work of the bank will be gotten down to as small a compass as possible, and the further result that the most work will be done with the least possible force—that is to say, the least possible expense to the bank. As the character of the business of a bank changes, its method of book-keeping must also change, otherwise, imperfections will creep in, and what was in the beginning an excellent system will become out of date and cumbrous. It is these old-fashioned ways of doing things that constitute the field for the defaulter and of the embezzler. The writer was recently told of a corporation which had been robbed to quite a large extent by one of its employees; and it appeared upon inquiry that a clerk who had come in the office, not very long before, had suggested a change in the method of book-keeping, but his advice not being supported by weight of years and experience was not heeded, matters went on and the young man finally became satisfied there was something wrong, and took the proper steps to lay the matter before the managers, investigation was ordered and the theft discovered. Had the young gentleman's advice been followed in the first instance, the defaulter would have been brought to grief much sooner, and the corporation would have been a considerable sum of money in pocket. No one knows so well how work ought to be done as the man who is doing it, and nobody is so anxious as he to find out the easiest and best way of accomplishing the desired results. It is, therefore, as a general rule, a better plan to encourage the force to suggest new and improved methods, and if it so happens that the practice of a suggestion does not bear out the theory, it will not be difficult to return to the old way.

Confinement and Bad Air.—Every occupation in life has its advantages and its disadvantages, and certainly the banking business is no exception to this rule. One of the objections urged against a clerical position in a bank is the evil effects of the constant confinement and habitual breathing of an impure atmosphere. Confinement is something incidental to the nature of the business and cannot well be helped, but the rule which prevails in some banks, prohibiting the clerks from leaving the office during banking hours, can not be too strongly condemned. There is no sufficient reason why such a regulation should be enforced, and the arguments that are usually cited in its favor are trivial and insufficient. The objections to it are weighty. In the first place, it necessitates eating cold lunches, which are a sure road to dyspepsia and, in the opinion of the writer, an invention of the Evil One. It is rather a benefit than otherwise to a bank to have its clerks on the street from time to time during the day, and a little spirit of accommodation will effectually prevent any inconvenience from the temporary absence for a few minutes of any special man.

Both the Cashier and the clerks have very often affairs of their own which need a few moments attention during business hours, and it seems unreasonable to enforce a rule which must either be subject to many infractions or else become a source of great inconvenience.

The air in most banking offices is far too warm and very impure, too little regard being paid to systematic ventilation. The janitor should be instructed to thoroughly air the entire apartment a little while before the bank opens and immediately after it closes for the day. This will prevent that daily accumulation of impurities which makes the air so very heavy and unpleasant. Modern buildings are usually constructed with a due regard to ventilation, but it is very difficult to alter an old-fashioned building so as to meet the requirements of the present day in this respect, still a good deal can be done by means of the patent ventilators, which can be applied to any window. Many of the impurities which render the atmosphere of a bank oppressive come from small particles of dust which are constantly floating about in the air. The janitor should be compelled to keep every part of the bank room and everything in it perfectly clean, and by a liberal use of soap and water prevent the accumulation of dirt and dust in any part of the office. If the floors are marble, they should be washed every day; and if wood, thoroughly scrubbed at least once a week. This may seem a trivial matter, but many of the lung complaints which seem to trouble bank men can be traced not only to stooping positions and confinement, but even more to the constant inhaling of tiny particles of foreign matter floating in the atmosphere. It seems hardly necessary, so often has that topic been treated, to insist upon the necessity of systematic exercise in the open air. In this respect, at least, we must acknowledge that as a people we are far behind our English friends. With them, everybody gets as much of the open air as he possibly can. So far as he is able, an Englishman may be said to live in the open air.

A man, who, by nature of his occupation, is closely confined during the greater part of the day, should take especial pains to counteract the evil effects thereof by living as much as possible, outside of business hours, in the open air.

Amount on Checks.—The paragraph on specimen checks among the notes and comments on "Banking Practice" in the June number of the JOURNAL has called out some criticisms. The suggestion was that the amount should be in the left hand corner of the check and the number in the upper left hand corner, and that the printing of the name of the State on the end of the check was a mere affectation of novelty with no argument in its favor. It has been stated to us by a gentleman employed in one of the large banks in this city that the name on the end of the check is a very great convenience in sorting the paper of this kind received from all over the country, which would certainly seem to be a good argument for printing it there.

Another correspondent whose letter is printed in full elsewhere writes that the only proper position for the amount of a check in figures is the *upper* left hand corner and that the number should be in the lower left hand corner. And finally Mr. Chas. E. Sprague has an article in the "Office" for April, 1887, in which he contends for placing the amount of a check in the upper right hand corner. His argument is that in running over a pile of checks the usual procedure is to hold the pile with the left hand and with the right turn up the ends of the checks, and that if the amount is in the upper right hand corner it is easier seen and the counting can proceed more rapidly and draws an analogy from the custom of placing stamps on the right hand upper corner of letters to aid the Post-office in cancelling them. There is force in all these arguments, in that uniformity of any kind in papers insures ease of handling, but if one uniform practice of placing the amount of a check were adopted by all we cannot see that it would make any difference which corner is selected. Turning the check around would bring either upper corner into practically the same position for handling or reading whether the handling is done with both hands or one, and the lower left hand corner would be no more difficult place either to read or handle after one got used to it. Our correspondents must divest themselves of any prejudice in favor of any corner and work for uniformity as far as possible. A perfectly drawn check, by which we mean one that

combines in itself all the points for ease of handling in banks doing either a large or small business, would doubtless have to contain some features that would not be necessary to all banks, but while useless to some they would be very useful to others and would do no harm to any. This we take it would be the case with printing the State on the end of the check which might seem superfluous to some and yet be a very great convenience to others; so with numbers indicating the bank and other features of the kind. Mr. Sprague suggests that the American Bankers' Association take the matter in hand and try to secure uniformity in the form of checks and drafts, but whatever interest may be taken in the matter by the association nothing will be accomplished as long as each bank desires that its own particular pattern shall be the one adopted.

Expense Account.—The practice which prevails in a great many banks, of running a "sundry expense" account, in which are gathered various items without any specific mention, is not one to be approved, or, indeed, tolerated. The legitimate expenses of a bank are sufficiently large without being unnecessarily increased, and while a parsimonious policy is to be condemned; yet, on the other hand, unless expenditures should not be allowed. The surest way to prevent such a thing, is to keep an accurate and detailed account of all the money expended under this head, such account to be open at all times to the inspection of any one in the bank who may desire to examine it. Men are not always very prudent in making experiments when the expense of the same does not come out of their own pockets, and sometimes a bank has to pay quite heavily for indulging the fancies of those, who, like the ancient Athenians, are always seeking after some new thing. Some banks adopt a plan of having one man attend to the buying and requiring all orders for supplies to go through him; while in other institutions, these matters are conducted pretty much on a go-as-you-please plan, each clerk buying what he wants, and the seller charging the bank pretty much any price he pleases. The former plan is better for the bank; the latter, for the clerks. But, at any rate, no bill should be paid until it is certified by the person who ordered the article. If, by adopting a rigid system of accountability the expenses can be cut down \$1,000 a year, that is equivalent to at least one additional clerk, and where men can be made to perceive that it is directly to their own advantage to keep the expenses at the minimum, there is established a very strong check against extravagance.

Recording Signatures.—Every bank necessarily keeps a record of the signatures of its customers in what is commonly called the signature book. The form of this book is usually that of an ordinary ledger index, but it can be vastly improved even in a small bank by arranging the index on the principle of sub-voweling. Signatures vary from year to year even with persons who are very uniform in the style of their handwriting, as may be readily seen by referring to the original signature of an account which has been in a bank say ten or fifteen years. As it is often of great importance to determine beyond a doubt the genuineness of a signature, it is desirable that a bank should, as far as possible, renew the signatures of its depositors as often at least as once a year; that is, commence a new signature book once a year. Great care should be taken to keep authentic signatures of all the officers of corresponding banks authorized to sign checks, as sometimes considerable embarrassment is occasioned by a check coming in for payment with a signature, about which the paying bank is not quite sure. Of course, it is easy in such a case to resort to the telegraph, but one does not care to ask in that way for information, which should already be in one's possession. The same remarks apply to signatures of officers of corporations. A bank should always require an official notification of the authority of officers of corporations to sign checks. A little attention to matters of this sort will sometimes prevent unpleasant occurrences. The JOURNAL has been asked, What should be done in case a depositor who can not write his name desires to open an account? The answer given was that he should make a duly executed power of attorney to some one in whom he had confidence to sign his checks for him.

BANKING LAW.

* Legal Decisions Affecting Bankers.

CHECK ON BANK—NOTICE OF FAILURE OF DRAWER BEFORE PRESENTMENT —RIGHT TO FUND AS BETWEEN CHECK-HOLDER AND ASSIGNEE FOR BENEFIT OF CREDITORS OF DRAWER.

(Without deciding the mooted question whether the check or draft of a person on a bank in which he has deposits, operates as an equitable assignment of the fund so on deposit to the holder of the check, to the amount of it, it is clear that such check or draft does not bind the fund in the hands of the bank until it has notice of the draft or check by presentation for payment or otherwise. Until then other checks drawn afterwards may be paid, or other assignments of the fund, or part of it, may secure priority by giving notice.)

The plaintiff, Schuler, a citizen of Kansas, was the owner and holder of a draft or check drawn by C. W. Israel & Co., bankers in Texas, on the Laclede Bank, a corporation existing under the laws of the State of Missouri, for the sum of \$11,250, dated at Henrietta, Texas, October 20, 1885, and payable to the plaintiff, which was duly presented for payment on the 26th of said month and payment refused on the ground that C. W. Israel & Co., the drawers of the check, had on October 24, 1885, made an assignment under the laws of Texas for the benefit of their creditors, of which the Laclede Bank had been advised by telegraph. Plaintiff thereupon brought suit against the bank, and the assignee of Israel & Co. claiming that there were funds in the hands of the Laclede Bank to the credit of C. W. Israel & Co. on the presentation of the check for payment which ought to be applied for that purpose, and that notwithstanding the general assignment of Israel & Co. on October 24th, the check in question made in favor of the plaintiff on October 20th was an assignment or appropriation of so much of those funds to the benefit of the complainant which he was entitled to enforce by suit. The bank alleged that on the morning of October 26, 1885, it received a telegram from C. W. Israel & Co., dated the 24th, stating that they had made an assignment and directing the bank to hold their funds subject to the order of the assignee. That this telegram was delivered at 8 o'clock in the morning of October 26th, and the check in favor of complainant was presented at the opening of the bank at 10.15 on the same morning, which was the first notice the bank had of it. The bank claimed that the general assignment with the notice of it by telegraph was a complete revocation of the check in question as well as all other checks drawn against it by Israel & Co., and that the assignment with this prior notice to the bank vested in the assignee the better right to any funds of C. W. Israel & Co. in the hands of the bank. The bank further alleged and set up transactions between C. W. Israel & Co. and itself by which Israel & Co. would be indebted to the Laclede Bank on a settlement of the transactions between them in a sum beyond anything which they held on deposit to the credit of C. W. Israel & Co. A part, however, of these transactions going to make up this claim of set-off against Israel & Co. consisted of notes discounted by the Laclede Bank for Israel & Co., part of which had not yet matured. The bank further claimed that Israel & Co. and itself were corresponding banks, one being in Texas and the other in St. Louis, Missouri, and that there had been a long course of dealing between them, and for this reason it had discounted the

* All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL'S Law Department as early as obtainable.

Attention is also directed to the series, "Powers of Bank Cashiers," "Law Notes and Comments" and "Replies to Law and Banking Questions," which are included in this Department.

notes of Israel & Co. without any other sufficient security. The assignee of Israel & Co. also appeared and interposed an answer setting forth mainly the same facts as alleged by the bank.

The case being heard before the Circuit Court of the United States for the Eastern District of Missouri, that Court found that at the date of the presentation to the Laclede Bank of the check in question, there was to the credit of the account of C. W. Israel & Co. in said bank the sum of \$5,912.41 subject to the payment of said check, and that said check operated in equity as an assignment of of said sum as against defendants, to the complainant; and the Court therefore ordered that the complainant recover from the defendants the sum of \$5,912.41 and interest. The case being appealed to the Supreme Court of the United States, it was

Held, The question of how far and under what circumstances a check of a depositor in a bank will be considered an equitable assignment to the payee of the check, of all or any portion of the funds or deposits to the credit of the drawer of the check in the bank, is one which has been very much considered of late years in the Courts and about which there is not a unanimity of opinion. In this Court it is very well settled that such a check, unless accepted by the bank, will not sustain an action at law by the drawee against the bank as there is no privity of contract between them. (*Marine Bank vs. Fulton*, 2 Wall., 252; *Bank of Republic vs. Millard*, 10 Wall., 152; *Bank vs. Whitman*, 94 U. S., 343.)

But while this may be considered as the established doctrine of this Court in regard to the rights of the parties at law, and is probably the prevailing doctrine in nearly all the Courts, it is urged in this case and very respectable Courts have so decided, that such a check is an appropriation of the amount for which it is drawn of the funds of the drawer in the hands of the bank. (*Roberts vs. Austin*, 28 Iowa, 315; *Fogarties vs. State Bank*, 12 Rich. 518; *Munn vs. Burch*, 25 Ill., 35; *German Savings Institute vs. Adae*, 1 McCrary, 501.)

But, however this doctrine may operate to secure an equitable interest in the fund deposited in the bank to the credit of the drawer after notice to the bank of the check, or presentation to it for payment—a question which we do not here decide—we are of opinion that, as to the bank itself, the holder of the fund, and its duties and obligations in regard to it, the bank remains unaffected by the execution of such a check until notice has been given to it, or demand made upon it for its payment.

In the case before us it is a conceded fact that before the bank had any knowledge or notice whatever of the check on which the plaintiff brings this suit, it had received a distinct notification from the drawer of that check that he had made a general assignment for the benefit of his creditors with an express direction to hold the funds subject to the order of the assignee. Therefore even if the check could be considered as an attempt on the part of C. W. Israel & Co. to assign or appropriate this amount in the hands of the bank to Schuler, the general assignment for the benefit of all their creditors of all their assets, including those in the hands of the bank, was made and brought to the attention of the bank, with directions to turn them over to this assignee before it had any notice of the check in favor of Schuler.

The learned judge who decided the case on the Circuit rested his judgment, in an opinion which is found in the record, on the proposition that as between these two equities, namely the equities of the general creditors under the assignment to Davidson, and this implied assignment in equity by the drawing of the check, the latter was superior. In this it would seem that he was somewhat influenced by the fact that he was enabled to trace the sources of some of the deposits to the credit of Israel & Co. in the Laclede Bank to money which in a roundabout way had been collected for the payment of a debt to Schuler and had finally been deposited to the credit of C. W. Israel & Co. in the Laclede Bank. But there is no allegation in the bill, nor any evidence in the testimony, nor any reason to believe that the bank knew anything of this connection between the sums received from several of the banks with which Israel was connected at different times and the debt of Schuler. This is expressly denied and we can see no reason why the bank should be held in any way to regard the deposit made by C. W. Israel & Co. as in law or in

equity funds in which Schuler had an interest. It must therefore be left entirely out of the argument in the contest between the bank and Schuler. Apart from this matter it is not easy to see any valid reason why the assignment of an insolvent debtor for the equal benefit of all his creditors, of all his property, does not confer on those creditors an equity equal to that of the holder of an unpaid check upon his banker. The holder of this check comes into the distribution of the funds in the hands of the assignee for his share of those funds with other creditors. The mere fact that he had received a check, a few days before the making of the assignment, on the bank, which had not been presented until after the general assignment was made and notified to the bank, does not seem, in and of itself, to give any such superiority of right. The assignment was complete and perfect and vested in the assignee a right to all the property of the assignor immediately upon its execution and delivery, with due formalities, to the assignee, and the check of this assignee, like the check of Israel & Co., could have been paid by the bank with safety, if first presented. The check given by the same assignor a few days before was only an acknowledgement of a debt by that assignor, and became no valid claim upon the funds against which it was drawn until the holder of those funds was notified of its existence. This we think is the fair result of the authorities upon that subject.

In the case of *Spain vs. Hamilton's Adm'r*, 1 Wall. 624, this Court says: "Any order, writing, or act which makes an appropriation of the fund amounts to an equitable assignment of the fund. The reason is that the fund being a matter not assignable at law, nor capable of manual possession, an appropriation of it is all that the nature of the case admits of, and therefore it is held good in a Court of equity. As the assignee is generally entitled to all the remedies of the assignor, so he is subject to all the equities between the assignor and his debtor. But in order to perfect his title against his debtor it is indispensable that the assignee shall immediately give notice of the assignment to the debtor, for otherwise a priority of right may be obtained by a subsequent assignee, or the debt may be discharged by a payment to the assignee before such notice."

The same principle is also laid down in *Christmas vs. Russell*, 14 Wall., 69; *Story Eq. Jur. Sec. 1047, 1057, and 1035a*. See especially the authorities cited in Note 1 to this latter section. See also, *Ward vs. Morrison*, 25 Vt. 599, and *Loomis vs. Loomis*, 26 Vt. 198.

For these reasons we are of opinion that at the time of the presentation of the check to the bank, the bank held no funds subject to its payment, whether we consider the delivery of it by C. W. Israel & Co. to Schuler as intended to create an equitable assignment or not. As the assignment of Israel & Co. had the effect when the bank was notified of it to transfer to the assignee all right to any funds in its hands which Israel could assert, we need not consider the other questions in the case.

Judgment reversed and bill dismissed.

Laclede Bank vs. Schuler, Supreme Court of the United States, March 7, 1887.

STATE BANK—LIABILITY OF STOCKHOLDERS—CONSTRUCTION OF LIABILITY CLAUSE IN CHARTER.

The charter of the Union Bank of Quincy, by its seventh section, provided as follows: "Provided, also, that stockholders in this corporation shall be individually liable to the amount of their stock for all debts of the corporation, and such liability shall continue for three months after the transfer of any stock on the books of the corporation."

In a suit by a creditor of the bank against a stockholder, the latter contended that the liability imposed by this section upon the stockholders was simply to pay the creditors of the bank the balance unpaid upon subscriptions for stock.

Held, The plain and obvious meaning of this language is that the stockholders are liable to creditors for their debts to an extent measured by the amount of their stock. Omitting the clause expressing the extent of the liability and we have this: "The stockholders in this corporation shall be

individually liable for all debts of the corporation." If this were all, their liability would be unlimited; they would be absolutely liable for all the debts of the corporation. The intention, however, is to limit that liability. But to what extent? The answer is "to the amount of their stock," not to the amount unpaid upon their stock. The language makes the liability because of the fact of being stockholders, and not because of the fact of being debtors of the corporation. If the liability intended was simply to pay the creditors the amount due the corporation, what would have been more natural and easy than to have used just that language? The difference between a stockholder, and a debtor for unpaid stock, is recognized in several of the sections, and so was at the time in the legislative mind, and it must therefore be presumed that words expressing the one would not have been used to express the other in this instance. (Extracts from different sections of the charter are here given to illustrate the statement of the Court.)

In no instance is the word *stock* used in the sense of a debt or obligation due from the stockholder, but it is at all times used to express the idea of property in the corporation—what may be the subject of a debt it is true—but it is not itself a debt any more than is any other property, and in this connection we will observe that we are unable to appreciate the distinction which counsel seek to draw between the words "liable to the amount of their stock" and the words "liable in a sum equal to the amount of their stock," which is frequently found in similar charters; they conceding, as we understand their position, that on the authority of decided cases, if the latter language had been here used, their client would be liable as held by the lower Courts. But since the words "to the amount of their stock" in no view mean the thing which is itself to be paid to the creditor, but are in every view simply used to express the measure by which the sum of money of, which the creditors may enforce payment is ascertained, "liable to the amount of their stock" is but stating elliptically what is fully stated by the words "liable in a sum equal to the amount of their stock." "Liable to an amount" can mean only liable to pay a sum which reaches or comes up to, or, in short, equals the given amount. So here the nominal or face value of the shares of stock are \$100 each; and if A have two shares we say the amount of his stock is \$200, the nominal or face value of his stock; and therefore to say that he is liable to the amount of his stock for the debts of the corporation is only another form of saying that he is liable to the amount of \$200 for the debts of the corporation.

Root vs. Sinnock, Supreme Court of Illinois, March 23, 1887.

LOAN OF CHECKS—BRINGING ACTION AGAINST BORROWER BEFORE PAYMENT—RECOVERY.

On September 13, 1884, plaintiff loaned the defendant a bank check for \$235, drawn by him on his bank at Littleton, with the understanding and agreement that the defendant should on the following Wednesday deposit the same amount of money to the credit of plaintiff in said bank. On September 30th he loaned defendant another check for \$225, drawn by him on the same bank and under substantially the same circumstances as with regard to the first check. At the time of the loan of the second check defendant told plaintiff that he had paid the amount of the first check into the bank. Plaintiff had on deposit in the bank an amount more than sufficient to pay the first check at the time it was drawn, but had not enough to his credit to pay both checks, or either of them, when they were presented to the bank for payment, and both were protested. Defendant deposited no money in the bank to plaintiff's credit, as he had agreed to do, and plaintiff was obliged to pay the amount of the checks to the rightful owners of them; but he did not do this until some time after he brought this suit.

Held, As to the checks, the case stands as it would if the plaintiff had loaned the defendant a like amount of money. Having treated and used the checks as money the defendant is chargeable for them as money. (Matthewson vs. Powder Works, 44 N. H., 289, and cases cited; 4 Wait Act. & Def., 470, 472, 474.) In this view it is immaterial whether the plaintiff paid the checks before or after the suit. They were simply evidence of the defendant's

indebtedness to him which might be procured after suit as well as before without in any way affecting the rights of either party. The test is not the time when the checks were actually paid, but whether the loan of them to defendant upon the agreement and under the circumstances detailed in the Referee's report gave the plaintiff a cause of action against him at the date of the writ; and that it did we are entirely satisfied.

Judgment for plaintiff.

Hilliard vs. Bothell, Supreme Court of New Hampshire, March 11, 1887.

**PROMISSORY NOTE—CONTRACT OF CORPORATION—LIABILITY OF PARTIES
INDORSING NOTE BEFORE DELIVERY TO THE PAYEE—PAROL EVIDENCE.**

Action on the following promissory note executed by the Houston Flour Mills Co., D. P. Shepherd, President, and indorsed by Shepherd and Latham before delivery to the payee :

HOUSTON, Texas, August 20, 1885.

One year (with privilege of two) after date we promise to pay to the order of Dr. D. F. Stuart five thousand dollars (\$5,000), at our office in Houston, Texas, with interest at the rate of ten per centum per annum from date until paid, interest payable semi-annually.

(Signed) Houston Flour Mills Co., D. P. SHEPHERD, President.

Held, That the note was the separate obligation of the corporation, and not the joint promise of the corporation and the individual who signed it as president.

Further *Held*, This being the nature of the contract between the payee and the corporation, the question is, what is the character of the obligation assumed by Shepherd and Latham when they placed their names upon the back of the note? This was done before delivery and their names appear before that of the payee on the back of the instrument. In such cases the obligation assumed is considered open to explanation by parol evidence and may be proved to be of any character consistent with the nature of the transaction. (9 Tex. 615; 11 Mass. 431.) When the proof is not otherwise our decisions seem to treat such indorsers as original promisers or sureties, entitled to the same rights and subject to the same liabilities. (14 Tex. 275.) The proof in this case shows that Shepherd and Latham did intend in indorsing the note to become sureties for its payment by the corporation. We have then the case of the note of one individual indorsed by two sureties and the question for determination is, what is the liability of these parties to the payee? If the note were the obligation of a natural person, and the promise were made in the singular number and the names of two sureties were signed to it along with the principal it would be the joint and several note of three makers. (1 Dan'l Neg. Inst. Sec. 94.) If the note purported on its face to be what the law construes it to mean, i.e. the individual contract of the Houston Flour Mills Co., and the names of Shepherd and Latham were signed to it as sureties, a like construction would be given to the instrument for in this respect there can be no distinction drawn between natural and artificial persons.

With the present reading of the note, were the names of other parties, whether sureties or principals signed to it in addition to that of the corporation, the note might be construed as joint only. But while the indorsement of a note by a stranger may subject the indorsers to as great a liability as if there names were written at the foot of it, such an indorsement does not change or modify the obligation assumed by the principal on the face of the instrument. His contract is evidenced by the language of the note. The contract of the irregular indorsers is what may be written above their names consistently with the transaction. What may be there written is that which the law implies from the indorsement or which the parties have agreed on as to the liability of the indorsers. This cannot affect the individual liability of the maker, for what he has agreed to do is written in the note itself and is not inferred to be different by reason of any contract, either express or implied, made between others, and contained in another writing, or resting in parol. It is on the ground that the contract of the indorsers is not to be found in the note alone

that it is held subject to proof by extrinsic evidence. If parol testimony is admissible to show that by reason of the indorsements of the sureties the maker is not liable to the same extent, in the same manner, or in the same capacity as the note fixes his liability, then his written contract is varied by parol evidence which is against a cardinal principle of law. If two or more parties make a joint and several note and two others indorse it with an agreement either verbal or written that the makers shall be only jointly bound with them for its payment, this would not affect the several character of the note. If one party makes a note and another indorses it, they in law become jointly and severally liable for its payment. (Good *vs.* Martin, 95 U. S. 91.)

But suppose the indorsers should contract that their liability should be joint only, we think this would not release the maker from his several liability. It is perfectly plain that this could not be done by parol or by implication in either of the supposed instances which is sufficient for the purposes of this case. The present note being the individual contract of the corporation was not changed by the indorsement of Shepherd and Latham into a joint contract of these parties and the corporation. The pronoun "we," which by the terms of the note—these being the terms of the contract between the company and the payee—meant the company alone cannot have a different meaning given to it by reason of any implication assumed by the sureties alone. It must still be referred to the party signing the note and not to it as well as to others whose contract it does not fully establish. The indorsers did not intend to be embraced within the term "we" but to bind themselves as in the case of irregular indorsers upon the note of a single individual. They did not propose to vary the obligation of the principal had it been in their power to do so from an individual note to that of one made jointly with another, but their intention was to become severally as well as jointly bound with the principal as certainly as if such had been the agreement written above their names. This was the effect of the contract.

Latham *vs.* Houston Flour Mills Co., Supreme Court of Texas, March 11, 1887.

DIVIDENDS BY SAVINGS BANKS—INTEREST MATURED BUT NOT ACTUALLY COLLECTED, THOUGH FULLY SECURED, CANNOT BE TREATED AS SURPLUS PROFITS—THE MEANING OF "SURPLUS PROFITS" CONSIDERED.

Defendant, a banking corporation existing under the laws of California, was incorporated on June 18, 1862, under an Act entitled "An Act to provide for the formation of corporations for the accumulation and investment of funds and savings" approved April 11, 1862. The Act provides for the formation of corporations "for the purpose of aggregating the funds and savings of the members thereof and others, and preserving and safely investing the same for their common benefit." Corporations thereunder are authorized to loan and invest their funds, receive deposits of money, loan and invest the same, collect the same with interest, and "repay such deposits without interest or with so much of the earnings and interest as the by-laws of the corporation may provide." They may make by-laws prescribing the conditions upon which deposits shall be received and the time and manner of dividing the profits. Section 10 of the Act provides that "it shall not be lawful for the corporation or the Directors to make any dividends except from *surplus profits* arising from the business of the corporation; and the Directors shall at such times and in such manner as the by-laws shall prescribe, declare and pay dividends of so much of the profits of the company and of the interest arising from the capital stock and deposits as may be appropriated for that purpose by the provisions of the by-laws."

The by-laws of the defendant provided that "at the expiration of every six months ending 30th of June and 31st of December each year, the Board of Directors shall ascertain the net profits of the corporation and shall determine the amount to be appropriated for a general dividend."

During the six months commencing June 30, 1883, the surplus profits arising from the business of the corporation including the interest arising from its capital stock and deposits amounted to the sum of \$280,092. In this amount of surplus profits, and as a part thereof, was included *first* the sum of

\$5,825, for interest which had accrued for the months of November and December in the year 1883, upon the coupon bonds of the United States held by the defendant but which by the terms of said coupons were not payable until February 1, 1884; and *second*, the sum of \$23,917 for interest which had matured since June 30, 1883, but which had not been collected, upon a portion of the loans made by the defendant upon real estate security. The value of the real estate held by the defendant as security for these loans was more than double the amount of the respective loans and the matured interest thereon.

By the conditions of each of these loans it was provided that in case the interest thereon was not paid as it matured, it should be added to the principal sum and be secured by the real estate which was given as security for the principal sum and should thereafter bear interest at the same rate as the principal sum. The defendant being about to declare a dividend from the profits arising from its business during the six months ending December 31, 1883, expressed its intention to include in the amount which it should appropriate for that purpose its surplus profits aforesaid, amounting to the sum of \$280,092 including therein the aforesaid sum of \$5,825 for interest which had accrued upon the aforesaid coupons or bonds of the United States but which would not be payable until February 1, 1884, and also the aforesaid sum of \$23,917 for interest which had matured since the 30th day of June, 1883 (but which had not been collected) upon the loans made and secured as aforesaid. The "Bank Commissioners" objected to the action of the bank in including these sums and this action is the result.

Held. The question in difference and point of controversy upon which the decision and judgment of the Court is sought is the following: "Is the defendant authorized by law to appropriate and pay as a dividend to its stockholders and depositors on the profits arising from its business any portion of the interest upon its loans and investments that may have matured or accrued but which have not been actually collected and received in money."

What are the *surplus profits* arising from the business of the corporation? The word "profits" signifies an excess of the value of returns over the value of advances. The excess of receipts over expenditures, that is, net earnings (15 Minn. 519.) The receipts of a business deducting current expenses; it is equivalent to net receipts (94 U. S. 500.) In commerce it means the advance in the price of the goods sold beyond the cost of purchase. In distinction from the wages of labor it is well understood to imply the net return to the capital or stock employed, after deducting all the expenses, including not only the wages of those employed by the capitalist, but the wages of the capitalist himself for superintending the employment of his capital stock. (Adam Smith, "Wealth of Nations," Book 1, C. 6; Mill, Pol. Econ. C. 15.) The "rents and profits" of an estate, the "income" or "net income" of it—are all equivalent expressions. (5 Me. 202; 35 Me. 420.) Profits are divided by writers on political economy into gross and net, the former being the entire difference between the value of advances and the value of returns, and the latter so much of this difference as arises exclusively from the capital employed.

In *People vs. Board of Sup'rs Niagara Co.*, 4 Hill, 20, Bronson J. said: "It is undoubtedly true that *profits* and *income* are sometimes used as synonymous terms, but strictly speaking *income* means that which comes in or is received from any business or investment of capital without reference to the outgoing expenditures, while *profits* generally means the gain which is made upon any business or investment when both receipts and payments are taken into account. *Income* when applied to the affairs of individuals expresses the same idea that *revenue* does when applied to the affairs of a State or nation."

In *St. John vs. Erie R. Co.*, 10 Blatch, 271, it was said: "Net earnings are properly the gross receipts, less the expense of operating the road or other business of the corporation. Interest on debts is paid out of what thus remains, that is, out of the net earnings. Many other liabilities are paid out of the net earnings. When all liabilities are paid either out of the gross receipts or out of the net earnings the remainder is the profits of the shareholders."

Under these definitions it is not easy to comprehend how *profits*, or *surplus profits*, can consist of earnings never yet received. The term imports an excess of receipts over expenditures, and without receipts there cannot properly be said

to be profits. Money earned as interest, however well secured, or certain to be eventually paid, cannot in fact be distributed as dividends to stockholders, and does not constitute *surplus profits* within the meaning of the statute. To hold the contrary would, we think, tend to open the door to a practice under which the assets of corporations would be liable to distribution as dividends upon no surer basis than the judgment of their Directors as to the value of their bills receivable. Such is not and should not be the policy of the law.

The capital and all the assets except surplus profits are to be retained intact and form a fund to which creditors of the corporation have a prior right over stockholders. If some portion of this fund may be distributed in lieu of interest earned, but not collected, then cases may arise in which all of it may be so distributed—a practice which we deem subversive of the essential principles upon which corporations of this character are organized and under which practically the rights of creditors *might* be greatly impaired. The fact that the defendant has security for the interest due does not make the unpaid interest a profit. Until paid in, it is not money in hand. Contingencies may arise to prevent its being realized. It is time to distribute this interest when it is actually received by the bank.

Judgment for plaintiff.

People vs. San Francisco Sav. Institution, Supreme Court of California, March 28, 1887.

INDORSEMENT OF NEGOTIABLE NOTES HAVING LONG TIME TO RUN—DEATH OF INDORSER BEFORE MATURITY—HOLDER CANNOT PROVE CLAIM AGAINST INDORSER'S ESTATE UNTIL NOTES HAVE MATURED AND BEEN DISHONORED BY MAKER.

(The holder of undue negotiable notes having a long period to run, the indorser on which having died, has no valid claim against the estate of such deceased indorser thereon until the notes have matured and been dishonored by the maker, even though the date of maturity does not arrive until after the expiration of the time allowed by law for proving claims.)

On January 1, 1881, at Terre Haute, Ind., S. H. Kisner executed six notes of that date, one for \$500 and five each for \$700, payable respectively in five, six, seven, eight, nine and ten years after date to the order of C. R. Stevens and by the latter indorsed to the plaintiff. Each of the other notes, except the amount and the date of maturity, is the same as the note for \$500, a copy of which is as follows :

\$500.

TERRE HAUTE, Ind., January 1, 1881.

Five years after date I promise to pay to the order of Clement R. Stevens at P. Shannon's Bank, Terre Haute, Ind., five hundred dollars, value received, without any relief from valuation and appraisement laws, with interest at eight per cent. per annum until paid, and attorney's fees. The drawers and indorsers severally waive presentment for payment, protest and notice of protest and non-payment of this note. Interest payable annually. No. 5. SAMUEL H. KISNER.

(Indorsed) "C. R. STEVENS."

C. R. Stevens, the indorser, died, and plaintiff, the owner of the notes, filed his claim for \$4,433.33, being the full amount of the notes, after giving credit for one year's interest against the estate of Stevens, in the County Court of Clark County, Illinois, on September 27, 1883, after the adjustment term selected by the administrator had passed. On April 5, 1884, the County Court disallowed the claim and rendered judgment for costs against plaintiff. The case being taken on appeal to the Circuit Court of Edgar County, judgment was rendered against the estate on October 4, 1884, for \$560, being for the amount of interest then due, it being payable annually. The Court refused judgment on the principal of the notes, and adjudged costs against plaintiff. The judgment of the Circuit Court was affirmed by the appellate Court. On appeal to the Supreme Court of Illinois,

Held : The question presented is whether the notes were a valid claim against the estate of the indorser at the time they were filed. Under our statute demands or debts against the estates of deceased persons must be exhibited

within two years from the granting of letters of administration. In this case when the notes were filed they were not due by their terms and could not become due until after the expiration of the two years. The maker of the notes was alive when the claim was filed and so far as appears to the contrary when the judgment was rendered. The notes were executed in Indiana and are payable in that State. They are, therefore, to be construed according to the laws of Indiana. Section 6 of Chapter 177 of the Revised Statutes of 1876 of Indiana, which is re-enacted as Section 5506 of the Revised Statutes of 1881 of that State, is as follows: "Notes payable to order or bearer, in a bank in this State, shall be negotiable as inland bills of exchange, and the payees and indorsers thereof may recover as in case of such bills." The notes in question are payable to order in an Indiana bank. Accordingly they belong to the class of notes referred to in the section here quoted, and are to be regarded as commercial paper governed by the rules of the law merchant. "Where the law merchant prevails, the indorsement of a bill or note in blank or in full, without restriction or qualification, passes the interest and property therein to the indorsee, and is an undertaking that the bill or note shall be duly honored, and that if it is not and the indorser has due notice of the dishonor, he will pay the amount to the indorsee. * * * A right of recovery accrues against the indorser as soon as the bill or note becomes due in compliance with the conditions precedent to his liability, namely making due presentment for payment, and giving to the indorser due notice of non-payment; or in case of a foreign bill, having it duly protested and notice thereof given to the antecedent parties." (Edw. Bills, Sec. 384, 385.)

The several undertakings involved in the engagements of the indorser "are all resolvable into one; namely, that he will pay the note if the maker does not, and he is properly notified of the non-payment." (*Id.*)

Notice of non-payment is expressly waived in the body of the notes involved in this suit, and the Supreme Court of Indiana has held that such a contract, if waived in a note, is valid, and the indorsers are affected by it. (*Lowry vs. Steele*, 27 Ind., 168; *Rooker vs. Morris*, 61 Ind., 286.) But the fact that the indorser waives notice of non-payment does not make his contract any the less conditional in its character. He is not liable unless the note is due and unless it is unpaid by the maker when it is due. It follows from these suggestions that the notes were not properly presented as a claim against the estate of Stevens. His contract was to pay them if, when they became due, Kisner did not pay them. When they were filed the conditions had not been met; the failure of Kisner to pay at maturity had not yet transpired.

In support of the contention that the notes were a valid claim, reference is made to Section 67 of Chapter 3 of our Revised Statutes, entitled "Administration," which provides that any creditor whose debt or claim is not due may file the same * * * and shall be entitled to a dividend out of the decedent's estate. Undoubtedly a note may be filed and allowed against the estate of the deceased maker thereof, in advance of its maturity, after deducting the rebate of interest as provided in Section 67. This is so for the reason that the liability of the maker is absolute and unconditional. That of the indorser, however, is contingent upon the failure of the maker to pay at maturity and cannot be enforced until after the happening of the contingency. Hence the section referred to is not applicable to this case. Judgment of Appellate Court affirmed.

Dunnigan vs. Stevens, Supreme Court of Illinois, March 23, 1887.

INCORPORATION OF BANK—NON-COMPLIANCE WITH CONDITIONS AS TO CAPITAL AND TIME—FORFEITURE.

An Act to incorporate the "Kendall County Banking Company," whose name is claimed to have been changed on June 1, 1872, to the "National Savings Bank," was passed by the Legislature of the State of Illinois on March 29, 1869. The tenth section of the Act was as follows: "This Act shall be void unless said corporation shall organize and proceed to business within two years after the passage of this Act." The third section of the Act provided as

follows: "The capital stock of said corporation shall be \$50,000, with power to increase the same to \$150,000, and shall be divided into shares of \$100 each," etc. On August 2, 1870, one person subscribed for ninety-five shares and five persons each for one share, making a total subscription of \$10,000, which was paid in on that day in money. No more capital was subscribed or paid for until November 24, 1885.

Held, The terms of the charter are as positive as they are explicit that the capital stock "shall be" \$50,000. Until all the capital stock was subscribed the company had no authority to commence doing business. Having failed to get more than one-fifth of the required subscriptions during the two years, it was of course unable to "proceed to business" within that period in accordance with the tenth section of the charter. It follows that after March 29, 1871, the Act in question became void.

People, *ex rel* Hunt, Attorney-General vs. National Savings Bank, Supreme Court of Illinois, March 22, 1887.

INDORSEMENT OF NOTES IN ILLINOIS AND DELIVERY IN MISSOURI—IS INDORSEMENT AN ILLINOIS OR A MISSOURI CONTRACT?—THE LAW OF PLACE AS GOVERNING THE CONTRACT OF AN INDORSER DISCUSSED BY THE SUPREME COURT OF KANSAS.

Defendant in Illinois indorsed certain notes and placed them in the hands of her husband for negotiation. He carried them to Missouri where he sold and delivered them to one Dunbar. The notes were negotiated through several hands to the plaintiff, and being dishonored he sued defendant upon her contract of indorsement. The notes were never protested and defendant never received notice of their non-payment. Under the law of Illinois no protest or notice was necessary to fix the liability of the defendant as indorser, but under the law of Missouri protest and notice was required. The question presented for determination was whether the indorsement of the notes by the defendant was an Illinois or a Missouri contract.

Held, We think the law of Missouri must control. The indorsement upon the back of the notes by the defendant at her residence in Illinois, where she placed them in the hands of her husband for negotiation, did not operate to transfer the notes or to complete the contract of indorsement. The indorsement of a note or bill is not completed until the instrument is delivered to the indorsee or put under his legal control. The husband carried the notes into Missouri where he sold and delivered them to Dunbar. Until that time the notes were in the control of the defendant and the transfer or contract of indorsement was not completed until then. The indorsement is a separate and substantive contract and is not necessarily controlled either by the place of payment named in the notes or by the residence of the indorser. The general rule is that contracts of this character are to be construed and their effect determined according to the law of the State in which they are made, unless it appears that they are to be performed in or according to the laws of another State.

In *Prentiss vs. Savage*, 13 Mass., 22, Parker, C. J., in commenting upon this rule, said that "it seems to be an undisputed doctrine with respect to personal contracts that the law of the place where they are made shall govern in their construction, except when made with a view to performance in some other country, and then the law of such country is to prevail." The Supreme Court of Indiana, referring to the liability of the indorser, states "that the indorser promises upon certain conditions which are not expressed in the contract of indorsement, but which are implied by law, that he will pay the note, but not that he will pay it at the place named in the note for payment. His promise is general for the payment of the note upon the implied conditions, and such general promise, not specifically to be performed elsewhere, is governed by the *lex loci contractus* which must determine the conditions upon which he is to be held liable." (*Hunt vs. Standart*, 15 Ind., 83.)

Judge Story supposes a case where a negotiable bill of exchange is drawn in Massachusetts on England, and is indorsed in New York, and again by the first indorsee in Pennsylvania, and by the second in Maryland, and the bill is

dishonored, the law relating to damages in these States being different; and the inquiry is made, what rule is to govern with respect to damages? He says: "The answer is that in each case the *lex loci contractus*. The drawer is liable on the bill according to the law of the place where the bill was drawn, and the successive indorsers are liable on the bill according to the law of the place of their indorsement, every indorsement being treated as a new and substantive contract." (Story Conf. Laws, Sec. 314.)

The authorities supporting this doctrine are uniform and numerous, a few of which may be cited. (12 Wend., 439; 3 Conn., 253; 13 Mass., 4; 2 Scam., 465; 9 N. Y., 279; 18 La. Ann., 257; 12 N. H., 49; 5 Blackf., 240; Dan'l Neg. Instr., Sec. 867, 868.)

The plaintiff contends that the fact that the parties to the indorsement were all residents of the State of Illinois and the circumstances under which the transfer was made in St. Louis, take the case out of the general rule which we have been considering. It is urged that the parties were temporarily in Missouri, and being citizens of Illinois are presumed to have contracted with reference to the laws of that State with which they were familiar, and not according to the laws of Missouri where they happened to be. We are referred to the case of *Vanzart vs. Arnold*, 31 Ga., 210, as an authority for this position. That was a case where the makers and indorsers of a note resided in Georgia, and the indorsements were made and delivered in Tennessee to the agents of the plaintiffs, who were residents of New York. It was claimed that it was a Tennessee contract, but the Court ruled that it being known and understood that the indorsers resided in Georgia, and were in Tennessee for the sole purpose of effecting negotiations, and as matter of convenience, and the plaintiffs' agents only happened to be in Tennessee at the time of the transfer, all the parties must be deemed to have contemplated Georgia as the place of performance and to be governed by its laws. Our attention is also called to a case supposed by Mr. Daniels, in his work on "Negotiable Instruments," at Section 876, of a business transaction between a Virginian and a Kentuckian who were transiently in California, and that the former should accept the bill of the latter, payable in the future, but not expressly at any particular place, and he raises the question whether it would be deemed a Virginia or a California acceptance. He says: "The criterion to apply would be whether or not the acceptance was to be paid in California or in Virginia. If the Virginian were *in transitu*—that is, merely there for a particular negotiation or for convenience, or merely casually passing through the State without any local business established there—the single transaction would be governed by the law of his domicile, where it is presumed he would be, and where it is presumable he would discharge his obligation at maturity, but otherwise the law of California would govern."

Judge Story says that some jurists have adopted the opinion that where a contract is made between foreigners belonging to the same country who are not domiciled, but are merely transient persons in the place where the contract is made, it ought to be governed by the laws of their own country. He then proceeds: "Without undertaking to say that the exception may not be well founded in particular cases as to persons merely *in transitu*, it may unhesitatingly be said that nothing but the clearest intention on the part of foreigners to act upon their own domestic law in exclusion of the law of the place of the contract ought to change the application of the general rule." (Story Conf. Laws, Sec. 273.)

The facts of this case do not bring it within any of these or the other authorities cited by the plaintiff. It is true defendant and her husband, as well as Dunbar to whom the notes were sold, were residents and citizens of Illinois, but there was nothing in the language of the indorsement or the circumstances of the case to show that they contracted with reference to the laws of Illinois. The husband was a conductor on a railroad running into St. Louis, Missouri. That city was the end of his run and also his headquarters. Dunbar was also a passenger conductor on a railroad, and his route was from Louisiana, Missouri, through Illinois, to St. Louis, Missouri. His headquarters were in St. Louis, and he kept some of his valuable papers in a bank or safe deposit in that city. They met in St. Louis, the headquarters of both when not in

charge of their trains, without any previous arrangement that they should so meet, and the notes were then transferred. They were not transiently in Missouri, nor did they go there for the sole purpose of making the contract as was done in the Georgia case. Neither were they *in transitu* or merely casually passing through the State of Missouri without a business established there, like the case supposed by Mr. Daniels; and as stated by Judge Story: "Nothing but the clearest intention on the part of foreigners to act upon their own domestic law in exclusion of the law of the place of the contract ought to change the application of the general rule." Much of their time was necessarily spent in St. Louis, and in fact that city may be said to have been their place of business. The contract of indorsement was actually made in Missouri; and under the circumstances mentioned it cannot be said that it was made in contemplation of the Illinois law, or that the parties intended that it should be interpreted and their liability determined by the laws of a State other than that where the contract was entered into.

Judgment for defendant.

Briggs vs. Latham, Supreme Court of Kansas, March 4, 1887.

DUE BILL PAYABLE ON DEMAND—STATUTE OF LIMITATIONS.

Action to recover the amount of the following due bill:

NOVEMBER 13, 1868.

I have in my hands to the credit of John Boustead, executor of Sarah and also of James Boustead, thirty-one hundred and eight dollars, 38-100, payable to him as such executor on demand with interest at six per cent. until paid.

Held, The plaintiff declared on a "promissory note or due bill." It is payable on demand. It is therefore evidence of a present debt. It is due and demandable immediately. The commencement of a suit is a sufficient demand. No demand is necessary as a condition precedent to a right of action. (99 Pa. St., 421; *Id.*, 488; 107 Pa. St., 352.) It follows that this due bill on its face was barred by the statute of limitations before suit was brought.

Boustead vs. Cuyler, Supreme Court of Pennsylvania, April 4, 1887.

POWERS OF BANK CASHIERS.

Continued from page 602, June number of the JOURNAL.

XVIII. Power to Bind the Bank by Declarations and Admissions.—The Cashier of a bank has power to bind it by declarations made to persons dealing with the bank relating to matters which fall within the scope of his ordinary duties, but he possesses no incidental authority to make any declarations binding the bank not within the scope of his ordinary duties; as if the Cashier should promise to pay a debt that the bank did not owe and was not liable to pay, or should admit forged bills of the bank to be genuine, the bank would not be bound by such promise or admission unless it had authorized or adopted the act. (3 Gill, Md., 96; 17 Mass., 1.)

The Cashier has power to bind the bank by a declaration to a party dealing with it that a note held by it has been paid, although the statement is erroneous. Thus should a person standing in the position of surety on a note make inquiry of the Cashier and be informed that the note on which he was liable had been paid or satisfied, and acting upon this information should give up security which he held of the principal debtor, or indorse additional paper for him, or neglect to take means at hand to secure himself, the bank would be bound by this statement and would be estopped to deny that the note was paid. It is the duty of the Cashier to receive payment of notes and to keep an account of such payments, and consequently he is the proper person to whom to apply to ascertain whether a note has been paid or not; and it is peculiarly within the scope of the business confided to him to give such information. (51 N. H., 116; 5 Neb., 527; 8 Neb., 205; 1 Dev., 454; 35 Vt., 476.)

An opposite view, however, has been taken by the Supreme Court of Maine (87 Me., 519; two judges dissenting), who hold that the declaration of a

Cashier of a bank that a note had been paid is not properly admissible in evidence, as it is not any part of the duty of a Cashier to give information respecting the past transactions of the bank to those dealing with it. This conclusion is reached by applying the general rule of agency that while the declarations, representations, or admissions of an agent authorized to make a contract, made as inducements to or while making the contract are admissible as against the principal; and are also admissible as evidence against him when made by his agent accompanying the performance of any act done by him, such declarations are not admissible and do not bind the principal when not made as before stated, but at a subsequent time.

This doctrine, however, when applied to a statement so made by the Cashier, is opposed to the weight of authority before shown, which is to the effect that the giving of such information falls within the scope of the ordinary duties of the Cashier, and is thus binding on the bank.

But where the Cashier gives false information in a case where he is under no obligation to give any information, the rule is different and the bank is not bound, even though such information may be acted upon. An instance, illustrative of this rule, is afforded by the case of *Mapes v. The Second National Bank of Titusville*, 80 Pa. State, 168. In that case the bank sued Mapes Brothers on two notes made by P. W. Garfield, a depositor, to the order of Mapes Brothers, which were indorsed by the latter for the accommodation of Garfield and discounted by the bank. Mapes Brothers interposed a defense alleging that before they indorsed the first of the notes for the accommodation of Garfield, they took the precaution to inquire of the Cashier and of one of the Directors of the bank as to the financial condition of Garfield, and whether or not it would be safe to indorse for him, and that they were informed by the Cashier and Director that they considered Garfield perfectly good financially, and that the defendants would be safe in indorsing for him. Thereupon they indorsed the notes for his accommodation, relying on these representations. That in fact Garfield was insolvent and largely indebted to the bank for borrowed money, and this fact was known to the Cashier and Director when the information was given by them. Defendants claimed that by reason of these false and fraudulent representations on the part of these officers of the bank whereby they were misled, they could not be held liable on the notes indorsed by them. The Court, however, held that the declaration, even admitting it to be wilfully false, was not binding on the bank as it was not made by the Cashier and Director in the course of their duties as officers or agents, it not being part of the ordinary duty of a Cashier or of a Director to give information concerning the financial standing of its customers.

The place where a declaration is made by the Cashier is sometimes of importance in determining whether it is binding on the bank. Thus in *Merchants' Bank v. Rudolf*, 5 Neb., 527, it is said that statements made by the Cashier of a bank at casual meetings away from the bank building to the effect that a note held by it was paid, or nearly so, have never been held to bind the bank; while in *Houghton v. First National Bank of Elkhorn*, 26 Wis., 668, where a Cashier away from the bank and in another city, was shown a note bearing his indorsement and he replied that it was "all right," the Court held that the fact that the representation was made away from the bank building made no difference; that the party to whom it was made had a right to rely upon such representation, and that it was competent evidence against the bank that the note was properly indorsed.

Whether the statements of a Cashier must be made at the counter of the banking house in order to bind the bank, or whether they are just as binding if made elsewhere, will probably depend upon the character of the information given. If it be such as can only be given accurately by reference to the accounts and records of the bank, it is probable that a casual statement made away from the bank by the Cashier, without the means at hand of refreshing his recollection or reaching a correct conclusion, would not be regarded as admissible against the bank. On the other hand, as in the Wisconsin case above cited, if the information is of such a character that the statement may be made with as great accuracy outside of as within the banking house,

the fact of its being made in a place other than the office of the bank would not be material.

LAW NOTES AND COMMENTS.

TAXATION OF NATIONAL BANK SHARES IN NEW JERSEY NOT INVALID.—The Supreme Court of the United States in the suit of the National Newark Banking Co. *vs.* The Mayor of the City of Newark brought to enjoin the collection of taxes assessed upon the individual shareholders therein on the ground that, according to the laws of New Jersey under which the assessment was made, the rate of taxation is greater than that assessed upon other moneyed capital in the hands of the individual citizens of the State, have held (April 4, 1887) that there is no material difference between the legislation of New Jersey on this subject and that of New York, as considered in the case of the Mercantile National Bank of New York *vs.* The Mayor, etc., of New York (reported in the May, 1887, JOURNAL at page 484), and that this case is therefore necessarily governed by the decision in that. A bill to enjoin the collection of the taxes was therefore dismissed.

THE CASE OF THE FIRST NATIONAL BANK OF BUFFALO—LIABILITY OF ITS DIRECTORS CONSIDERED.—The Circuit Court of the United States for the Northern District of New York has rendered an elaborate opinion in a suit by the Receiver of the First National Bank of Buffalo against the Directors of that institution (Morris, Rec'r *vs.* Lee and o'rs; decided March 23, 1887) to hold them liable in damages for heavy losses growing out of reckless discounting and mismanagement by the President, Lee, which resulted in the failure of the bank. The opinion contains several points of interest as bearing on the duties and liabilities of bank Directors, and while owing to its length we cannot print it in full, we will endeavor to extract from it the principal matters of value.

The First National Bank of Buffalo was organized in 1863 with a capital of \$100,000. At its annual meeting of shareholders held January 11, 1881, Charles T. Coit, R. Porter Lee, Thomas W. Cushing, John H. Vought, and George Coit were elected Directors. They took the oath of office required by law and chose Charles T. Coit as President, and R. Porter Lee as Cashier. George Coit died, and on May 20, 1881, the rest of the Directors filled the vacancy caused by his death by electing Francis E. Coit a Director in his place, who took the required oath of office. Mr. Cushing sold his stock by bargain made at the bank to Charles T. Coit, the President, on September 24, 1881, at the price of \$125 per share, to be paid and transfer to be made afterwards. In consequence of this trade he then and there, so far as he could by words, resigned his office of Director to the President, and never afterwards assumed to be or act as a Director. The health of the President became poor; and at a meeting of the four Directors including himself remaining after the withdrawal of Cushing, he stated that fact and that he desired to be relieved somewhat of his official duties, whereupon they voted that he be given leave of absence for such intervals and at such times as he might see proper, for one year from that date, which was October 3, 1881. They then chose the Cashier, R. Porter Lee, Vice-President, and Theodore W. McKnight as Assistant Cashier. The bank then had an apparent surplus of \$50,000 and undivided profits to the amount of \$24,277.03, which so far as the record showed was real. Mr. Charles T. Coit paid Cushing for his stock at the price agreed upon on October 7, 1881, and took a transfer of the certificates signed in blank, which was entered on the books of the bank in November as made September 24, 1881. Charles T. Coit sold most of his stock, 510 shares, to Lee; was absent from the bank on account of his health, and took no part in its management afterwards. He died December 11, 1881. The control and management of the bank was left to Lee, who used its funds in the form of discounts to his associates in business and speculations until great losses were incurred. Prior to the annual election in 1882, he spoke of the vacancies in the Board of Directors to Spaulding, one of the defendants in the present suit.

and also to the defendant Johnson, and proposed to transfer stock to them, and that each should become a Director. Spaulding was President of another National bank, and connected with other corporations, and did not wish to assume new responsibilities, and so told Lee, but consented to the arrangement, and Johnson did likewise. At the annual meeting on January 10, 1882, Spaulding, Johnson, Francis E. Coit, Vought and Lee were elected Directors and took the oath of office as required by law. Lee was chosen President, and McKnight was elected Cashier. The control and management of the bank was left to Lee as before. On January 19, 1882, Vought sold his stock to Lee, and did not act as Director afterwards. Spaulding was engaged with his other business, the family of Johnson was sick and his son died, and neither of them did anything about the management of the bank. Coit went once and looked over the loans and discounts. Lee stood well in the community as a man of honor and integrity, as financier and bank Manager, and neither of them had any suspicion that the affairs of the bank were not being well and faithfully attended to by him. Lee sent a request to Spaulding on April 11, 1882, for the return of the stock transferred to him, and Spaulding signed a transfer on the back of the certificate and returned it in pursuance of an understanding between them that he would return it on request, and as he supposed ended his connection with the bank. The bank stopped business April 13, 1882, and was soon afterwards placed in the hands of a Receiver. The whole capital, surplus, undivided profits and reserves were gone, and the individual liability of the stockholders would not pay the depositors. The losses incurred amounted in all to more than \$600,000. The Receiver thereupon brought suit to charge the Directors who were living and the estates of those who were dead with the amount of such losses.

In considering the liability of the Directors for these losses, the Court first takes up and considers separately the case of Thomas W. Cushing. Cushing interposed a defense among other things that he was not a Director at all, and therefore owed no duty in that behalf at the time when the alleged losses took place. The Court holds in his case that whether he was or not depends upon the effect of what occurred about the sale of his stock and resignation. He bargained for its sale on September 24, 1881, and orally resigned his office of Director so far as he so could to the President of the bank, in his place of President at the bank. This was prior to the time of any of the losses as alleged. He delivered the stock certificate with authority to transfer on the 7th of October following and received his pay for it. The Court states that this may have been after some of the losses occurred, and that therefore the transaction of September 24th may be of importance. Speaking of this transaction the Court says: "The statute provides that every Director must own in his own right at least ten shares of the capital stock of the association of which he is a Director; and that any Director who ceases to be the owner of ten shares of the stock shall thereby vacate his place. (U. S. Rev. Stat., Sec. 5,146.) The purpose of this statute obviously is to require the office of Director to be kept in the hands of those who are personally and pecuniarily interested in the affairs of the bank. When Cushing bargained his stock he ceased to be so interested. Good faith to the other shareholders as their interests were guarded by these provisions of the law, would seem to require that he should then cease to be a Director. He appears to have taken this view and to have done what he could to carry it out. There was no calamity impending or contemplated by him to be avoided by vacating his office or which he could prevent by retaining it. There was no reason why he should not resign if he could. He was an officer elected to his place; it was an office that he was not obliged to accept, and it would seem to be one that he was not obliged to hold. (U. S. *vs.* Wright, 1 McLean, 509; *People vs.* Porter, 6 Cal., 26; *Olmsted vs.* Dennis, 77 N. Y., 378.) No mode of resignation was provided by law, and an oral one would be as good as any. (*Rex vs.* Mayor of Rippon, 1 Ld. Raym., 563.) The President was the head of the Board of Directors who alone could fill the vacancy, and a resignation to him would be a resignation to the Board. (*Port Jervis vs.* First National Bank, 96 N. Y., 550.) The statute provides that the Directors shall be elected at meetings to be held on such day in January of each year, as shall be specified in the articles

of association, and that they shall hold office for one year and until their successors are elected and have qualified. (Sec. 5,145.) It is urged that this section prohibits resignation during the year. This is not understood, however, to be its effect. The apparent purpose of the provision in regard to the term of office is to make it conform to the time of the new election, and not to absolutely require every Director to serve the full term. Such provisions as to terms of office are common for this purpose. It is said in argument that if he might resign he would not be relieved from duty until his place should be filled by the remainder of the Board; and that if they would not fill it without, it would be incumbent on him to compel them by *mandamus* or other appropriate proceeding to fill it. But until he had vacated his place there would be no vacancy which they could fill; and when he had sold his stock he would be out of the corporation and would have no interest or standing upon which to institute any proceedings whatever to affect the conduct of its affairs. The interests of the corporation would be left with the other Directors elected by the stockholders, whose duty it would be, and on whom the stockholders had relied, to fill the vacancy or act upon it as they should be advised." The Court states that upon these considerations it appears that Cushing was not a Director at the time of the alleged losses, and cannot be held for any duty as such at that time.

The case of Charles T. Coit is next taken up and considered by the Court, who state that this case, like that of Cushing, stands upon a different footing from any of the others. His health was failing him so that he was being disabled for the performance of the duties of his office. He had owned more than half the stock up to near that time, and so far as appears had been diligent and faithful in the performance of all his duties. Of his associates in the Board, Vought had been Director since 1875, Lee since 1877, and Francis E. Coit then since the May previous, and for several years at a time previous, and all were in good repute. The Court holds that he could resign, or accept other leave of absence, which was tantamount to an undertaking and assurance on the part of his associates that they would perform the duties which might otherwise devolve upon him. They were a majority of the Board and if they would, could control, whether he was absent or present. The Court holds that the oath of office required by law bound him, so far as the duty devolved on him, diligently and honestly to administer the affairs of the bank. (Sec. 5,147.) That the duties which his associates could perform and assumed to and did perform would not appear to have devolved upon him so as to make him chargeable in any degree for the manner of their performance. He did nothing himself for which it is claimed that he became in any manner chargeable; and the conclusion is reached that it does not appear that he was so responsible for what the others did that their misdoings could make him chargeable.

In the cases of Lee and the Executrix of Vought, neither having made any defense to the suit of the receiver the bill was taken as confessed against them.

The questions as to the liability of Francis E. Coit, Spaulding and Johnson are considered together by the Court, and in this connection the manner in which the losses were sustained by the bank is looked into more closely. The losses appear to have been begun by the discount of the paper of persons engaged with Lee in business and speculations not adequately responsible for the amount of the discounts. The paper was usually indorsed by him, and sometimes secured to some extent by collaterals resulting from the avails of the discounts. Great losses from the transactions in which he was engaged fell upon him, and through him upon the bank. As the paper fell due it was renewed or replaced by other paper of like character, until a large part of the loans and discounts of the bank consisted in notes of irresponsible parties indorsed by him. All these discounts, renewals and substitutions were correctly entered as in the usual course of business upon the books of the bank, and appeared there fully with the entries of its other current business. These transactions were in violation of the prohibition in the banking law of a liability in excess of one tenth the amount of capital paid in of any person, company or firm for money borrowed. (Sec. 5200.) They did not appear, however, to be so always or generally, for they might have been so far as they showed, commercial or business paper actually owned by the person negotiating them, and

within the provisions of the same law allowed to be discounted. On January 18, 1882, Lee took from the cash of the bank \$23,680 and put a slip of paper with his name and the amount upon it in place of the money in the cash drawer, and on February 15th, \$16,787.50 in like manner without giving any other evidence of his indebtedness for these amounts. The former amount was reduced by replacement of cash to \$12,405 and the latter to \$11,435. These transactions were not concealed from the Cashier or employees in the financial matters of the bank but did not appear on the books of the bank except that they were shown on the cash blotter of the Teller. These were clear violations of the provisions of the banking law mentioned. As Lee was the President and at the head of the bank and was supposed by the Cashier and subordinates to be a man of integrity and wealth, and these things were done by him and by his direction, they excited no suspicion among these persons that loss to the bank would be occasioned thereby until the very last days of the business of the bank after all these losses had been incurred. As the suspicions of these persons were not aroused, they said nothing to any of the Directors about what was going on, and they had no knowledge, supposition or suspicion but that the business of the bank was proceeding lawfully, regularly and prosperously. In the banking law it is further provided that if the Directors of any bank shall knowingly violate or knowingly permit any of the officers, agents or servants of it to violate any of the provisions of that law, every Director who participated in or assented to such violation shall be liable for all damages sustained in consequence of such violation. (Sec. 5239.) The Court states that it is not claimed that any of these three Directors so knowingly permitted or assented to any of these violations of this law so as to become liable at all under this provision; and that as there was no misconduct, default or irregularity on the part of the Cashier, or of the clerks or agents of the bank in any respect that occasioned these losses, and what was done that did occasion them was done by Lee, and by his express direction, the question is whether these Directors by their conduct became liable to the bank for what their associate Director, Lee, did. On this point the Court holds: By the Bank Act of 1864 it was enacted that these associations should be bodies corporate and by the names designated in their organization certificates should have succession for twenty years unless sooner dissolved; that by such names they might make contracts, sue and be sued, and elect or appoint Directors, and by their Boards of Directors appoint officers and exercise under that Act all such incidental powers as should be necessary to carry on the business of banking, by discounting and negotiating promissory notes, drafts, bills of exchange and other evidences of debt, by receiving deposits, by buying and selling exchange, coin and bullion, by loaning money on personal security and by obtaining, issuing and circulating notes according to the provisions of that Act. (13 Stat. at Large, 100, Sec. 8.)

Some Courts were of the opinion that this specification of the means by which the powers granted might be exercised was a limitation of the general expression preceding it. (47 Vt. 546; 60 N. Y., 278; 42 Md. 581; 50 Vt. 388.) Others construed this part of this Section as if it had stopped with the general words. (79 Pa. State, 106; 80 N. Y. 82.) The business of banking, in either view, was as that section then stood to be carried on by the Board of Directors. In the Revised Statutes as enacted in 1874, this part of that section was brought into the seventh subdivision of Section 5186 and so added to as to authorize a National bank to exercise by its Board of Directors or duly authorized officers or agents, subject to law, the powers mentioned. After this alteration in the law the business of banks could be lawfully done by the President, Cashier or other officer, as well as by the Directors themselves. It was not necessary that the Directors or a majority of them, or any of them, should take part in individual transactions in authorized business. It is said in some books and in argument that the Directors are trustees of the funds and the property of the bank. This may be true in some sense and under some circumstances, but the relations of the Directors to and their duties towards the assets of the bank cannot be determined properly upon names merely. The bank being a body corporate under the law is a person, although artificial, with legal identity, and capable of holding and owning its own property; and

its property in the hands of those by whom it acts, is held by itself, for itself, and not by any other person for it. Therefore the Directors are not, and from the nature of things can not be chargeable for the assets of the bank as for property to which they have taken title or possession for some use or purpose for the carrying out of which they may be charged and held. They have no ownership in or title to the assets, and cannot act otherwise than as the officers and agents of the bank about them unless they actually misappropriate them, and thereby become wrong-doers about the assets themselves. They cannot be held to account for any assets they have not themselves had. These Directors are not, and are not claimed to be chargeable in this view. As the statute provides what Directors shall be liable, and how, for violations of the statutes, other Directors cannot be made liable for these things without, in effect, adding to the statute.

Directors may doubtless be liable for many things which are not express violations of the statute. (88 N. Y. 52; 99 N. Y. 185.) This would probably be the case with respect to any gross mismanagement in the actual transaction of the bank's business or the handling of its property. These Directors are not sought to be charged in this view. The complaint against them is not that they acted negligently or carelessly in actually doing anything, but that they neglected to do anything. What they did not do, the omission to do which caused damage, was the restraint of Lee in what he did. So the real question is whether they are chargeable for the consequences of what he did because they did not prevent it. He was a Director elected by the stockholders and of equal rank and authority with them. He derived his authority from the stockholders and not from them, and acted under that authority. The President has no more authority, as such, about the matters complained of than any other Director. They had no reason to suppose that he would not act honestly and fairly within the law, any more than the stockholders had who had repeatedly elected him to the office of Director, or than the depositors had who trusted the bank while visibly under his management. He was apparently more interested in the success of the bank, during the time of these losses, than any one else for he held more than the majority of all the stock. The question is not as to the liability of the bank for the negligence of its agents, but is as to the liability to the bank of some agents for not controlling others. The bank itself would not be liable to others for the frauds or thefts of its Cashier or other officers unless the untrustworthiness was known, and his employment continued notwithstanding notice of that fact. (17 Mass. 479; 29 Fed. Rep. 498.) The obligation of the corporation would be measured by the duty of its officers, and the liability of one officer for the misdoing of another would not appear to be any greater than that of the corporation for acts of the same nature. Generally one officer is not liable for the misconduct of another not appointed by him. (Cowp. 754; 15 East. 894; 7 Cranch 242.) Directors of banks and other corporations appear to stand on the same footing as other officers in this respect. The body of the directors of a National bank is charged with the supervision and management of its officers, and is bound to use as much diligence and care as the proper performance of these duties requires. (Mor. Corp. Sec. 571; Thom. Liab. Off. 356.) But this obligation does not appear to require every Director to attend himself to every part of the corporate business, nor make each liable for every act done by any of them. They do not undertake each for the others. (The English cases of *Cargill vs. Bower*, 10 Ch. Div. 502; *Perry's Case*, 34 Law T. N. S. 716; *Joint Stock Discount Co. vs. Brown, L. R.*, 8 Eq. 376; *Weir vs. Bell*, 8 Exch. Div. 238; *Turquand vs. Marshall, L. R.*, 4 Ch. 386; and *Land Credit Co. vs. Fermoy, L. R.*, 8 Eq. 7, are here cited by the Court and quoted from to the effect that Directors are not liable for the acts and frauds of their co-directors.)

That a Director is not liable for the faults or frauds of a co-director appears to be well recognized in New York. (51 N. Y. 27; 55 N. Y. 400.) In *Hun. vs. Cary*, 82 N. Y., 65 where the trustees of a Savings bank who participated in a misappropriation of the funds resulting in loss were held liable for the loss, Smith a trustee who took no part in the transactions does not appear to have been held. And in *Hand vs. Burrows*, 28 Hun., 830, the New York Supreme Court, First Department, June, 1881, Barrett J. held that the

Directors of a National bank who knowingly participate in retaining an untrustworthy Cashier are liable for his subsequent defalcations and that one who did not know of the untrustworthiness was not liable, which case does not appear to have gone any further. There is no case which has been cited or observed in which it has been decided that a Director of a corporation was liable to make good a loss occasioned by the fraud or misconduct of a co-director in which he had no part, and which was perpetrated without his connivance or knowledge. (3 Paige, 222; 88 N. Y. 52; 99 N. Y. 185; 37 N. J. Eq. 356; 38 N. J. Eq. 501; 1 R. I. 312; and 3 R. I. 9.)

The measure of the duty of the Directors is frequently and emphatically laid down, and is clear and plain; but it is nowhere adjudged that all must always act, or that they must not trust one another to act, or that any are liable for the mere omission to watch and restrain the others, without wrong intention on their own part, or actual knowledge of the wrong on the part of the others. Neither are there cases where persons standing in similar relations to the property of others have been held liable for the acts of others standing in the same relation, without some fraud or connivance on their own part. The general rule as to trustees is that they are responsible only for their own acts, and not for the acts of each other, unless by express agreement "or they have by their own voluntary co-operation or connivance enabled the other to accomplish some known object in violation of the trust." (Story's Eq., Sec. 1280.)

In conclusion the Court state that after a careful and thorough presentation of the case by counsel in all its aspects and much and repeated consideration of the facts and principles involved, no just ground of liability on the part of these Directors is presented—not on the express provisions of the statute on the subject, for they do not, and are not claimed to, come within them; nor by the common law, for by that each is liable only for his own miscarriages, and none are shown. The bill of the receiver to hold the Directors liable was consequently dismissed, except as against Lee and the Executrix of Vought, who made no defense.

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 on another page.

Editor Rhodes' Journal of Banking.

NICHOLASVILLE, Ky., June 14, 1887.

SIR:—If at the regular time fixed for the meeting of the Board of Directors of a National bank the President and Vice-President are both absent, is it legal for the Directors to elect one of their number President *pro tem*? DENT HOOVER, Cashier.

Answer.—The articles of association of a National bank usually provide that a majority of the directors shall be a quorum for the transaction of business, and also that the Board may elect or appoint one of their number the President of the Association, and a Vice-President who, in the absence or inability of the President from any cause, may perform all acts which the President can perform, except such as are specially limited to the President by law. Under Section 5136 of the United States Revised Statutes the directors are given power to appoint a President, Vice-President, Cashier and other officers, and define their duties, dismiss them at pleasure, and appoint others in their places. Section 5150, U. S. R. S., provides that one of the directors to be chosen by the Board shall be President of the Board. Now, it would seem from all this that the President of the Board of Directors and the President of the bank are two distinct offices, although in practice they are usually regarded as one and the same office and are held by the same person. Therefore, in the case suggested above both the President and Vice-President of the bank being absent (either one of whom in the absence of the other would usually be the President of the Board), and a quorum of the Board were present, such quorum would have the right to choose a President *pro tem*. of the Board. This President of the Board would not be President *pro*

tem. of the bank, nor could he perform any of the functions of the President of the bank, except those which the President of the bank performs in his single capacity of President of the Board. Thus the President of the Board could preside at the meeting at which he was chosen, could certify and give authority to the action of the Board at that meeting, but could go no further. If the Board should grant discounts at the meeting, the President *pro tem.* could certify such action to the Cashier, but he could not sign bills or perform any other of the numerous functions of the President of the bank.

Editor Rhodes' Journal of Banking:

STAFFORD, Kans., June 27, 1887.

SIR:—John Doe was the party who borrowed the money on the note given below, Richard Roe indorsing the paper. When the note matures Doe is unable to pay, and wishes an extension of time. Would the granting more time on his paying the interest release the indorser—Roe—from all liability?

\$100.

STAFFORD, Kans., May 20, 1887.

Three months after date, for value received, we or either of us promise to pay to the order of J. D. Larabee, President, one hundred dollars, with interest thereon at the rate of twelve per cent. per annum from maturity until paid, payable annually at the Farmers' Bank, Stafford, Kans. Should any interest not be paid when due, it should bear interest at the rate of twelve per cent. per annum, payable annually, and a failure to pay any of said interest within five days after due shall cause the whole note to become due and collectible at once. For value received the indorsers guarantee payment of this note, and waive demand and notice of protest on same when due.

JOHN DOE,

RICHARD ROE.

Please answer in the JOURNAL.

J. D. LARABEE, Pres.

Answer.—Roe is in reality a joint maker of the note, but whether maker or indorser, under the manner in which it is drawn waiving both demand and notice of protest, he would be held, even if more time be granted on Doe's sole request.

Editor Rhodes' Journal of Banking:

MILWAUKEE, May 7, 1887.

What is the interest on a note for \$100,000 dated March 26th, payable without grace April 30th at six per cent.?

The Banking law of Wisconsin says a bank may compute time at thirty days to the month.

INQUIRER.

Answer.—By Sec. 43 of Ch. 94 of the Revised Statutes of Wisconsin, it is provided that "in the computation of time thirty days shall be a month, and twelve months a year." The period of time for which the present note is made to run, and on which interest is payable, is thirty-five days from March 26th. This is equivalent, under the above law, to one and one-sixth months. The interest on \$100,000 at 6 per cent. for one month is \$500, and for one-sixth of a month \$83.33 $\frac{1}{3}$, making the interest on the note for the period stated \$583.33 $\frac{1}{3}$.

Editor Rhodes' Journal of Banking:

CHEYENNE, Wyo., June 23, 1887.

SIR:—A holds for collection a note of \$25,000 dated May 23, 1886, payable on or before May 1, 1887, interest payable quarterly. The last payment of interest was on February 23, 1887. What amount of interest is due at the maturity of the note?

CASHIER.

Answer.—The amount due on May 4, 1887, would be interest for seventy days, or \$460.27.

Editor Rhodes' Journal of Banking:

SHARON, Wis., May 16, 1887.

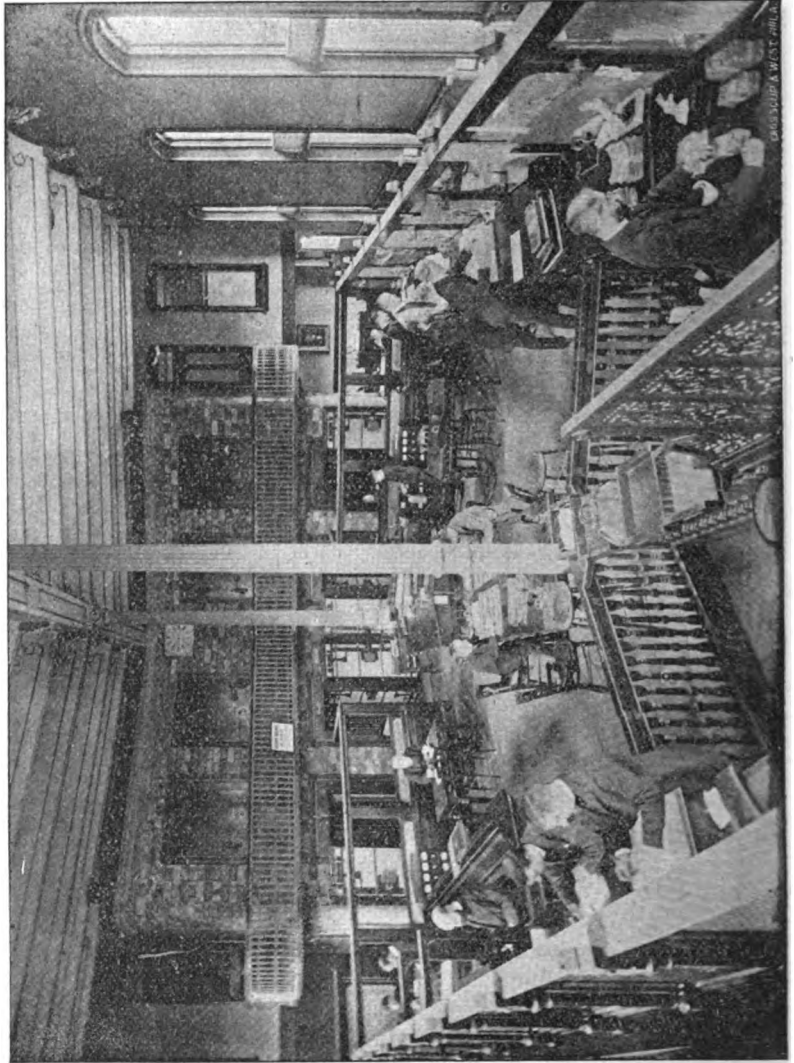
SIR:—Please give your opinion whether a clause on a certificate of deposit stating, "with interest at the rate of — per cent. per annum if left — months, will make the bank issuing the certificate liable for interest.

Answer.—If the holder of the certificate performs his part of the agreement and the certificate is not presented for payment until the time limited for leaving the money has expired, then the bank is liable for interest from the date of the certificate, otherwise not.



THE SPRING GARDEN NATIONAL BANK.

THE above cut gives an exterior and upon the next page will be found an interior view of the building of the Spring Garden National Bank, at Twelfth and Spring Garden streets and Ridge avenue, Philadelphia, which was authorized to commence business as a National bank on March 13, 1886, and now has a fully paid-up capital of \$500,000. Previously the institution had been doing business as a State bank, having been organized as such in November, 1870, opening for business in April, 1871. Mr. Thomas Kennedy was its first President, and his son, Mr. Francis W. Kennedy, its first Cashier.



The building first occupied was situated immediately opposite the present location, but was small and soon became inadequate in accommodations to the business done. In May, 1875, the present large and handsome building, as shown in the cut on the preceding page, was completed and occupied. The building is triangular in shape, the entrance being at the point or apex of the triangle. It is built of white marble from the Cockeysville quarries, near Baltimore, and is fire-proof in every particular. It stands at the intersection of Spring Garden street, Ridge avenue and Twelfth street. Its exposed position contributes much to render it safe from the attacks of burglars.

The interior is shaped somewhat like a kite. The lobby is tiled in marble. The furnishing is in mahogany. The ceiling is high, affording ample light on all sides.

avoiding the necessity of gaslight during business hours. The vaults are built, as it were, near the base of the triangle, removed some distance therefrom, thus allowing a view of them to be had at the back as well as in front, and not allowing them to stand against a wall, but leaving all sides in full view not only from the inside of the building, but also from the street through the windows. They are built in the most solid, safe and enduring manner that the skill and ingenuity of the well known safe manufacturing firm of Farrell & Co. could devise. A solid mass of masonry, topped with two and a half inches of boiler iron and steel, constitutes the foundation. The sides are composed of slabs of Maine granite covered with ten inches of fire brick, each vault (there are eight of them) being lined on all sides with two and a half inches of alternate layers of boiler iron and steel. There are massive double doors to each vault provided with the best known combination locks. Space is set apart in the vaults for the renting of small safes, and a room furnished with every convenience is provided for safe-renters. The upper rooms are used for stockholders' and Directors' meetings.

The business of the bank has grown in a steady and healthy manner from the beginning. In March, 1883, Mr. Thomas Kennedy, because of advanced years and ill health, withdrew from the Presidency, and Mr. Francis W. Kennedy, the then Cashier, was chosen President, and Henry H. Kennedy, Cashier.

In August, 1885, the bank was called upon to stand the most severe test of its soundness that can be imposed upon a financial institution, namely, a "run." The direct cause of it is not known. It lasted between four and five days, but was courageously met and every demand satisfied in such a manner that the "run" added to the credit and popularity of the bank.

In November, 1885, the Directors determined to apply for admission to the National system, converting the bank from a State to a National institution, and at the same time to increase the capital from \$270,000 to \$500,000. The additional capital was subscribed immediately, and on March 12, 1886, the Comptroller of the Currency issued his authority.

The bank solicits the accounts of other banks, and upon such accounts they allow the usual rate of interest on daily balances.

This institution allows interest upon Trust funds both those of Trust companies and the accounts of executors, trustees, guardians, etc., savings deposits, money awaiting investment, and money not in active use, but no interest is allowed upon active business accounts, nor are the interest-bearing accounts entitled to discount privileges. Ladies dealing with the bank are provided with special accommodations. There is a room and Teller's window set apart for their use, and they can thus transact their business with the bank, deposit and draw money without the necessity of the delay and annoyance unavoidable at a time when the bank is crowded with customers. The correspondents of the Spring Garden Bank number some of the oldest and most respectable institutions in the United States and abroad. In New York it has the National Bank of the Republic and the Hanover National Bank, in Boston the First National and in Chicago and San Francisco the Metropolitan National and the California National Bank respectively. The extent to which it is already patronized by the public is indicated by a deposit line of over \$2,000,000.

The present Board of Directors is composed as follows: FRANCIS W. KENNEDY, President; H. G. SICKEL, Vice-President; EPHRAIM TURLAND, Turland & Hoyt, dry goods; NELSON F. EVANS, President Spring Garden Insurance Company; EPHRAIM YOUNG, Van Gunden & Young, marble and granite; NATHAN MIDDLETON, N. & A. Middleton & Co., car springs; ROBERT C. THOMAS, President, Thomas Coal Company and of F. D. Bright & Co.; HENRY H. KENNEDY, Cashier.

The Chase National Bank, of New York, has experienced some delay in the fitting up of its new quarters at the corner of Pine and Nassau streets. It was expected that the change would be effected about a month ago. The business of this institution has, since the accession of the Hon. Henry W. Cannon to the Presidency, experienced a remarkable growth. The capital stock will be increased to \$500,000 on July 1st and the surplus to \$400,000 from \$300,000 and \$150,000 respectively. In amount of deposits it ranks about eighteenth among the sixty-four Clearing-House banks. The Chase National is a United States Depositary.

CONDITION OF THE NATIONAL BANKS IN THE RESERVE CITIES.

TABLE showing loans and deposits and other items, reported by the National banks in the Reserve Cities of the country, which were likely to be affected by the Reserve City law of March 3, 1887, upon May 13, 1887, after said law had been availed of by the cities of Chicago, St. Louis, Kansas City and St. Joseph, and at other dates previous to the passage of the law. It is specially designed to show what effect, if any, the changing of Chicago and St. Louis to central reserve cities may have upon the distribution of the deposits of National banks with other National banks. New York, Chicago and St. Louis being Central Reserve Cities, are grouped together. There are no previous dates given for Kansas City and St. Joseph, as this is the first time these cities have been abstracted separately by the Comptroller. The figures for May 13, 1887, were obtained from the Comptroller of the Currency, and for the other dates from the report of that officer for the years 1885 and 1886.

	Loans.	Due from Reserve Agents.	Due from National Banks.	Due from State Banks.	Specie.	Legal- Tender Notes.	Individual Deposits.	Due to National Banks.	Due to State Banks.	Number of Banks.
NEW YORK ..	Oct. 1, 1885.....	\$236,889,911	\$18,846,711	\$2,759,121	\$91,454,167	\$23,605,620	\$230,494,556	\$105,687,063	\$34,199,239	44
	June 3, 1886.....	250,687,248	20,718,118	2,111,917	57,896,969	31,537,325	241,350,262	94,399,271	34,999,494	45
	Oct. 7, 1886.....	253,842,629	19,850,754	2,522,565	64,108,622	12,502,018	237,445,718	103,127,344	33,574,661	45
	May 13, 1887.....	297,098,431	25,573,968	2,946,728	63,688,494	18,773,850	236,554,285	110,302,238	36,943,859	46
CHICAGO ..	Oct. 1, 1885.....	46,018,905	3,912,173	1,704,323	9,673,253	5,911,100	40,970,739	17,039,310	11,114,238	12
	June 3, 1886.....	44,955,992	3,834,055	2,185,055	10,998,591	5,904,893	45,151,273	16,495,140	11,587,334	15
	Oct. 7, 1886.....	55,494,145	3,900,321	2,213,075	9,316,505	4,205,674	43,650,119	17,302,315	11,712,061	15
	May 13, 1887.....	62,927,061	10,598,867	2,964,080	13,003,485	7,629,216	51,401,863	21,369,155	13,891,387	18
ST. LOUIS.....	Oct. 1, 1885.....	9,202,736	414,136	170,235	982,172	761,629	5,634,622	1,968,545	2,203,519	6
	June 3, 1886.....	8,501,982	719,101	133,626	1,569,684	1,598,596	6,297,191	2,366,232	2,449,021	5
	Oct. 7, 1886.....	9,698,238	542,436	202,970	1,068,027	1,129,763	6,439,059	2,215,102	2,501,216	5
	May 13, 1887.....	8,602,423	2,898,977	293,563	1,490,188	1,798,402	7,463,782	3,035,079	2,520,835	5
BOSTON	June 3, 1886.....	129,452,905	11,330,590	524,991	10,438,748	3,548,751	80,385,389	29,599,109	10,196,740	54
	Oct. 7, 1886.....	122,587,793	10,136,360	340,010	9,113,174	3,439,543	74,067,299	29,005,918	9,268,198	54
	May 13, 1887.....	127,731,034	11,315,440	715,060	11,891,720	2,662,947	89,391,171	27,301,769	8,498,797	54
	June 3, 1886.....	75,215,883	4,173,279	997,091	13,219,691	6,071,460	73,509,164	15,008,297	3,776,599	38
PHILAD'PHIA ..	Oct. 7, 1886.....	79,541,459	4,629,405	1,182,351	11,651,698	4,674,741	77,724,453	14,143,900	3,618,902	41
	May 13, 1887.....	88,190,793	6,827,607	1,166,242	9,898,897	7,665,642	79,232,345	15,720,396	4,000,066	40
	June 3, 1886.....	7,747,250	839,856	131,809	1,051,961	352,960	9,008,022	2,394,895	583,416	6
	Oct. 7, 1886.....	8,590,565	1,131,702	111,060	1,001,669	870,020	8,072,512	2,270,631	607,470	6
ALBANY.....	May 13, 1887.....	8,559,617	821,105	77,187	1,017,920	207,300	7,496,768	2,019,370	605,717	6

PITTSBURGH..	June 8, 1886.....	27,528,167	2,139,960	1,494,188	126,298	2,494,960	2,186,966	21,648,621	2,811,566	1,684,091	28
	Oct. 7, 1886.....	27,830,094	1,622,998	959,801	154,070	2,398,018	2,111,757	20,983,515	3,080,994	1,484,590	28
	May 13, 1887.....	31,677,051	2,294,223	1,126,508	172,362	2,962,006	2,129,385	19,138,662	3,055,683	1,817,798	28
BALTIMORE...	June 8, 1886.....	28,380,456	1,485,831	981,169	190,698	3,000,404	2,012,283	19,120,697	2,912,976	400,646	17
	Oct. 7, 1886.....	27,515,072	1,632,528	1,308,173	235,596	1,824,161	1,829,941	18,663,124	2,929,553	490,120	17
	May 13, 1887.....	27,437,309	2,024,822	1,251,258	215,896	2,370,917	2,481,735	19,232,555	3,263,309	482,062	17
WASHINGTON.	June 8, 1886.....	2,982,994	614,687	298,907	12,145	576,362	708,247	5,548,960	117,128	50,481	6
	Oct. 7, 1886.....	3,124,951	920,263	244,177	16,005	612,798	915,751	6,108,915	225,988	41,875	6
	May 13, 1887.....	3,982,403	915,068	446,241	30,454	1,015,166	730,000	7,000,313	157,931	31,664	7
NEW ORLEANS	June 8, 1886.....	9,360,872	1,246,915	393,568	382,772	1,943,419	1,814,972	12,102,710	724,762	1,218,976	8
	Oct. 7, 1886.....	9,628,048	962,471	190,203	330,138	927,151	1,494,972	9,432,438	853,913	985,229	8
	May 13, 1887.....	10,047,504	989,436	397,699	416,127	1,297,874	1,791,720	11,651,370	791,369	878,880	8
LOUISVILLE...	June 8, 1886.....	8,644,231	579,478	207,458	182,123	442,287	553,550	8,724,545	1,570,472	1,181,562	9
	Oct. 7, 1886.....	8,853,275	784,158	252,266	136,241	450,973	461,180	8,963,994	1,438,301	1,415,308	9
	May 13, 1887.....	9,399,376	643,059	342,513	185,031	508,626	668,576	4,193,439	1,858,482	1,608,113	9
CINCINNATI...	June 8, 1886.....	23,528,207	2,452,699	1,393,282	567,877	1,242,255	3,602,282	17,524,667	6,063,510	2,008,011	13
	Oct. 7, 1886.....	24,944,044	2,769,457	1,688,126	634,462	1,172,963	3,682,279	18,363,338	6,830,330	2,678,806	13
	May 13, 1887.....	28,324,379	2,710,271	1,863,820	882,021	1,124,480	4,143,273	20,387,517	7,755,675	3,439,291	15
CLEVELAND...	June 8, 1886.....	12,828,489	1,320,285	1,688,997	538,518	1,205,522	918,000	11,313,331	892,635	708,042	8
	Oct. 7, 1886.....	15,245,707	1,197,411	1,246,735	397,590	1,132,236	1,032,300	11,888,245	968,860	1,087,429	9
	May 13, 1887.....	16,062,101	1,413,773	1,239,281	547,998	1,084,380	915,000	11,216,065	1,378,906	774,657	9
MILWAUKEE..	June 8, 1886.....	3,727,334	598,031	551,560	68,907	837,001	419,327	4,727,430	772,509	230,214	3
	Oct. 7, 1886.....	4,536,541	1,099,619	464,701	51,407	646,680	551,286	5,598,911	835,981	327,376	3
	May 13, 1887.....	4,150,677	938,621	288,764	41,901	818,503	504,507	4,894,988	1,105,902	330,775	3
DETROIT	June 8, 1886.....	9,303,300	1,148,371	614,810	93,680	1,127,971	708,000	7,258,586	1,185,985	1,665,674	6
	Oct. 7, 1886.....	10,303,373	1,312,060	931,765	117,132	1,109,120	730,552	8,402,467	1,225,748	1,853,683	7
	May 13, 1887.....	11,300,967	1,466,038	1,025,363	155,853	1,123,894	940,538	8,905,965	1,429,943	2,564,981	7
KANSAS CITY...	June 8, 1886.....	10,734,245	3,109,235	651,832	700,009	1,368,645	1,362,944	9,172,045	3,064,514	3,443,619	6
	Oct. 7, 1886.....	1,020,947	294,656	73,711	86,421	122,623	157,622	1,847,167	143,888	371,045	2
	May 13, 1887.....	2,413,783	32,394	73,694	128,420	400,810	6,595	1,108,693	207,006	146,229	1
S. FRANCISCO.	June 8, 1886.....	3,300,563	31,563	68,307	128,136	1,175,930	13,368	1,663,412	409,067	390,101	2
	Oct. 7, 1886.....	4,052,413	68,575	68,937	129,761	1,427,320	6,073	2,455,171	709,237	453,624	3
	May 13, 1887.....										

THE JUNE PANIC IN CHICAGO.

[From the Journal's Chicago Correspondent.]

Every careful observer of the recent panic on the Chicago Board of Trade must have been impressed with the contrast between that event and similar happenings in Wall street, and must have considered the results a strong evidence of the present sound condition of business affairs. No vital interest of Chicago was injured by it nor was any permanent set back given to speculation. The whole affair was local and superficial. The banks were interested as lenders of money but the time is past when the banking institutions of Chicago involved themselves in speculative hazards by loaning beyond the point of safety.

As the commercial interests of Chicago have become diversified, Board of Trade loans have lost their prestige, and advances on good names and miscellaneous property have grown in favor. The banks had no motive for helping the clique support the price of wheat and were accordingly not tempted to go beyond their depth. There was on their part no scarcity of money though while the excitement was in progress they husbanded their cash resources as carefully as possible in order to provide against emergencies in the future.

In a nutshell, the history of the whole enterprise and its collapse was this—that a number of capitalists, tempted by the low price of wheat, undertook to get control of the whole supply tributary to the Chicago market and ran up the price unreasonably, but finding the quantity coming on their hands greater than they could carry abandoned their scheme, and prices tumbled. The same thing has been attempted many times before in Chicago and has in almost every case ended in failure. The temptation in this instance was a strong one. The supply the world over was not large, the price was low, and almost every other article of commerce had felt the effects of the business revival. But in the past three years almost everybody who has bought wheat for the long account has lost, and this clique, in spite of the great amount of money it controlled, was doomed to the same fate. The high price in Chicago brought wheat from many parts of the country which under normal conditions would have sent their products to other points, and the efforts of the manipulators to get control of the storage room of the city were unavailing.

It is not definitely known who were the principals in the deal, though certain wealthy Cincinnati men were no doubt parties to it. The operations of the clique began in March, and the fact that a corner was forming became evident to the traders generally when cash wheat sold above the prices for futures. In a normal condition the market futures are enough higher than cash wheat to represent storage charges and interest. At the beginning of the panic week (June 13th), cash wheat sold for about 92½c. per bushel while the September option was quoted at 78½. The clique controlled the entire stock of wheat in the elevators of Chicago recognized by the Board of Trade as "regular" amounting to over 16,000,000 bushels. Their opponents tried to have other elevators declared "regular," for there was plenty of wheat to be had, and it was necessary only to have it so placed that it would be available for trading purposes. They were successful, and the clique could not carry the load that was thus thrown upon them. June wheat was 92½ on the 13th of that month, the following day it dropped to 78½. The next day carried it to 69, the fluctuations meanwhile being of the wildest sort. It is not necessary to describe the excitement of those days to persons familiar with financial affairs. All panics are alike in respect to the frenzy of the crowd. So far as the superficial phenomena were concerned, it was one of the worst affairs of the sort Chicago has ever had. There have in one or two instances been greater declines but they did not affect so large a quantity of wheat. The extreme drop after the Lyon corner, August 7, 1872, was 54 cents. The dealings last month were enormous, footing up in three days at least 200,000,000 bushels or almost half an entire crop in this country. More than a score of firms failed and the losses to the clique, the brokers and the miscellaneous crowd of speculators aggregate many million dollars. Of course some profited by the decline for there was a large

short interest, but owing to the bankruptcy of the victims a considerable proportion of the profits are uncollectible.

This collapse was the culmination of evils that have long been undermining the trade in agricultural products in Chicago. The country customers of the Board of Trade have been dropping off for years, and the trade of the brokers has fallen to a low ebb. The bucket-shops have taken away a large proportion of those people who were formerly habitués of the brokers' offices, and declining prices have discouraged many from trading anywhere. In the struggle for a living brokers have resorted to unmercantile methods, commissions have been cut, and houses which formerly confined themselves strictly to a commission business have tried to keep the wolf from the door by speculating themselves. The collapse of the corner thus found many concerns just ready to topple over. Such a collapse often discloses weaknesses that nobody had suspected. It is claimed that one of the leading clique houses had capital of its own only sufficient for a margin of a quarter of a cent a bushel on the wheat it was carrying. The disaster has resulted in a number of lawsuits in which charges of bad faith and dishonest practices are made. The decline brings the trade in wheat down to a comparatively legitimate basis. Flouring mills which have long been idle will be started up, and wheat will be shipped to its natural markets. Many lots which had been sent to Chicago have been ordered back since the drop in prices. Good orders have been received from abroad, and the shipments from Chicago by lake are heavy. The banks of the city acted on legitimate banking principles. They had loaned on the basis of 65 to 70 cents a bushel, and when the price approached their limit they sold the stuff. The money market did not at any time reach panic rates though there was for two or three days a stringency. A considerable quantity of cash was sent to the Western metropolis from New York. It is a great gain to the country that its banks now generally refuse to become involved in such dangerous speculations. Their firmness saves a local and superficial disturbance from becoming general and deep. The Chicago banks by their conservatism absolutely limited the wheat panic to the Board of Trade. In the general business of the city there was absolutely no sign that anything unusual was going on in Chicago.

H. C. B.

Kansas.—The Farmers & Merchants' Bank of Erie, Kan., has been designated as the county depository of Neosho County. One of the proprietors, and also the Cashier of this bank, is Mr. W. P. Hazen, whose intricate signature appeared in the January number of the JOURNAL, and in the deciphering of which many of our readers have manifested much interest. The advertisement of the bank will be found in another part of the JOURNAL.

Far Ahead.—Here is a letter which speaks for itself. It is recent, being dated June 23, 1887, and is signed by Mr. E. B. BRANCH, Cashier of the Union Stock Yard Bank of South Omaha, Neb.:

"I inclose our order for the *July Bankers' Directory and Collection Guide*, with extra lines referring to collections, etc., in the list of banks. The writer was in Fairmont, Neb., from 1875 to 1882 as E. B. Branch & Co., and remembers your publications of old, and still believes (after seeing many bank publications in 18 or 20 years' banking) that you are far ahead of all the others now in existence."

The Hon. C. C. Bonney, of Chicago, is named by the papers of that city as a particularly suitable candidate for the vacancy on the bench of the United States Supreme Court, caused by the death of Justice Woods. Of all the great financial centres of the country—New York, Boston, Philadelphia, etc.—Chicago has no representative in the highest Court of the land, and now when she presents a man in politics in accord with the Administration, and who stands in the very front rank of Western lawyers and jurists, of high literary culture, of judicial temperament, combined with learning and industry, and who is of an age and health promising many years of service, it seems as if the President could make no better choice. No one could be more acceptable to the banks, and banking and other conservative interests of the country than Mr. Bonney. Several prominent Southern men have also been named in connection with this position, who, by their ability and learning, are well fitted to sustain its dignity and reputation. The question of their confirmation by the Senate, as now constituted, is, however, considered doubtful.

BANKING AND FINANCIAL NEWS.

THIS DEPARTMENT ALSO INCLUDES: OPEN LETTERS FROM BANKERS, THE WORLD OF FINANCE, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

Coinage Designs.—The circular of the Director of the Mint, calling for designs for the coinage of the United States, has been withdrawn. Some doubt had arisen as to the power to change the coinage without special action of Congress. The question has been referred to the Attorney-General for his decision.

School Savings Banks.—Once a week the children deposit with the teacher such amounts as they may have, and each child receives a bank book in which the amounts deposited are entered. The teacher keeps the money in some Savings bank. This process encourages a habit of thrift and saving in early life. The whole business does not occupy more than half an hour or so in each week. The system originated in France.

At the Cotton Exchange the election resulted as follows: President—Charles D. Miller. Vice-President, J. H. Parker. Treasurer—Walter T. Miller. Managers—T. M. Foote, M. H. Lehman, C. W. Ide, S. T. Hubbard, Jr., T. Scott, W. F. Sorey, J. O. Bloss, Wm. V. King, J. H. Hollis, R. P. Slater, T. P. Ralli, G. A. Chapman, Wm. Mohr, B. S. Clark and Harry Allen. Trustee of Gratuity Fund—Emanuel Lehman. Inspectors of Election—J. B. Guest and A. G. Munn, Jr.

The National Bank of Bristol, a thriving town, which appears to be situated on the border between Virginia and Tennessee, so as to claim location in both States, has had a growth commensurate with that of the town. It is doubtful whether the bank owes the most to the town, or the town to the bank. From the outset it has proved the lever by which public and private enterprises were moved. On April 25th it shows capital \$100,000, discounts \$120,000, and deposits \$171,000.

The Bank of Western Kansas, at Garden City, Kas., has had a unique experience in having been burnt out twice this year, once on March 9th and again on May 8th. The bank cannot, however, be said to be altogether unlucky inasmuch as nothing of value was lost in either fire, and notwithstanding the fires, has been ready for business every banking hour, since the bank opened in 1885. It is now building a two-story brick building which, it is to be hoped, will prove fireproof.

Discovery of Old Documents.—In Boston recently a package of papers was discovered in a load of rags from Alexandria, Egypt, destined for the Warren Paper Mills. It proved to contain a number of bills of exchange drawn by people in Massachusetts on bankers or merchants in England between the years 1715 and 1718. Some of the forms used were good specimens of copper plate printing and bear the imprint of Newburyport and Boston firms. That they got to Egypt and returned to the place of their origin is a curious circumstance.

Chicago Stock Exchange.—The new stock exchange recently established by the Chicago Board of Trade, began operations in a manner calculated to inspire its friends with the hope that it will prove just what was wanted in that city. Just as in Europe, there are the London, Paris and Berlin centres, the extent and wealth of this country warrants the belief that in the United States we will have several great centres of speculation each controlling some one line. Perhaps the country will get so large and rich that the markets of no one city, even New York itself, can give the prices for all.

The Consolidated Stock and Petroleum Exchange is to have a new building at the corner of Exchange place and Broadway, with a frontage on Broadway of 90 feet 11 inches, on Exchange place of 132 feet 4 inches, and on New street of 87 feet 7 inches. There will be a basement of 15 feet, a main story of 38 feet, and four stories above. The main floor of the building will be occupied by the Exchange. The material is to be exteriorly of Corne hill Scotch red sandstone, and Philadelphia pressed brick, with iron and terra cotta work in portions, and the building will be absolutely fire-proof.

Advances to Cotton Growers.—One reason why the business of cotton raising in the South seems to afford so little profit to the actual producer is asserted to be the high rate of interest charged for advances to the farmer to enable him to pick and send his crop to market. It is said that money lenders sometimes exact as high as forty to fifty per cent. for the assistance rendered by them. This must be due, to some extent at least, to the risk run of getting the money back, either from the dishonesty of the grower or unfortunate methods of doing business. Nevertheless it would seem that some system might be established which, by preventing frauds, would enable money to be obtained at lower rates.

Annual Election at Cotton and Produce Exchange.—These elections took place on June 6th. At the Produce Exchange the following ticket was elected: President—Alexander E. Orr. Vice-President, Charles C. Burke, of Eagle Oil Co. Treasurer E. C. Rice, of Rice, Quinby & Co. Managers, two years—Josiah Lathrop, of J. Lathrop & Co.; E. A. Dougherty, of E. H. Dougherty & Co.; C. A. King, of C. A. King & Co.; Chas. A. Pool, of Chas. A. Pool & Co.; A. H. Brown, of Vernon H. Brown & Co.; J. H. Locke, of J. H. Locke & Co. Trustee Gratuity Fund, to serve three years—C. B. Lockwood. Inspectors of Election—James Veitch, Henry W. Hagen, K. S. Brewster, E. Selvage, S. C. Newman and Ferdinand Loeser.

American Surety Company of New York.—The Hon. Noah Davis was appointed Referee by the Surrogates Court of the City and County of New York, to make an examination of the qualifications of the above company as a surety, proposed to be given by the life tenant to those having reversionary interests in an estate. After detailing specifically the assets and liabilities of the association and stating that the former were found to correspond with the books and were safely kept, and describing the division of the fidelity business into two classes—Judicial and Fidelity—the Referee says that the former class of business is so conducted that the cases are exceptional where the company is not indemnified against loss by the deposit of money or valuable securities, and that the latter class is conducted under such a system of inquiry and watchfulness as to the character, habits and responsibility of the persons insured, as to reduce the chances of loss to a minimum. The Referee concludes that the company presents a system of security largely superior to that which can be offered by individual sureties.

Bills of Lading.—Bankers in New York have in the past incurred heavy losses by advancing money on bills of lading for cotton, issued by agents of railway companies at remote points, when in reality no cotton had been shipped. Good lawyers have held that a railway company cannot be held responsible for the fraudulent act of its agent, on the ground that the United States Supreme Court has decided in the case of a Master of a vessel who signs a bill of lading for goods which he has not received, that such act does not make the ship liable, and does not make the owners liable, such a bill of lading being a fraud from the beginning. The suggestion is that the authenticity of the bill, after having been drawn by the agent should in some way be certified to represent actual shipments of goods by the Railway company. It would seem that any transportation company, which agreed to be bound by the acts of its agents, in this respect, would secure more business for itself than a rival, which refused to assume such responsibilities.

North Carolina Bonds.—In 1869, the State of North Carolina issued \$10,000,000 in bonds, the payment of which was secured by a provision in the authorizing Act which ordered a special tax of one-eighth of one per cent. to be levied on all the real and personal property of the State for the purpose. The State has since passed Acts forbidding this levy. A suit was brought by Alfred H. Temple of Raleigh, N. C., in the interests of Morton Bliss & Co. of New York, and other special tax bondholders. In the United States Circuit Court at Raleigh, N. C., and Judge Bond recently decided that the Acts of the State forbidding the collection of the tax are null and void, and that the agents of the State must proceed to collect the taxes and pay the interest. The mode of attack adopted in this suit to compel a State to pay its indebtedness differs from those adopted in previous suits to recover the value of State securities. One difficulty heretofore encountered has been that the Courts have declared the State a necessary party to the suit, and not open to suits of citizens of other States. The plaintiff in this case is a resident and citizen of North Carolina. But after decisions favorable to State bondholders are rendered, and judgments obtained, there is still

much uncertainty how a judgment of even the Supreme Court of the United States can be enforced against any State, or its officers, in case of resistance. It is believed that the decision above referred to will be sustained by the United States Supreme Court, and in that event the State of North Carolina will agree to a compromise on the basis of 25 cents on a dollar by issuing \$4,500,000 4 per cents. in place of the bonds outstanding, which with accrued interest now aggregate \$18,000,000. The State actually realized on the bonds when issued from 20 to 75 cents on a dollar. The proceeds were used in developing the railroad interests of the State.

Important Decision.—An opinion was rendered in the United States Circuit Court on May 20th by Judge Gresham which is of the greatest importance to bankers and banking men. A like case has never before been decided in American courts. A. J. Gillespie & Co., of Kansas City, were owners of about 1,100 head of cattle, and about the 1st of October, 1885, they shipped the herd to Chicago, consigning them to the stock yard commission firm of Rappal, Sons & Co., and immediately drew drafts for the approximate value of the cattle. Rappal, Sons & Co. between the 2d and 6th of the month sold the cattle and deposited the money, about \$25,000, with the Union Stock Yards National Bank. At the time Rappal, Sons & Co. were overdrawn at the bank about the same amount. The bank, not knowing whom the money belonged to, but only that it was deposited to the credit of Rappal, Sons & Co. appropriated the money to pay the overdraft, claiming to hold the same by lien. Gillespie & Co. filed a bill in the United States Court against the bank to recover the money. Judge Gresham decided to-day that Gillespie & Co. were entitled to the \$25,000.

Annual Convention of the American Bankers' Association.—Mr. George Marsland, Secretary of the American Bankers' Association has issued the usual call for the annual convention, which is to be held at Pittsburgh, Penn., on the 12th and 13th of October, 1887. Every banking firm, State bank, National bank, Trust company and Savings bank in the United States is entitled to send one delegate. Members who have prepared papers, and other bankers and bank officers desiring to address the convention, should send their names and papers to the Secretary before August 29th. The books of registry will be kept open from Tuesday, October 11th, to Thursday, October 13th. During the meetings of the convention the registrar will sit at the doors of the convention room to receive names and to issue tickets. On Wednesday evening, October 12th, the usual reception will be held, when all the delegates will have an opportunity of meeting the President and Executive Council. The association received invitations to hold the convention at Cincinnati, St. Louis, Niagara Falls and other cities. The first invitation, however, came from Pittsburg and was therefore accepted.

Supplementary Holiday Act.—This Act was passed May 25th and took effect from the date of its passage. The following is the text of the law:

SECTION 1.—All bills of exchange and promissory notes made after the passage of this Act, except those payable at sight, or on demand, which shall otherwise be payable on any half holiday Saturday, shall be deemed to be and shall be payable on the next succeeding secular or business day.

SEC. 2.—All bills of exchange, checks and promissory notes made after the passage of this Act, which by the terms thereof shall be payable on the first day of the week commonly called Sunday, shall be deemed to be and shall be payable on the next succeeding secular or business day.

SEC. 3.—This Act shall take effect immediately.

The effect of this supplementary Act is that no promissory note and no time draft or acceptance can be collected on Saturday at any time during the year, but that sight checks and drafts are payable up to 12 o'clock. The following is the opinion of the Counsel of the Clearing-House Association:

1.—Commercial paper otherwise due on a half holiday Saturday, *except* paper payable *at sight* or on *demand*, is payable the next succeeding secular or business day.

2.—All commercial paper, whether entitled to days of grace or not otherwise due on an *ordinary Sunday*, is payable the next succeeding secular or business day.

This Act applies only to paper made after May 25, 1887.

The American National Bank of Kansas City, located at the corner of 7th and Delaware streets, has opened a branch office at the corner of Union avenue and Mulberry streets. This is said to have been necessitated by the increasing business in the vicinity of the new location. The National Bank Act does not grant the power of establishing branches to associations, nor does it specifically prohibit branches. The fact that, as an inducement to State banks having branches, to enter the system, the

law provided that such branches might be retained, might by implication seem to favor the view that it was not the intention to permit National banks to have branches. The idea of a branch was, however, one established in some other place than that in which the parent bank was located, and it is questionable whether a branch in the same place would come within the limits of the implied prohibition. Section 5134 of the revised statutes provides that the organization certificate of a National bank shall specify the place where its operations of discount and deposit are to be carried on designating the State, territory or district, and the particular county and city, town or village. It seems plain from this that no bank was to do business in more than one city, town or village, but there is nothing to prevent it from having more than one office in such city, town or village.

Silver Bullion Certificates.—The Governing Committee of the Stock Exchange by a virtually unanimous vote on June 8th, placed silver bullion certificates upon the regular list to be classed as mining shares. The certificates are steel engraved, similar in form and size to petroleum oil certificates. Under the agreement with the Stock Exchange the following regulations will be observed in making deposits of this character:

"No bullion will be received of less fineness than 998, and no single bar of greater weight than 1,200 ounces.

"No bar which has been paid out from the deposit company will be again received except under a satisfactory guarantee from depositor as to weight and fineness, and that such bar has not been tampered with.

"The Western National Bank reserves the right to refuse deposits of the kind referred to in the preceding paragraph. It will, however, receive bars of a lower degree of fineness than 998, and cause the bars to be refined at the expense of the depositor, so as to bring them within the terms of the requirements.

"The charge for issuing certificates will be 25 cents, and the charge for storage will be 1 cent per day for each certificate of 1,000 ounces.

"The deposit company will report by 10 A. M. of each business day to the Stock Exchange, the amount of bullion on hand at the close of each business day, and furnish a statement of the certificates issued.

"The Western National Bank will furnish the Stock Exchange daily, at the same hour, the certificates registered and in hand to be registered, if any issued by the deposit company up to the close of business on the preceding day."

Dakota Bankers' Association.—This association met at Watertown, Dakota, on May 24th. The convention was a success in every particular and the addresses were good. The address of welcome was delivered by W. E. Scarret, President of the Watertown National Bank. After dwelling on the cares, anxieties and responsibilities of a banker's vocation, he appropriately drew away attention from these hardships by the information that the resident bankers had arranged to have the members of the association as their guests go for a day's pleasuring to Lake Kampeska. D. W. Diggs, Cashier of the Bank of Milbank, wittily responded in behalf of the visitors. The annual address was then delivered by President Anderson, who said:

"The association in three years has increased from eighteen to eighty-two members. In this age of organization it is an imperative necessity to loan on prime individual security or promptly available collaterals; yet it is nevertheless true that in Dakota, with large legal exemptions amounting to a small fortune, with statutory provisions that delay and embarrass the collection of debts, and that are virtually a bar to the successful foreclosure of chattel mortgages, money should readily command a rate of 2 per cent. per month. While we have not accomplished in the past two years all we desired in the way of relief from oppressive and restrictive legislation, yet it is due to the efforts of our organization that we meet to-day for the first time in the history of Dakota freed from the stain of criminality. I refer to the repeal of the usury laws." He then spoke earnestly on the unfairness of taxing National banks upon the full value of their shares.

William Powell, Cashier of the National Bank of Commerce, Minneapolis, then addressed the convention by invitation, and among other things argued that under the Reserve Cities Act recently passed, Minneapolis and St. Paul would soon, as distributing centers for the wheat country, take the place of New York and Chicago. After the discussion of minor matters, the usual committees were appointed:

On the 25th the association was called to order at 9:30 A. M., and the committees reported. The membership within the year had increased from forty to eighty-three. The receipts were \$513 and disbursements \$508. The next meeting was fixed to occur at Redfield, on May 23d and 24th, 1888. The following officers were elected for the

ensuing year: President—Charles E. Judd, Canton. First Vice-President, R. C. Anderson, St. Lawrence. Executive Council, F. E. Stevens, Huron; D. W. Diggs, Milbank; F. H. Hagerty, Aberdeen; William Taylor, Redfield; W. E. Scarrett, Watertown; F. M. Hopkins, Roscoe; B. A. Wade, Gary; F. B. Garron, Ellendale; F. R. Fulton, Grafton. The Secretary, Eugene Steere of Pierre, and the Treasurer, M. P. Beebe of Ipswich, hold over. Resolutions were then discussed and adopted, the following being of the greatest general importance:

Resolved, That the interests of the banking fraternity would be promoted by adopting a uniform rate of exchange and collection charges.

Resolved, That this Association believes that all the bank shares, both national and incorporated, should be taxed on an equal basis with other personal property.

The convention adjourned at two o'clock, and the members were taken in carriages to Lake Kampeska, where lunch was served at five p. m. On the return an elegant banquet was served in the evening, at which toasts were offered "to our guests," "our hosts," "bankers at home and away from home," "our correspondents," "our wives, sisters and sweethearts," "Dakota," "three per cent. per minute," and "The Dakota rustler."

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

- A new bank building is to be erected in Shawano, Wis.
- A bank of Nicaragua with a capital of \$500,000 is to be established.
- A seat in the Philadelphia Stock Exchange sold recently for \$4,000.
- A bank has been incorporated at Minot, Dak., with \$100,000 capital.
- The First National Bank of Sheffield, Alabama, is to have a new building.
- Two National banks are making preparations to begin business at Negaunee, Mich.
- Arthur E. Hornblower, Book-keeper of the Hoboken Savings Bank, has disappeared.
- The Camden National Bank of Camden, N. J., is about to erect a new bank building.
- The Third National Bank of Philadelphia is about to make an addition to its building.
- Efforts are being made to place in France a loan for \$3,500,000 of the city of Quebec.
- On June 14th there was a great panic in wheat in Chicago, prices falling off 5 cts. within an hour.
- The city of Minneapolis has issued a new loan of \$387,000 of four per cent. bonds to mature in 1917.
- L. W. Reid of Virginia has been appointed Assistant Register of the United States Treasury.
- United States Treasurer Hyatt filed his official bond on May 20th, and assumed office on the 24th.
- Gov. Hill of New York on June 3d signed the bill authorizing banks to change names and locations.
- L. D. Parent, the Cashier of the Hochelaga Bank, has absconded, and is a defaulter to the extent of \$12,000.
- The Georgia Central Railroad and Banking Co. of Savannah, Ga., has let out the contract for its new building.
- J. Finley Hoke the defaulting Peoria banker, on June 9th received his sentence of five years in the penitentiary.
- Trade dollars have been redeemed to the extent of \$7,000,000. The Treasury officials think there are no more.
- The private bank of J. R. Beard made an assignment on May 6th. Liabilities \$64,000, assets estimated at \$62,000.
- The cotton and coffee dealers have been talking of organizing a new bank for the special accommodation of their business.
- The United States National Bank of Atchison, Kansas, is to have a new building with all modern improvements, to cost \$100,000.

— It has been reported that there was much opposition to the plan of listing silver bullion certificates on the Stock Exchange.

— The applications for the capital stock of the Chestnut street National Bank of Philadelphia ran far ahead of the \$500,000 stipulated.

— The election on June 18th of officers of the Consolidated Stock and Petroleum Exchange resulted in the success of the regular ticket.

— In the fiscal year 1883, \$124,205,500 of bonds were called; in 1884, \$121,711,000; in 1885, \$20,880,850; in 1886, \$58,133,450, and in 1887, \$116,282,060.

— The Comptroller of the Currency has appointed S. J. Kennerly of Palatka, Fla., to be Receiver of the Palatka National Bank of that city.

— A call has been issued which is numerously signed for a convention of Iowa bankers with a view to forming a State Bankers' Association.

— Goldwin Smith is in favor of commercial union between the United States and Canada, and even of annexation if necessary to obtain such union.

— The demand is made that Congress authorize the coining of a half-cent. Well, there is no objection, if only one be coined, except the cost of making it.

— There is an electric young woman at Beaver Falls, Penn. She has to do her own sparking, as to touch her is to receive an electric shock as from a battery.

— The Farmers' Bank of Atchison, Kan., is to be reorganized with a capital of \$100,000 by a syndicate who purchased the charter from John N. Reynolds.

— The Western Savings Fund Society of Philadelphia, during the rebuilding of its banking house, 1,000 Walnut street, has removed to 1,010 on the same street.

— The Pennsylvania Legislature by joint resolution have authorized a suit to be brought against the People's Savings Bank of Newcastle, to recover State funds.

— A loan of \$70,000, payable in ten equal annual instalments for the purpose of building sewers was authorised by the City Council of Lowell, Mass., on May 12th.

— The directors of the North River Bank on June 8th unanimously re-elected Mr. Levi Appar as President, and Mr. Edward E. Gedney as Vice-President of the Board.

— The Suffolk County, Mass., Court House loan of \$800,000 was awarded to the New England Trust Company at $3\frac{1}{4}$ per cent. It was offered at 3 per cent. with no takers.

— The Comptroller of the Currency has appointed David Armstrong, Cashier, of the First National Bank of Jackson, O., receiver of the insolvent Fidelity National Bank.

— Hon. Daniel F. Manning, ex-Secretary of the Treasury and President of the Western National Bank arrived from Europe June 8th. His health is said to be improved.

— The Rhode Island Senate on June 2d pardoned Chas. C. Brockway, one of the most noted and skilful forgers in the country, his term of imprisonment had nearly expired.

— The Security Bank of Eskridge, Kansas, is one of the leading institutions in that vicinity. It has been in operation two years, and is putting up a new fire-proof building.

— A. C. J. Rudolph, for four years book-keeper in the Continental National Bank, Chicago, Ills., was arrested on June 15th, on a charge of forgery. The amount forged was \$8,000.

— The State of Maine is exchanging its six per cent. bonds maturing in 1889 for three per cents. issued under authority of the last Legislature, on which interest begins on October 1, 1889.

— Funding Ohio State Bonds.—The State of Ohio has brought suit against Albert Netter, banker, of Cincinnati, O., for \$27,000, alleging this amount to be due from Netter on a contract for funding the bonds of the State which became due January 1, 1887.

— The Governor of Massachusetts on May 5th appointed and the council confirmed Hon. Starkes Whiton for Savings bank Commissioner, and Hon. Abraham B. Coffin for Gas Commissioner. Mr. Cadwallader Curry, former Savings bank Commissioner,

resigned on the 18th of April to become Treasurer of an important manufacturing corporation.

-- The Girard Life and Trust Company of Philadelphia is about to erect a new building at the northeast corner of Broad and Chestnut streets. The total front is 79 feet by a depth of 100.

-- A customer while cutting coupons, in the safety deposit parlors at Boston, dropped his shears and cut his leg--indicating the extraordinary dangers to which capitalists are exposed.

-- The total gold coinage of the United States Mints for May 1887 was \$1,600,000, of silver \$3,189,329, and of minor coinage \$68,252.88. The gold coinage consisted entirely of eagles and half eagles.

-- A petition was circulated among stock brokers and traders, requesting the Stock Exchange Governors to keep the Stock Exchange open for business the full five business hours of Saturday.

-- John H. Thurston, book-keeper of the Cambridge Savings Bank is charged with a defalcation of \$1,000. As he has restored the money it is understood that the case against him will be dismissed.

-- "Jimmy" Hope, the celebrated bank burglar, has been brought from California, and placed in Auburn Prison to serve his unexpired term. After that he is liable to be tried for the Manhattan burglary.

-- The Treasury will not be able to fully meet the demand for small notes until after the increased appropriation becomes available after July 1. After that date there will be enough to relieve all pressure.

-- The First National Bank of Minneapolis, Minn., has been designated a depository of public moneys, and especially designated for the safe keeping of funds advanced to disbursing officers in the War Department.

-- The question of the sale of \$181,000 of Rahway city bonds for 85 cts. on the dollar, remaining assets of the broken Rahway Savings Institution, to enable that institution to be finally closed, is to be investigated by a Master.

-- The Bank of Russell Springs, Iowa, recently opened for business, is officered by men experienced in the banking business. The establishment of a bank is an indication of the solid growth of the place where it is located.

-- A letter has been received by the Associated Press of New York city, from a Hindoo broker of Bhavnagar, India, requesting that daily cable quotations of cotton receipts, and cotton futures in this market be sent him.

-- The incorporators of the new Farmers' and Mechanics' National Bank at Woodbury, N. J., have purchased a site for the new building adjoining the Court house for \$13,000. The necessary stock has already been subscribed.

-- The Atlanta Produce and Cotton Exchange as well as branches of the same at Charlotte, Birmingham, Selma and Savannah, have been closed on account of the failure of S. H. Phelan, who was at the head of the institutions.

-- The Managers of the Newark Savings institution, who were sued by the Receiver to recover losses arising through their mismanagement and negligence, are seeking to settle and have offered \$100,000, which offer is under consideration.

-- The pork packing business in the West is fully up to the operations of last year in magnitude. There was an increase of 180,000 in the number of hogs slaughtered from March 1 to May 19, 1887, over that for the same period in 1886.

-- Mr. C. E. Bill recently celebrated his fiftieth year as a member of the Board of Directors of the Bank of New York, having been a Director of that institution since May 9, 1837. The celebration consisted in his presiding at a recent meeting of the Board.

-- On June 13th there was a panic on the Coffee Exchange. The prices fell off three or four cents, but recovered some at the close. Four hundred and twelve thousand bags changed hands, and \$800,000 represents the shrinkage in value of the coffee dealt in.

-- Jay W. Ballou, President, Treasurer, Receiving Teller, Paying Teller, etc., of the College Dime Savings Bank of Baltimore, was sentenced on May 6th to three years in the Penitentiary, and to pay a fine of \$1,000 for fraudulent practices. He ran the

institution simply as a bank of deposit. It was impossible to draw any money from it, hence complaints arose.

— The property and plant of the Seaboard Cotton Compress Company, in Norfolk and Portsmouth, which came into the possession of the Exchange National Bank of Norfolk, now in hands of Receiver, has been sold. This should result in an additional dividend to the creditors of the bank.

— Garret A. Hobart, Receiver of the First National Bank of Newark, N. J., has been directed to bring a suit against Mary A. Dovell and Louis Dovell, executors, to ascertain whether anything was due the bank from the latter, who had been Receiving-Teller and was alleged to be in default.

— The Farmers' Bank of Fayetteville was placed in the hands of a receiver on June 2d. Superintendent Paine made an examination on May 19th, and found its available resources were \$43,693.66, while its liabilities amounted to \$66,514.93. Amos Smith, of Fayetteville, was made temporary receiver.

— On May 27th, Sir Donald A. Smith was elected President of the Bank of Montreal to succeed Mr. C. F. Smithers, deceased. Mr. Geo. A. Drummond was elected Vice-President, and Mr. W. C. McDonald was elected to fill the vacancy in the Board of Directors. Mr. W. J. Buchanan remains General Manager.

— Mr. Hyatt, the new Treasurer, issued the checks for payment of interest on United States bonds stamped with a *fac-simile* of his signature, instead of with his written signature, according to the practice invariably pursued by his predecessors. Pressure of business is pleaded as an excuse for the innovation, and it is not to occur again.

— The Rahway Savings Institution, which failed nearly ten years ago, has not been liquidated in a manner satisfactory to its creditors, only 50 per cent. dividends have as yet been paid. It is claimed that the property of the institution in Rahway City Water Bonds and real estate will, if rightly managed, go a long way toward paying out the creditors.

— The Union Bank of this city has been incorporated with a capital of \$250,000, divided into shares of \$100 each. The corporators, and the shares held by each, are: Donald MacKay, 100 shares; Eugene Kelly, 100; A. D. Juilliard, 100; John W. Kilbreth, 900; Joseph Park, 100; Lewis Seasongood, 100; J. A. Heuson, 900; Charles M. Fry, 100, and John W. Ellis, 100.

— The bill for ascertaining the owners of unclaimed deposits in Savings Banks before the Massachusetts Legislature has undergone some amendment. The bill will not apply to deposits under \$25, or to any deposit where interest has been entered on depositors books within twenty years. Treasurers of Savings banks are to publish notice of such deposits in two local newspapers.

— The silver storage vault, for which Congress was asked to appropriate \$100,000 and for which it appropriated only \$37,000, is to be ninety feet long, fifty in width and twelve feet deep. It will hold \$100,000,000 in silver. It is to be located in one of the Courts of the Treasury building under ground and covered with turf, so that the entrance will be known only to the Secretary of the Treasury, the Supervising Architect and a few trusted employees.

— Mexico has revised her tariff and the new law goes into effect in about two weeks. The extension of the Mexican International Rail Road, commencing at Piedras Negras on the Rio Grande, connecting with the Mexican Central at Laredo will soon be completed. Under the new tariff duties have been largely reduced on many articles of American manufactures especially on canned goods and American prints. This opens up a new field for American enterprise.

— Trade dollars have been redeemed to the amount of \$7,000,000. This is the amount estimated by the Mint Bureau as liable to be presented. The dollars are still coming in in small amounts. Redemption ceases after September 1, but in the mean time there is much profit in gathering them up in China, and difficult to say how many will have to be redeemed in good gold funds. The bullion in a trade dollar is worth about 75 cents in gold, and as the Government pays 100 cents in gold for it, the profit is 25 cents, enough to induce considerable energy in looking them up. The news of the redemption has not as yet had time to take full effect in China where most of the dollars are

supposed to have gone, and it would not be any thing surprising if several millions should yet be presented from that source.

— Receiver Wilkinson of the defunct Newark Savings Institution applied to the chancellor for permission to accept the tender of \$100,000 made by the Board of Managers of the bank in settlement of all claims made against them collectively and individually. Vice-Chancellor Van Fleet, as no opposition had been made by the organized depositors, granted the permission. President Daniel Dodd, whose faith in Fisk, Hatch & Co. led to the downfall of the bank, is one of the managers who will have to assist in paying up the \$100,000.

— The suit of Linus M. Price, Receiver of the Pacific National Bank of Boston, against Lewis Coleman, John Sheppard, and others, Directors of this bankrupt institution, in which the plaintiff seeks to hold the defendants personally liable for their alleged carelessness in the management of the affairs of the bank while acting as Directors, has been tried in the United States Circuit Court, Boston, before Judge Colt. The same question in a different form has been heard before. The defendants contend that the plaintiff has no ground for equitable relief.

— Richard J. Lane, President of the Abington National Bank of Abington, Mass., arrested and indicted for embezzling the funds of that institution, has been relieved from the criminal prosecution. His friends raised a large sum of money and will make a satisfactory settlement with his creditors in the civil suits. The criminal suits are withdrawn on the ground that most of the losses arose from advances to a manufacturing establishment in Maine which advances were approved by the Directors. Mr. Lane was also Trustee of an estate which has suffered from his breach of trust although no criminal charges have been made against him on that account.

— Savings banks in Massachusetts according to a bill introduced in the Senate are to be allowed to invest in legally authorized bonds of the States of Pennsylvania, Ohio, Michigan, Indiana, Illinois, Wisconsin and Iowa, and of the District of Columbia, and in the bonds of any city of the aforesaid States and in the State of New York, which has, at the date of such investment, more than 20,000 inhabitants and whose net indebtedness does not exceed five per cent. of the taxable property therein, and in the notes of any citizen of the Commonwealth, with a pledge as collateral, of any of the aforesaid securities, the amount of said notes not to exceed in any case eighty per cent. of the market value of the securities pledged.

— The following is the substance of the circular issued by the Bank of Buffalo, in regard to the effect of the two half holiday laws, which is claimed to be in accordance with the decisions of the Attorney-general, the Superintendent of the Banking Department, and the New York Clearing-House Association; Paper made and dated before May 16, 1887, due on Saturday, Sunday, or Monday when legal holiday, must be paid on Saturday before 12 m. (2) Paper dated May 16, to May 24, 1887 inclusive, due on Saturday or Sunday must be paid on Saturday before 12 m., that due on any legal holiday except Sunday must be paid the next business day, but when due on Sunday and Saturday is a full legal holiday, on the Friday preceding. (3) Paper dated on and after May 25, 1887, due on Saturday or Sunday or any legal holiday must be paid the next business day. Paper made on May 5 to 15, including both dates, falling due on any legal holiday except Sunday and not paid should be protested both on the next preceding and the next succeeding business day, and comments that "this is rendered necessary by a direct conflict of two sections of the Half Holiday Bill, which latter as a piece of monumental stupidity in legislation has probably never been equalled."

Mr. M. W. Chamness, of Kingman, Kan., on April 30th writes: "In banking as in other professions, there is a great need of a good journal teaching advance ideas, I consider yours up to the occasion, and it should be in the hands of all who wish to keep awake."

Mr. B. L. Olds, Cashier of the Bank of St. Lawrence, Neb., is evidently one of the bankers who believes in getting all the publications devoted to banking. In a letter dated June 13th, he writes: "We are regular subscribers to RHODES' JOURNAL OF BANKING, and we know it to be by all odds the best bank publication we have seen, and we take three others."

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

FORM OF CHECKS.

Editor Rhodes' Journal of Banking:

In June number of JOURNAL at head of page 501 I find this:—"Here is a form of individual check, very plain and neat, and which would hardly seem open to any objection. The type is clear, with no unnecessary words, and the *number, amount, etc.* are placed in their proper positions," and then appears a fac-simile of check No. 2004 on Merchants' National of Oswego, etc.; now this may do for the latitude and longitude of New York, but "We, Us & Co." in this section of the Universe, at the Hub, all along the spokes, and at the fellows all "cuss" that kind of a check—and say that the **ONLY PROPER POSITION** for the *amount of a check in figures* is at the **UPPER left hand corner**, that leaves the lower left hand corner for the number. "Come east young man" some time and learn something—come and hear the music in the air when some of your outlandish ideas on checks get into the hands of Tellers, Corresponding Clerks, to say nothing of Bookkeepers, and also see the great blue and red lines drawn through the "Numbers"—why don't you adopt our Boston idea and have a *uniformity* throughout the United States—amounts in upper left hand corner.

BOSTON, June 10, 1887.

Yours in hope,

WILL. L. WELCH, Bookkeeper.

COLLECTIONS MARKED NO PROTEST.

Editor Rhodes' Journal of Banking:

I notice in the April number of the JOURNAL, articles on "Dead-head collections" and "Collection abuses." I recently visited a number of towns in our part of Nebraska, and being a country banker myself I usually "dropped in" at the banks, and exchanged some notes. I found one young Cashier who pursues a somewhat (to me) unique course, whenever he presents a sight draft with "*No Protest*" instructions, he stamps it with rubber stamp, of which I give you herewith a copy,

REFUSED & RETURNED

Charges 15 cents. Please Remit.

....., Cashier.

and returns it. He stated that his plan had worked well, he had met with but one house that refused to remit the fifteen cents.

Another Cashier told me that he took out fifteen cents out of all drafts, whether drawn "with exchange" or not. He says in this way he makes enough on the good to lose the bad. His plan, however, has the disadvantage of making the good pay for the bad. Let us hear from others.

HERMAN FRESSE.

PENDER, Neb., June 10, 1887.

THE ETYMOLOGY OF THE WORD BANK, ONCE MORE.

Mr. Editor.

Once more to the breach—*ad punctum pennæ*. I see in the JOURNAL for June that your correspondent "Scrutator" takes issue with me as to the derivation of the word Bank from the Italian *Banco*, a *bench*—preferring to derive it on the sole *ipse dixit* of Macleod, as given in his "Theory and Practice of Banking," meaning a *heap* or mound. Professor Perry, of Williams College, in his "Political Economy" also seems to approve of Macleod's derivation. Now, with all due respect for Macleod's views as to theoretical and practical banking, and to Professor Perry on "Political Economy" (especially as he is a "free trader"), and while I would prefer to go to them for information upon their especial subjects, and be no little influenced by their views and opinions thereon, yet on the other hand as regards the meaning, derivation and use of words I would most certainly prefer to pin my faith to the lexicographers, rather than to Macleod and Perry.

Scrutator implies that I only quoted from three dictionaries (in my article in your May number), and two of which he only mentioned by name—whereas I quoted from five. The three omitted by him are of much more recent date than the two named;

and one of which is "*just publishing*." Consistent opinion as given by the best, if not all, of the lexicographers is a unit as to the Etymology of Bank from Italian *Banco*, a *Bench*. I might name an additional list, but I will in part forbear. Littré, in his celebrated, voluminous and exhaustive French Dictionary—wherein is not only copiously given the definition of words, etc., but their history and etymology also—in defining the word *banque*, also refers to it as derived from *banc*, which word he derives from the Italian *banco*, and gives the word not only in the other Romance languages, but also the Teutonic, and among the latter the English equivalent *Bench*. To refer again to Skeat's Etymological Dictionary—Skeat says that "bank is in fact a doublet of *bench*. The oldest sense seems to have been 'ridge'—whence *bank* a ridge of earth, a shelf of earth; and *bench* a shelf of wood, used either as table or seat." Thus we have the natural origin of the word, a bank or mound of earth, and its primitive and specific use accordingly; and then its secondary, conventional or metaphorical application as any ordinary elevation above the common plane, or surface, whether of earth or wood—if of the former a bank, if of the latter a bench or table. But this is by no means used metaphorically, conventionally or otherwise in the sense as quoted by Scrutator from Macleod—that is to *heap* together in a mass, whether of sand, or stones, or money. The origin of the word is clearly as given by the lexicographers; and to use a term from rhetoric is an illustration of synecdoche—a figure of speech in which a part is put for the whole. Thus the bank, or bench, simply a comfort and convenience in use in transacting the business, and therefore merely incidental to it, gives name to the whole. Gilbart, (no mean authority) in his "Practical Treatise on Banking," says, "The term bank is derived from *Banco*, the Italian word for bench, as the Lombard Jews in Italy kept *benches* in the market-place, where they exchanged money and bills. When a banker failed his bench was broken by the populace—hence our term bankrupt." Now the Jews were the dealers, lenders, etc., of Europe long anterior to the Bank of Venice (founded in, or about, 1171).

I might quote also from Hallam's Middle Ages—but I forbear trespassing too much upon your indulgence. Still I will refer to one more, an American authority—Appleton's Cyclopædia; article "Bank—derived from Italian *Banco*, a bench—a place of deposit. The name had its origin in the fact that the Jews, who were the first to follow the business of lending money, were accustomed to assemble in market-places in Italian towns, seated on benches there to transact their trade."

With regard to a fancied, or forced etymology I do not know a better exemplification of it in a burlesque way than specimens given by Dean Swift in his "Discourse on the Antiquity of the English tongue"—showing how that Hebrew, Greek and Latin were derived from the English tongue. I give a few examples. Isaac derived from *Eyes ache*—because he had a pain in his eyes. The Jews called a man Balaam, who was a shepherd, and often said *ba* to his *lambs*, and was therefore called *Baalamb*, or *Balaam*.

Alexander the Great was very fond of eggs roasted in hot ashes. As soon as his head cooks heard he was come into dinner they called out to their sub-cooks *All eggs under the grate*. I refrain from giving Jupiter the heathen god as derived from Jew Peter, the Saint Peter of the Roman Church. "Just Publishing (?)." As to this parenthetical interrogation I am rather at a loss as to its application—without Scrutator takes exception to it as good English. If so I suppose that he would have, used in its stead, the hybrid phrase of *is being published*. For this jumble together of a verb in the present tense (or present participle) and a verb of the past tense; or the using of an active participle coupled with a past verb used in a passive sense to express an action now going on, not completed—for this kind of English I would refer him to the tender mercies of Grant White in his "Words and their Uses." Having read what Mr. White has to say upon such English he will feel a sadder man, if he does not become a wiser one. For myself I will only say that with reference to a book, of which three parts only have been published, and the remainder will require twenty or more parts to complete the whole (some of which are now in hand, but not published) and perhaps almost as many years—of such a book to use the phrase "now publishing" is, I think, painfully correct, rather than questionable English. In conclusion, let me remind, Scrutator, that "one swallow does not make a spring"—however good, even so good as a Macleod; and suggest to him to *search* and *inquire* for other swallows as to when they will come and spring shall be abroad in the land.

CLAYTON CANNON.

BALTIMORE, June 12, 1897.

BANK WORKERS, SIGNATURES, ETC.

Editor Rhodes' Journal of Banking.

You certainly are taking a sound and wise line in making the JOURNAL interesting to the workers at bank desks rather than to a few financiering bank Directors. It is now the best banker's publication in this country.

I fear that the illustrations you have given of illegible signatures will increase the vanity of bank-people to write indistinctly.

Plainness in writing and talking is a necessity, and the opposite is a vice that should be discouraged.

Please mail copies of your interesting June number as per list and money herewith.
SACRAMENTO, Cal., June 21, 1887.

FRANK MILLER, Cashier.

ILLEGIBLE SIGNATURES AND FORGERY.

Editor Rhodes' Journal of Banking:

SIR:—I have read with a great deal of interest the article on Signatures lately published in the JOURNAL. Many of the accompanying fac similes have indicated an ingenuity that, exerted in other directions, must have made the possessors singularly fortunate business men.

One fact in this matter of handwriting must have occurred to every bank official. The greater degree of perfection a man attains in handwriting the more difficult it is to counterfeit. In a signature every stroke of which is perfectly formed, and in which every curve is properly made and the correct proportions observed, a business man or bank official possesses the greatest possible safeguard against forgery. Of course it is not possible for the majority of people to execute a signature of this description, but I believe that the nearer a man attains to this standard of perfection the greater his security.

A forger oftentimes can counterfeit the marvelous but indecipherable characters of an adept in the art of poor penmanship, while the plain, well-formed signature baffles his ingenuity. A straight line of which an initial and terminal letter are the only legible features is no greater safeguard against forgery than it is a proof of genius. Eccentricity in handwriting, like eccentricity in anything else, more commonly excites our pity than our envy.

June 16, 1887.

J. H. LOOMIS,
Bookkeeper First National Bank, Cheyenne, Wyoming.

CONCERNING THE VEXED QUESTION OF COLLECTIONS.

Mr. Editor:

For some time past the most cursory reader of the JOURNAL OF BANKING, or of the *Bankers' Magazine* must have noticed frequent, short, and fugitive pieces upon this topic. Of late, however, the subject has taken more form and weight by reason of the "Prize" articles now in course of publishing in your JOURNAL.

The present abnormal condition in this important branch of banking—Collection and Exchange—so vexatious and costly to banks, is brought about by cupidity and competition—that cupidity which has for its motto "every man for himself, and the devil take the hindmost,"—that competition that "makes or breaks," and too often vulgarly called enterprise, especially if successful.

Of all business carried on among men, banking should be the most conservative, both by reason of its grave responsibilities and its very small profits. There is, therefore, no margin for risk. Yet, actuated by cupidity, it has become, within the past twenty-five years, very common for banks in our large cities to buy paper, as though merchandise, having no endorser, at the miserable rate of 4 to 6 per cent. per annum, thus taking a commercial risk at a banker's profit—such a risk as nothing will justify short of a commercial profit. My corollary, however, is not the latter alternative, but that a bank should confine itself to its legitimate field of business, discounting for its depositors the bills receivable, for merchandise sold, value received, and duly endorsed by the discountee to his bank, discounting the paper at a reasonable rate, so that with a banker's profit there should be a banker's risk—the nearest approximate to zero possible. There is a moral character and safeguard in discounting paper of this kind which does not attach to paper sold on the street—too often issued like the I O U's of Micawber, the one given to take up another. Hence it is that for years past in all the heavy mercantile failures we find that banks are the chief, and frequently almost the

exclusive, creditors of defunct concerns. Upon this point I have almost unintentionally digressed, and though it is in itself a sufficient subject to write a paper upon, I forbear further to dwell upon it.

Now, a bank is much more entitled to charge for cost of cashing (or receiving as deposit) and collection, or exchange, than discount on notes. In discounting time only is involved, but in taking uncurrent items time is not only involved but the charge of your correspondent, or agent, is likewise. Therefore, until time and space can be annihilated, exchange or collection cost must be sustained. If the depositor for whose benefit it is done does not pay, his bank must, and lose it. If anywhere in the world the saying "time is money" is axiomatic, it certainly is in bank. Of course now, as hitherto, all well-regulated banks will take from good depositors (those whose average bank balance is a desirable one and worth keeping) out of town items without charging the cost for collecting—regarding themselves as compensated in the good balance kept. And as a general thing this class of depositors does not have, or rarely so, items on distant or undesirable points. But there is a class of depositors, entirely too large a one, whose average balance is rarely much more than a thousand dollars, whose deposits consist almost wholly of checks and drafts—drawn from Dan to Beersheba—and though entered up on their pass-books as "cash" (conventionally so), and permitted forthwith to be drawn upon, yet apart from mere bookkeeping entries hardly have a dollar of cash about them. These items go out of the bank and are meandering hither and thither for a week or so (and sometimes very much longer) before the mails bring a dollar in return, and in the interim every dollar has been exhausted by the depositor and other batches have been deposited. Such deposits in one kind, where a National bank is required to keep a 25 per cent. reserve in another kind—Legal tenders, whether of gold, silver, or greenbacks—make a bank poor as to the actual availability of its assets. Yet a depositor (of this large class), if he can show by his bank-book an average balance of one thousand dollars (purely nominal as it is), thinks he is of great service to a bank, etc., and entitled to very great consideration. There are banks in this city (some of whom I could name, giving names of depositors also) who are practically paying from 10 to 15 per cent. per annum for these so-called deposits. Thus we have a large class of depositors whose only idea in relation to banks is to make use of them, and make them pay for the privilege of all the care, trouble, and responsibility for working "free gratis for nothing." In all other relations of life, sacred and secular alike, the divine apothegm, "the laborer is worthy of his hire," seems to be considered worthy of all acceptance—falling only in its application to banking, a business requiring, to be successfully conducted, two of the highest qualities of man, viz., moral rectitude, and mental capacity.

Yet for this want of appreciation I do not blame the business public so much as I condemn the greed that has become too manifest within the past few years in too many of a younger generation of bankers—making it a little less than a huxtering business. The result now is that Exchange account, which used to be a credit account, has been reversed—and, if not wholly a debit account, will hardly pay in one year the cost of postage for one month.

The object of this paper is not how to make collections—at the least possible cost and trouble, but it is to show the necessity of returning to first principles—that is to make collections as direct and prompt as the mail will carry them to their respective points, and not, for the *apparent* saving of cost of collection, sending around, if not going, seven sides of Robin Hood's octagonal barn to find entrance into the eighth side. The banks thus doing, if they would only recognize it, incur grave responsibilities, with probable loss, for laches. For, certainly, if it can be shown in a litigation that if the bank had used all due care and diligence in sending the items in question they would have reached their destination in two days, and would have been paid. But there was a delay of a week or more in this indirection, to save twenty-five cents or a dollar, (and if saved really inuring to the depositor, who is now a litigant against the bank, working for him for nothing), and during which interim the collecting bank, or drawer, or drawee has failed. Even though this extreme result should not be the case, how much petty annoyance occurs from daily inquiry as to whether that check, or draft, or note has been paid—the merchant having received an order for another bill of goods, but which he is rather chary about filling until he knows that the previous indebtedness has been paid—if paid being very desirous to fill the order in hand, which he postpones from day to day—and all on his part too to save a quarter of a dollar. A

marked illustration this of the penny-wise and pound-foolish way of saving in business, Whereas if he would pay his bank for the cost, etc., it incurs the collections would be attended to with the utmost dispatch. And to do this requires no "tag," rag or bobtail appendage. All properly conducted banks should have books of record in which every item going out of the bank to a correspondent should be registered—whether check, or draft or note, sight or time—giving (in certain vertical divisions) a complete transcript of each item.

In large banks it is desirable to have two or more of these books, each 1,000 pages' running at the same time. For items that are received on deposit by the Receiving Teller, or cashed by the Paying Teller, a separate Record—called Disbursements (or any other suitable name indicating its character) can be kept; and for items sent off to be collected for the depositor, and only placed to his credit when collected, and handed direct to the Collection Clerk, another Record is kept—say Foreign Collection Record. The cash items having been passed over from the Tellers to the General Bookkeeper are by him debited to the banks to which they are respectively sent, and then handed over to the Corresponding Clerk, etc.

Now the columnar or vertical divisions of these books of Record are eight or ten in number—and so familiar to most bank clerks that I deem it entirely superfluous to encumber your pages with a diagram.

It should be the duty on two given days of every week for the Corresponding and Collection Clerk to review these Records, and making reasonable allowance for delay in mail, to push any tardy or delinquent correspondents by special letters of inquiry.

Something more by way of illustrations drawn from personal experience could be said upon this vexed question of Collection and Exchange, but I forbear.

BALTIMORE, June 16, 1887

CLAYTON CANNON.

COLLECTION FORMS.

Editor Rhodes' Journal of Banking:

Please forward enclosure to the writer of "Domestic Exchanges," by "Sutter," in the June number, and oblige, A. HANSL, care of O'Connor & Sullivan, Bankers, SAN ANTONIO, Texas, June 21, 1887.

(ENCLOSURE.)

DEAR SIR:—I have read your article on Domestic Exchanges, June number of JOURNAL, and am well pleased with your method. Would you be so kind as to forward to me a sheet each of your Collection and Remittance Register as shown on page 583. Also where do you have these books made and what do they cost. There should not be less than 500 sheets to each book it seems to me. "Time is money, especially in banking, and whenever I can shorten some of the routine I gladly do it.

Yours, etc.,

A. HANSL.

(As the editor of the JOURNAL does not and cannot know Sutter's real name and address until after the prize essay has been selected, the letter and enclosure of our correspondent is printed as the readiest way of reaching him.—ED.)

Mr. C. McLuer, of Stillwater, Minn., writes: "I would not be without the JOURNAL for many times its cost. I look for it as anxiously as I do for the *Century* and *Harper's Magazine*."

Mr. H. Weiss, Cashier of the Blue Valley Bank, Hebron, Neb., says of the JOURNAL: "It is a valuable work and since I learned its merits cannot do without it. The legal decisions alone are worth double the price of subscription."

Mr. Geo. E. Black of the German-American of St. Joseph, Mo., writes: "You may enter the above bank on your JOURNAL subscription list, as I regard it an indispensable publication to a banker who wishes to keep himself posted." St Joseph is a thriving place, and the banks there have lately elected to make it one of the cities in which National banks may keep their reserves.

The *Boston Commercial Bulletin* of June 18th, says: "RHODES' JOURNAL OF BANKING is one of the best financial publications of the country, and its discussions of banking, business, currency and financial questions are marked by a soundness of reasoning backed by a knowledge of facts. It is published monthly in New York at 78 William Street and is a useful magazine for every business office."

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

CRITICISM OF THE REFUNDING PLAN.

[New York Evening Post.]

The Louisville *Courier-Journal* objects to the plan proposed by Mr. John Jay Knox, and advocated by Mr. Hewitt and others, for refunding the 4 per cent. bonds of the Government into 2½ per cents, paying a present premium of some agreed amount for this privilege. The *Courier-Journal*, in its playful way, says that *The Evening Post* favors a premium of 30 per cent., and it then shows how unfair this would be, because, although the Government would not pay any more money than it will pay by allowing the bonds to run till maturity at 4 per cent., yet the bondholders will have the use of the premium money, which will be worth a great deal to them. Well, in the first place, *The Evening Post* never proposed to pay them a premium of 30 per cent., and this our frolicsome contemporary knew very well when he wrote his article. In the next place, the only object or purpose of paying any premium at all is to enable the Government to continue the wholesome and beneficent work of extinguishing its debt, instead of intermitting the task for four years now, and again for fourteen or fifteen years after 1891. Even on the hypothesis of 30 per cent. premium, the transaction would be useful and business-like, since it would be an application of present means to future ends and would not increase the aggregate liability of the Government. If the bondholders should make prudent use of the premiums paid to them, the country would be that much better off. The premium to be paid on a 4 per cent. basis would not be 30 per cent., but 20,583, as computed by the Government Actuary, and the saving that would be effected by the Government, if all the four per cents could be refunded on that plan would be \$21,900,000. The tax-payers would be called upon for so much less in the aggregate than they will be required to pay if the 4's run to maturity on the present basis. The thought that the bondholders might derive an advantage, even though the Government should save \$21,900,000, is no doubt very harrowing.

COMPTROLLER TRENHOLM ON BANK EXAMINATIONS AND CIRCULATION.

[Interview in New York Herald.]

The failure of the Fidelity National Bank, of Cincinnati, may be the means of introducing a much needed reform in the system by which the affairs of the National banks are examined, and prevent in future such disgraceful swindles as those that characterized the gutting of the Marine Bank by James D. Fish and Ferdinand Ward, and the Fidelity by Messrs. Harper and Hopkins. In his last report to Congress—and it is worthy of passing mention that the Comptroller of the Currency is one of the very few subordinate officers who reports direct to Congress and without the intervention of the Secretary of the Treasury—Comptroller Trenchholm, under the head "Suggestion as to the amendments to the laws relating to banking by which the system may be improved and the security of the holders of its notes and other creditors may be increased," recommended that provision be made for more frequent examinations than are now possible by adding to the amounts paid by the banks "a suitable amount to be paid out of the Treasury, in order that supervising examiners may be employed." In the report that will be laid before Congress this winter the Comptroller will give a detailed history of the Fidelity crash and the causes that led to it, and will in this connection renew his recommendations for the appointment of supervising examiners and give his reasons at length for additional examinations. Speaking about the matter, the Comptroller said:—"I want only half a dozen men. That will be amply sufficient. Under the present system a bank is examined about once a year, and should an additional examination be made—say a month or two later—the fact of the examiner being there would at once be known; it would cause gossip and rumor, and produce embarrassment when there might be nothing to justify any feeling of alarm. But with the supervising examiners it would be different. The commercial community

would understand that the supervising examiner was charged with verifying the work of the district examiner, and his appearance a week or six months after the district examiner's visit could in no way reflect on the bank, but would simply mean that the inspector was performing his duties by regularly going over his territory.

"Then these supervisors would be men more fitted to cope with rascality. You must fight artillery with artillery. Men like Fish and Harper are Paladins of finance, and it requires men of long experience and great ability to be their match, and these inspectors could watch things closer and make thorough and exhaustive examinations. It is not often that there is rascality in the management of the National banks. Probably there have not been a dozen outrageous cases, but every single instance affects the entire system, and in a measure injures its credit."

It is also likely that in his report Mr. Trenholm will make some recommendations seeking to better secure the interests of stockholders and depositors.

In connection with the cancellation of the three per cent. loan the Comptroller gave the following figures:—The banks held, as a security for circulation, on June 1, \$17,000,000, and to-day, July 1st, \$4,700,000, showing a surrender of \$12,300,000. Of fours on June 1st they held \$114,975,000, and on July 1st, \$115,927,000, and of the 4½ per cent. loan \$65,782,000 on June 1st and \$67,900,000 on July 1st. Adding the increase of the fours and 4½'s, \$3,070,000, and subtracting it from the decrease of threes leaves a net balance of a little over \$9,000,000, which represents, in round numbers, a reduction of circulation of \$8,100,000, the banks only issuing ninety per cent. of the par value of the bonds deposited. But this reduction of National bank circulation does not mean the contraction of the currency to that extent, because for every dollar of National bank note currency surrendered the Treasury will pay out a dollar of "lawful money." Hence, while the banks lose their circulation exactly the same amount will be taken out of the Treasury vaults and put into active circulation. The total amount of bonds of all kinds held by the Treasury as a security for circulation is \$191,707,300 or considerably more than twice the minimum amount required by law. Comptroller Trenholm does not believe that it would make any difference to the business of the country at this time if all the National banks surrendered their circulation, but it would be otherwise in case of an emergency, and in view of any possible contingency he believes it to be wise to continue the laws requiring banks to issue at least \$50,000, so, as he put it, that the machinery is there and not wait until the emergency arises before making the machinery.

WHO GOT THE MONEY.

[Chicago Tribune.]

It is interesting to inquire who has been the gainer where so much money has been lost. The avails of the transaction may be said to be distributed among the scalpers who were shrewd enough to operate at the right time for a break, and the men who owned the wheat at other points which has been poured in at such a tremendous rate as to break the resolution of the clique. The latter have reaped a rich harvest, and it is unfortunate for the farmer that he has not secured a larger proportion of it. Most of the wheat had been bought soon after harvest by millers or those who sold against it in this market, and for several days they realized on some half a million bushels per day an average of perhaps 10 cents per bushel more than could have been obtained for it in any other market in the West. It is consoling to know that if the whole gain has not gone where it would have done the most good, about all the loss has come out of the pockets of the speculators and their agents, the former being the men who could lose it with the least disadvantage to the rest of the community. Most of them went into the business in very much the same spirit as they would bet on a horse race or in a faro bank, and deserve as little commiseration in the event of loss as they would have shown mercy had they been fortunate enough to get the upper hand in the deal.

Crane, Parris & Co., Bankers of Washington, D. C., write of it as an "excellent JOURNAL which we appreciate more than any other work of the kind in our office."

Isaac F. Nicholson, 229 East German Street, Baltimore, writes: "I have looked through the JOURNAL OF BANKING received few days since and confess to finding it much more interesting than I had in any way imagined. My only regret being that want of time and bad eyesight should have prevented my subscribing heretofore. I wish you the full success that your efforts merit."

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National banks organized since our last report:
(Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.)

- 3715—Garden City National Bank, San Jose, California. Capital, \$100,000.
3716—Farmers & Mechanics' National Bank, Woodbury, New Jersey. Capital, \$100,000.
3717—First National Bank, Negaunee, Michigan. Capital, \$50,000.
3718—Central National Bank, Springfield, Missouri. Capital, \$100,000.
3719—Oregon National Bank, Portland, Oregon. Capital, \$100,000.
3720—First National Bank, Olathe, Kansas. Capital, \$50,000.
3721—First National Bank, Alliance, Ohio. Capital, \$100,000.
3722—Glenwood National Bank, Glenwood Springs, Colorado. Capital, \$100,000.
3723—Chestnut Street National Bank, Philadelphia, Pennsylvania. Capital, \$500,000.
3724—First National Bank, Menasha, Wisconsin. Capital, \$80,000.
3725—First National Bank, Tobias, Nebraska. Capital, \$50,000.
3726—Wyandotte National Bank, Kansas City, Kansas. Capital, \$100,000.
3727—First National Bank, Granbury, Texas. Capital, \$50,000.
3728—National Bank of Arizona, Phoenix, Arizona. Capital, \$100,000.

ALABAMA.

- BIRMINGHAM.—American National Bank has been authorized to commence business. Capital, \$250,000. President, S. T. Barnett; Cashier, R. M. Mulford.
EUFULA.—East Alabama National Bank: Vice-President, R. Cherry.
OPELIKA.—Bank of Opelika: no Assistant Cashier in place of W. B. Shapard, Jr.

ARIZONA.

- PHOENIX.—National Bank of Arizona has been authorized to commence business. Capital, \$100,000. President, M. W. Kales; no Cashier.
TUCSON.—Consolidated Bank of Tucson has been incorporated, succeeding Bank of Tucson (B. M. Jacobs) and D. Henderson. Capital, \$50,000. President, B. M. Jacobs; Vice-President, D. Henderson; Cashier, M. P. Freeman.

CALIFORNIA.

- FRESNO CITY.—First National Bank; O. J. Woodward, Cashier, in place of W. K. James; Assistant Cashier, A. H. Braely. — Fresno Savings & Loan Bank: J. G. James, President, in place of M. J. Donahoe.
MARYSVILLE.—Rideout & Smith: no Cashier in place of Geo. R. Eckart.
MERCED.—First National Bank has been authorized to commence business. Capital, \$200,000. President, C. H. Huffman; Cashier, Milton Samuel Huffman.
MONROVIA.—First National Bank has been authorized to commence business. Capital, \$50,000. President, John F. Brossart; Cashier, Joseph F. Sartori.
ORANGE.—Bank of Orange: Cashier, Geo. J. Mosbaugh.
PASADENA.—First National Bank: J. E. Farnum, Cashier, in place of D. Galbraith. — Pasadena Savings Bank has been incorporated recently.
RIVERSIDE.—Chas. Bakewell & Sons are reported here.
SAN BERNARDINO.—First National Bank; M. B. Garner, Vice-President, in place of J. A. Breneman.
SAN DIEGO.—First National Bank; R. A. Thomas, President, in place of Jacob Gruendike; O. S. Hubbell, Cashier in place of R. A. Thomas; M. T. Gilmore, Assistant Cashier, in place of O. S. Hubbell.
SAN FRANCISCO.—Bank of British North America; W. Lawson & J. C. Welch, Agents, in place of W. Lawson & C. F. Taylor. — California Safe Deposit Co.; Charles R. Thompson, Cashier, reported a defaulter.
SAN JOSE.—Garden City National Bank has been authorized to commence business. Capital, \$100,000. President, C. W. Breyfogle; Cashier, Thos. F. Morrison.
SELMA.—Bank of Selma; capital, \$10,000. President, J. G. S. Arrants; Cashier, D. S. Snodgrass.

COLORADO.

- DENVER.—Colorado Savings Bank has recently filed articles of incorporation with the Secretary of State. Paid capital, \$50,000. President, John A. Clough; Vice-President, F. K. Atkins; Cashier, W. J. Wildman.
FT. MORGAN.—J. S. Redfield & Co. are in business here.
GLENWOOD SPRINGS.—Glenwood National Bank has been authorized to commence business. Capital, \$100,000. President, John L. McNeil; Cashier, Charles H. Toll.
JULESBURG.—First National Bank has been organized here.
STERLING.—Allen Wirth is reported here.

CONNECTICUT.

- HARTFORD.—Fidelity Company (private) is reported here. — Hubbard & Farmer, assigned.
LITCHFIELD.—Litchfield Savings Society; Chas. H. Coit, Treasurer, in place of Henry R. Coit.
MIDDLETOWN.—Middletown Savings Bank; Geo. A. Coles, President, in place of Samuel Babcock.

NEW LONDON.—Mariners' Savings Bank; no President in place of C. C. Comstock, deceased.

WATERBURY.—Dime Savings Bank; Henry H. Peck, President in place of Henry C. Griggs.

WINSTED.—Mechanics' Savings Bank; Harvey B. Steele, President, in place of Lyman R. Norton; Lyman R. Norton, Treasurer, in place of E. E. Gilman.

DAKOTA.

CANTON.—Dakota Loan & Trust Co.; Assistant Cashier, Frank H. H. Wetson.

CASSIHLTON.—Cass County Bank has been organized. Capital, \$50,000. President, E. H. Paine; Cashier, O. H. Paine.

CASTALIA.—F. S. Rowley is reported here. Style, Missouri Valley Bank.

CHAMBERLAIN.—First National Bank; Assistant Cashier, L. D. Allred.

DEVIL'S LAKE.—Merchants' National Bank; Vice-President, Clark W. Kelley.

EDGEMONT.—Citizens' Bank is reported here. President, Jno. M. Hammond; Cashier, T. A. Short.

FREDERICK.—Bank of Frederick (Incorporated); President, F. H. Hagerty; Cashier, J. C. Simmons.

MINOT.—E. A. Mears is in business here. Style, Bank of Minot.

SPEARFISH.—Stebbins, Fox & Co.; succeeded by Bank of Spearfish (Incorporated). Capital paid in, \$30,000. President, L. W. Valentine; Vice-President, W. R. Stebbins; Cashier, Jas. F. Summers.

STURGIS.—Lawrence County Bank; succeeded by First National Bank. Capital, \$50,000. President, Donald A. McPherson; Cashier, J. J. Davenport.

FLORIDA.

ORLANDO.—First National Bank; B. B. Poyntz, Assistant Cashier, in place of W. B. Newton.

PALATKA.—Palatka National Bank; Receiver, S. J. Kennerly.

GEORGIA.

MACON.—R. F. Lawton; succeeded by Merchants' National Bank. Capital, \$100,000. President, R. F. Lawton; Cashier, L. P. Hillyer.

IDAHO.

MOSCOW.—First National Bank; Henry Derrham, Vice-President, in place of J. H. Maguire.

ILLINOIS.

ATLANTA.—Atlanta National Bank; Vice-President, W. S. Dunham; Assistant Cashier, Seward H. Field.

AUGUSTA.—Augusta Bank (J. B. Compton & Co.); Cashier, L. H. Dexter.

CAIRO.—Alexander County Bank; succeeded by Alexander County National Bank. Capital, \$100,000. President, Fredolin Bros; Cashier, Henry Wells.

CHICAGO.—American Exchange National Bank; D. B. Dewey, President, in place of D. W. Irwin, resigned.

ENGLEWOOD.—Citizens' National Bank is being organized. Capital, \$100,000.

GIRARD.—Bank of Girard; President, J. F. Roach; Cashier, J. M. Metcalf.

JOLIET.—Will County National Bank; C. H. Talcott, Cashier, in place of Henry C. Knowlton; no Assistant Cashier in place of C. H. Talcott.

MATTOON.—First National Bank; P. F. McNair, Cashier, in place of C. E. Wilson; no Assistant Cashier in place of P. F. McNair.

RUSHVILLE.—Bank of Rushville; Assistant Cashier, John D. Little.

SYCAMORE.—De Kalb County Savings & Loan Association; Secretary, John B. Whalen.

INDIANA.

COLUMBUS.—Irwin's Bank (Joseph I. Irwin); W. P. Alden, Assistant Cashier, in place of H. M. Rowley.

DECATUR.—Adams County Bank; Assistant Cashier, E. X. Ehinger.

FARMLAND.—A Banking Co. has been organized here. Cashier, I. M. Bransen.

GOSPORT.—Montgomery & Henry; succeeded by James R. Henry.

LOGANSPORT.—City National Bank has been organized. President, Alex. R. Shroyer; Cashier, Will H. Forest.

POSEYVILLE.—V. P. Bozeman & Co.; Cashier, Geo. J. Waters.

RUSHVILLE.—Rushville National Bank; Assistant Cashier, John Megee.

WATERLOO.—De Kalb Bank; no Assistant Cashier in place of D. A. Garwood.

WESTVILLE.—E. S. Smith, Collection Agent; now in banking business. Style, Bank of Westville.

IOWA.

ATLANTIC.—Cass County Bank; A. W. Dickerson, Cashier, in place of John P. Gerbrich; no Assistant Cashier in place of A. W. Dickerson.

BONAPARTE.—Farmers & Traders' Bank; J. A. Johnson, Cashier, in place of Thomas Crispy; no Assistant Cashier in place of J. A. Johnson.

CARSON.—Bank of Carson (Moseley Chase); Manager, S. C. Campbell.

CLINTON.—Merchants' National Bank has been authorized to commence business. Capital, \$100,000. President, B. H. A. Henningsen; Cashier, R. C. Van Kuran.

GARDEN GROVE.—Garden Grove Bank; W. M. Wood, Cashier, in place of Geo. J. Woodbury.

HUMBOLDT.—People's Bank; Assistant Cashier, W. W. Sterna.

JESUP.—Farmers' Bank; S. L. Clark, Cashier, in place of George S. Murphy.

LAWLER.—D. R. Kerby (Bank of Lawler); succeeded by Parker & Mason. Cashier, Wm. H. Parker.

MANCHESTER.—A. B. Loomis & Son; M. F. Le Roy, Cashier, in place of Henry W. Rule.

MAYNARD.—Bank of Maynard; F. E. Blethen, Cashier, in place of D. Watenpugh.

MELROSE.—Melrose Bank; Assistant Cashier, Mrs. D. J. Martin.

NEW MARKET.—Bank of New Market; G. I. Miller, Cashier, in place of C. B. Hutton.

NORWAY.—Benton County Savings Bank is the only bank here. President, F. Pickart; Cashier, E. E. Hartung.

ODEBOLT.—Odebolt State Bank; W. F. Bay, Cashier, in place of Geo. J. Low.

SHELL ROCK.—Shell Rock Bank; P. McDonald, President, in place of Clark Fairfield.

SHENANDOAH.—First National Bank; Frank Hooker, Cashier, in place of R. W. Carey.

VAIL.—Citizens' Bank; proprietor, Jno. H. De Wolf. No Cashier in place of Percy Farnilton.

WALKER.—Exchange Bank (A. E. Niertel & Co.); Cashier, Henry J. Niertel.

WHITING.—Whiting Bank; Assistant Cashier, L. E. Christie.

KANSAS.

ASHLAND.—First National Bank; Cashier, Geo. Theis, Jr.

COLDWATER.—First National Bank; Vice-President, H. H. Rich; Assistant Cashier, Wm. D. Weller.

CONCORDIA.—Citizens' National Bank has been organized. Capital \$100,000. President, W. P. Caldwell; Vice-President, B. H. McEckron; Cashier, C. P. Tilden.

DODGE CITY.—First National Bank; A. T. Soule, President in place of G. M. Hoover; Wm. W. Munsell, Vice-President, in place of R. J. Hardesty.

DOWNS.—Exchange National Bank; G. H. Skinner, President, in place of W. W. Hetherington; John Hall, Vice-President, in place of F. Everest; C. J. Sargent, Cashier, in place of J. B. Kroetch; J. M. Bower, Assistant Cashier, in place of Wm. Mellen.

HARPER.—First National Bank; George D. Thompson, Cashier, deceased.

HUTCHINSON.—Hutchinson National Bank; J. F. Greenlee, President, in place of W. E. Burns; Thos. J. Anderson, Vice-President, in place of F. R. Chrisman; A. J. Lusk, Cashier, in place of J. F. Greenlee.

KANSAS CITY.—(P. O.; Wyandotte).—First National Bank; Vice-President, D. R. Emmons. Wyandotte National Bank has been authorized to commence business. Capital, \$100,000. President, J. W. Sponable, Vice-President, Frank Fulton; Cashier, C. W. Trickett.

KINGMAN.—Citizens' National Bank has been authorized to commence business. Capital, \$50,000. President, Robert W. Hodgson; Cashier, John M. Lee.

KIRWIN.—First National Bank; Assistant Cashier, H. R. Huil.

MINNEAPOLIS.—Minneapolis National has been authorized to commence business. Capital, \$60,000. President, Joseph C. Gafford; Cashier, Benjamin F. Bracken.

OLATHE.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Lewis W. Breyfogle; Cashier, John L. Price.

SHERMAN CENTER. (P. O.; Gandy).—Bank of Voltaire; succeeded by Russell Bros. Capital, \$10,000. President, H. W. L. Russell; Cashier, C. P. Russell; Assistant Cashier, Charles C. Russell.

WATERVILLE.—Searles & Hall (Commercial Bank); O. D. Hall continues.

KENTUCKY.

DANVILLE.—Citizens' National Bank; E. W. Lee, President, in place of M. J. Farris.

HICKMAN.—Hickman Bank; H. Buchanan, President, in place of R. T. Tyler.

MT. STERLING.—Farmers' National Bank; R. A. Mitchell, President, in place of J. A. Hannah.

LOUISIANA.

NEW ORLEANS.—Metropolitan Bank; Assistant Cashier, Geo. W. Young.

SHREVEPORT.—Commercial National Bank; no Vice-President in place of S. B. McCutcheon; S. B. McCutcheon, Cashier, in place of R. R. Deming; Assistant Cashier, A. L. Stringfellow.

MAINE.

BANGOR.—Kenduskeag National Bank; Fredk. W. Hill, President, in place of J. S. Wheelwright.

DOVER.—Kineo National Bank; Vice-President, John F. Hughes.

MARYLAND.

BAITIMORE.—German Savings Bank; Charles Lieberknecht, Treasurer, in place of Robt. M. Rother.

WESTMINSTER.—Wm. B. Thomas; Cashier, George Batson.

MASSACHUSETTS.

BOSTON.—National City Bank; Geo. W. Grant, Cashier, in place of Charles C. Barry; no Assistant Cashier in place of Geo. W. Grant. — New England National Bank; A. C. Kollock, Assistant Cashier, until December 1, 1887.

CHELSEA.—Chelsea Savings Bank; Otis Hinman, President, in place of John H. Osgood, deceased.

LOWELL.—Prescott National Bank; Assistant Cashier, F. Blanchard.

SPRINGFIELD.—Chicopee National Bank; Henry Fuller, Jr., President, deceased.

MICHIGAN.

ALLEN.—C. H. Winchester; Cashier, Byron Ellis.

BESSEMER.—Bessemer Bank; proprietors, Jos. Sellwood & Co., Cashier, A. D. Garner. Cashier, in place of Alex. A. Rase.

BROCKWAY CENTRE.—Brockway Centre Bank (B. R. Noble & Co.); C. R. Holden, Cashier, in place of Alex. A. Rase.

DETROIT.—Citizens' Savings Bank; E. K. Roberts, President, in place of Milton H. Butler; Edwin F. Mack, Cashier, in place of E. K. Roberts; no Assistant Cashier in place of Edwin F. Mack. — Mills Real Estate Security Bank; sold to C. H. Mills. No change in title of officers. — People's Savings Bank; President, M. W. O'Brien; 2d Vice-President, F. A. Schulte; S. B. Coleman, Cashier, in place of M. W. O'Brien; no Assistant Cashier in place of S. B. Coleman, Preston Bank; succeeded by Preston National Bank. Capital, \$600,000. President, Rufus W. Gillett; Vice-President, F. W. Hayes; Cashier, Julius P. Gilmore.

DOWAGIAC.—Lee Brothers & Co. commenced business here June 1st.

GRAND LEDGE.—Loan & Deposit Bank (George N. Berry); Cashier, L. H. Evarts.

GRAYLING.—Grayling Exchange Bank (John Staley, Jr.); Assistant Cashier, J. Wilson Staley.

NEGATUNE.—Michigan Iron Bank (H. E. Pearce); succeeded by First National Bank. Capital, \$50,000. President, Alexander Matland; Vice-President, John B. Maas; Cashier, Thos. C. Yates.

MINNESOTA.

RED WING.—Goodhue County Bank; now operating under State charter. Paid capital, \$51,000.

ST. PAUL.—Scandinavian-American Bank has been incorporated. Paid capital, \$100,000. President, Arne L. Alness; Vice-President, John G. Elmquist; Cashier, Geo. P. Sjöblom.

MISSISSIPPI.

GREENVILLE.—Merchants' Bank (Jas. E. Negus); A. B. Nance, Assistant Cashier, in place of A. H. Shields.

SARDIS.—Bank of Sardis; Assistant Cashier, F. J. Dickins.

MISSOURI.

CANTON.—Bank of Lewis Co.; M. H. Hawkins, President, in place of W. G. Downing; Assistant Cashier, V. E. Thompson.

KANSAS CITY.—Union National Bank; Assistant Cashier, Henry J. Rosenorans.

MILAN.—First National Bank; E. Ash, President, in place of L. T. Hatfield.

SPRINGFIELD.—Central National Bank has been authorized to commence business. Capital, \$100,000. President, J. W. Powers; Cashier, Ed. P. Newman. — Commercial Bank has just opened. President, J. S. Ambrose; Cashier, W. D. Sheppard; Assistant Cashier, W. T. Bigbee.

ST. LOUIS.—Fifth National Bank; Assistant Cashier, Chas. P. Krieger.

NEBRASKA.

ARAPAHOE.—First National Bank; W. J. Gregory; Assistant Cashier, in place of H. Chamberlain.

FREMONT.—Farmers & Merchants' National Bank; no Vice-President in place of E. Schureman.

HASTINGS.—Exchange National Bank; J. C. McNaughton, Assistant Cashier, in place of J. R. McLaughlin. — German National Bank has been authorized to commence business. Capital, \$50,000. President, Charles H. Dietrich; Cashier, William H. Fuller.

NORFOLK.—Farmers & Merchants' Bank; succeeded by Citizens' National Bank. Capital, \$50,000. President, C. A. Mast; Cashier, Geo. L. Iles. — Norfolk National Bank; Assistant Cashier, W. H. Bucholz.

OMAHA.—Nebraska National Bank; Lewis S. Reed, Vice-President, in place of A. E. Touzalin; 2d Vice-President, A. E. Touzalin.

TUBAS.—Bank of Tobias; succeeded by First National Bank. Capital, \$50,000. President, Samuel F. Nunemaker; Cashier, John V. Ainsworth.

WAKEFIELD.—Farmers & Traders' Bank; H. M. Bailey, President, in place of W. P. Manley.

NEW HAMPSHIRE.

CLAREMONT.—Claremont National Bank; Assistant Cashier, Jno. L. Farwell, Jr.

NEW JERSEY.

WOODBURY.—Farmers & Mechanics' National Bank is the new bank here. Capital, \$100,000. President, Joseph L. Reeves; Vice-President, W. S. Conner; Cashier, Henry S. Talman.

NEW YORK.

AURORA.—First National Bank; E. W. Mosher, Acting-Cashier, during absence of Cashier.

BROOKLYN.—Long Island Loan & Trust Co; Seymour L. Husted, President, deceased. — Dime Savings Bank; Seymour L. Husted, President, deceased.

COXSACKIE.—National Bank of Cocksackie; Albert Parker, Cashier, in place of S. A. Dwight; no Assistant in place of A. C. Dwight.

GRANVILLE.—National Bank of Granville; Daniel Woodward, President, deceased.

NEW YORK CITY.—Leather Manufacturers' National Bank; Wm. H. Macy, Jr., Vice-President, in place of W. H. Macy. — Third National Bank; H. C. Chapin, Jr., Assistant Cashier, should be H. Chapin. — Bank of New Amsterdam has been incorporated. Capital, \$250,000. — Union Bank; President, J. W. Kilbreth, Vice-President, J. H. Hewson. — Seaman's Savings Bank; William C. Sturges, President, in place of William H. Macy, deceased. — Bankers & Merchants' Trust Company has filed articles of incorporation. Capital, \$1,000,000. — Charles Alardye, deceased. — L. Cohn & Co.; I. S. Hade admitted to Stock Exchange. — H. G. Campbell & Co.; Henry G. Campbell and James P. Miles have formed a partnership under this style. — Clark, Dodge & Co.; D. Crawford Clark admitted and Herman R. Le Roy retires. — Godfrey Dunscomb; George P. Cammann admitted. Style, Dunscomb & Co. — F. P. Freeman & Co.; continued by Francis P. and Frank Morgan Freeman, and Saml. T. Knapp, Jr. — E. H. Harriman & Co.; continued by William M. Harriman and Nicholas Fish, with Edward H. Harriman as special. — C. W. Kohlsaat; failed. — Arthur A. Lockwood; Stock Exchange seat sold. — Charles C. Marsh & Co.; Charles C. Marsh and Joseph W. Collins, Chauncey F. Kerr contributing \$50,000 as special capital, have formed a partnership under the above style, succeeding Durant, Marsh & Co. — Henry Meigs; deceased. — Orvis Brothers & Co.; Roland M. Smythe admitted to an interest. — J. E. Reynolds & Co.; J. E. Reynolds and S. B. Von Dersmith have formed a partnership under this style. — J. Edward Simmons; Stock Exchange seat sold. — H. G. Trevor (representing Mackintosh, Klaus & Co., Boston, Mass.); admitted to Stock Exchange. — Strong Wadsworth; deceased.

PULASKI.—Pulaski National Bank; Helen A. Clark, President. In place of James A. Clark, deceased.

UTICA.—Second National Bank; Edward S. Brayton, President, deceased.

OHIO.

ALLIANCE.—First National Bank has been authorized to commence business. Capital, \$100,000. President, Richard W. Teeters; Cashier, Le Roy D. Brown.

CINCINNATI.—Cincinnati National Bank; Frank Alter, President, in place of Joseph F. Larkin, resigned. — Equitable National Bank; Vice-President, J. K. Mardock.

— Fidelity National Bank; Receiver, David Armstrong.

COLUMBUS.—Clinton National Bank; M. M. Greene, President, deceased.

FINDLAY.—American National Bank has been authorized to commence business. Capital, \$100,000. President, Jacob F. Burke; Cashier, Sam W. Miller.

MARIETTA.—First National Bank; W. W. Mills, President, in place of Beman Gates; Beman Gates, Vice-President, in place of M. P. Wells.

OREGON.

ARLINGTON.—First National Bank; Vice-President, E. C. Frick.

PORTLAND.—Oregon National Bank has been authorized to commence business. Capital, \$100,000. President, Van B. De Lashmunt; Vice-President, Geo. B. Markle, Jr.; Cashier, D. F. Sherman. — Portland National Bank; no Vice-President in place of Rufus Ingalls; W. Lowe, Acting Cashier, in place of D. F. Sherman. — Metropolitan Savings Bank; converted into the Oregon National Bank.

PENNSYLVANIA.

CHESTER.—Delaware Co. Trust, Safe Deposit & Title Ins. Co. Capital, \$25,000.

President, Henry C. Howard; Secretary, John D. Goff; Treasurer, Thomas Lees.

GREENVILLE.—First National Bank; Assistant Cashier, Charles R. Wray.

HARRISBURG.—Merchants' National Bank; Vice-President, R. B. Mateer.

MILLERSTOWN (P. O. Barnhart's Mills).—Millerstown Deposit Bank is new bank here.

PALMYRA.—Palmyra Bank has been chartered under State laws.

PHILADELPHIA.—Bank of North America; John H. Michener, President, in place of Charles S. Lewis, resigned; Assistant Cashier, James C. Pinkerton. — Chestnut Street National Bank, organization of which was reported in April JOURNAL, has been authorized to commence business. Capital, \$500,000. Vice-President, William M. Slingerly; Cashier, William Steele. — City Trust, Safe Deposit & Surety Co.; capital increased to \$500,000. — Investment Co. of Philadelphia; capital increased to \$4,000,000. — Narr & Gerlach; Frederick Narr retires. Wm. Gerlach and Fredk. H. Harjes succeed, under style of Gerlach & Harjes.

SHIPPENSBURG.—First National Bank; J. E. Geesaman, Cashier, in place of J. D. Geesaman.

WILLIAMSPORT.—Merchants' National Bank; officers are as follows: President, J. Wood Mussina; Vice-President, Jesse B. Duble; Cashier, J. H. Boyer; Assistant Cashier, Ralssa C. Clark.

TENNESSEE.

CHATTANOOGA.—Chattanooga National Bank; Vice-President, Thos. L. Cate; Assistant Cashier, D. Cal. McMillin. — Third National Bank; 1st Vice-President, D. E. Rees; 2d Vice-President, W. H. Hart.

TEXAS.

AUSTIN.—First National Bank; no Assistant Cashier in place of J. M. Brackenridge.

BAIRD.—First National Bank; no Assistant Cashier in place of J. M. Beatie.

CALVERT.—J. S. McLendon & Co.; succeeded by First National Bank. Capital, \$80,000.

President, J. S. McLendon; Cashier, J. A. Foster.

DENISON.—State National Bank; N. S. Ernst, Cashier, in place of Wilmot Saeger.

GRANBURY.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Daniel C. Cogdell; Cashier, Abraham U. Thomas.

PALESTINE.—First National Bank; Vice-President, G. W. Burkitt.

SAN ANTONIO.—Lockwood & Kampmann; succeeded by Lockwood National Bank. Capital, \$300,000. President, Joseph S. Lockwood; Cashier; Joseph Muir, Jr.

VERMONT.

SPRINGFIELD.—First National Bank; G. L. Closson, Cashier, in place of B. F. Aldrich.

VIRGINIA.

NEWBERN.—Pulaski Loan & Trust Co. has been organized here. — John B. Baaker-ville; discontinued.

WASHINGTON TERRITORY.

SEATTLE.—E. B. Downing & Co.; succeeded by Guarantee Loan & Trust Company (incorporated.) Paid capital, \$50,000. President, Leigh S. J. Hunt; Vice-President, David N. Baxter; Treasurer, Edward B. Downing; Secretary, Geo. H. Heilbron; Examiner, Charles H. Kittinger.

WISCONSIN.

CHIPPEWA FALLS.—Lumberman's National Bank has been organized.

MENASHA.—First National Bank has been authorized to commence business. Cashier, Robert Graham.

MERRILL.—First National Bank; Vice-President, Walter A. Soott.

QUEBEC.

GRANBY.—Eastern Townships Bank; E. N. Robinson, manager, in place of W. H. Robinson.

HUNTINGDON.—Eastern Townships Bank have opened an office here. Manager, W. H. Robinson.

MONTREAL.—Bank of Montreal; Donald A. Smith, President, in place of C. F. Smithers, deceased; Vice-President, George A. Drummond.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, July 1, 1887.

The events of the month have been somewhat exciting. The failure of the Fidelity National Bank of Cincinnati and the serious losses of the American Exchange National Bank of Chicago, were chiefly the result of the attempt to force up the price of wheat, and had much effect in unsettling the market. These incidents as well as the wheat excitement itself are the indications and results of circumstances which this year have had a tendency to unsettle the opinions of those who influence the money market, and to reduce traders to a condition of Micawber like expectation. The year opened with a confident anticipation of a strong and permanent revival of business to be felt in all branches of trade and commerce, and there were many indications that this belief was well founded. Money abroad was cheap and the rates in the United States were not high. Reports of rise in the price of real estate in many parts of the country were rife, and much was heard of the phenomenal energy of business enterprise in the Southern States. The railroad earnings exceeded those of the previous year. Somehow, however, none of the anticipations of a year of extraordinary prosperity have been realized. There has been no general boom in prices, in fact the usual attitude of the market has been apathetic. Every reason for a rise in prices has been followed by some counteracting influence. The Inter-State Commerce law seems to have had a depressing effect on railroad property, notwithstanding the increased earnings of most of the roads. The condition of the Treasury surplus has been a standing threat to the money market in spite of the fact that money appears to be plenty and the currency sound. Yet owing to this overhanging cloud the least excitement sends rates up. There seems to be very little margin of confidence or stamina, and very little disturbs the balance. The real condition of the Treasury does not warrant so much apprehension, but the people of the United States, though blessed with republican institutions, have for a democratic people a strange awe of the operations of their Government. The Treasury does much injury by veiling its methods in mystery and by performing all it does do in a paltering way as if it would draw back with one hand what it proffers with the other. For instance the Secretary set out to relieve the money market by paying \$9,000,000 interest a few days in advance. Some idiot criticizes this and asserts it is done to help Wall street. Immediately as if frightened at this absurd criticism the Secretary apologizes through his inspired correspondents, for an act he had no reason to be ashamed of. All this shows that the Treasury Department is merely drifting with no policy at all. Any policy announced and adhered to is better than none at all. A plain announcement that the Government will not without the authorization of Congress buy bonds at a premium would do more to quiet apprehension on that score than any other course. There is on foot a gigantic speculation in United States bonds in anticipation that the Government will be forced to buy, and every thing else seems to be waiting until the matter has been decided one way or the other. The moral effect of the Treasury policy or want of policy is vastly more than is warranted by any real danger from the locking up of money, but the market is influenced more by fears and hopes than it is by cold facts. The waiting policy pursued by the Treasury plays into the hands of those who hold United States bonds for speculation, for it gives them a chance to fob them on the banks at high prices when if the Government would plainly announce that it would not buy at a premium, bonds would be lower and the banks needing them could supply themselves at more reasonable prices. It is perfectly ridiculous to expect permanently higher prices for wheat in the face

of the London price controlled as it is by the cheap wheat from India. Our own markets are glutted with wheat and there seems no outlet sufficient to consume the supply before the new crop comes in, which is said to be promising. After the demand for flour is supplied the only other home demand is for whiskey, and there never was a larger quantity of whiskey in store than at present. Dry weather may reduce the new crop somewhat, but this merely shifts the burden from the speculators to the farmers. Neither does the prospect for higher prices of cotton seem much more fair. The Lancashire manufacturing districts in England are arranging to run mills on short time. We cannot regard this as a mere temporary attempt to force down the price of the raw material. All advices show that the Lancashire spinners are beginning to feel the competition of the cotton mills established and successfully operated in India. To compete with these Eastern rivals built up in one of England's dependencies, the home spinners must have raw cotton at a permanently lower range of prices. The iron market in this country is somewhat better than it was last year. The building of new railroads has increased the demand for rails and rendered prices firm. The nail trade is however not so good.

FOREIGN EXCHANGE has naturally been exceedingly dull during the month; the bulk of the remittances having been in this direction. Now and then the small supply of commercial bills has had a tendency to temporarily strengthen rates, but the general trend has been downward until at length a point warranting specie importation has been reached, and there have been rumors that gold had been drawn from the Bank of England for shipment to this country. This will probably result in the raising of the bank rate for discounts. The Bank of England up to June 24th had gained £62,000 in specie. The Bank of France to the same date had gained 11,475,000 francs in silver and 8,600,000 in gold. The following are the latest posted and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.83½@4.84; sight, nominal, \$4.85@4.85½; 60 days, actual, \$4.83@4.83; sight, actual, \$4.83½@4.84½; Cable transfers, \$4.84@4.85; Prime commercial sterling, long, \$4.80½@4.81½; Documentary sterling, 60 days, \$4.80@4.81; Paris, bankers', 60 days, 5.24½@5.23½; sight, 5.21½@5.21½; Paris, commercial, 60 days, 5.26¼@5.25½; sight, 5.23¼@5.23½; Antwerp, commercial, 60 days, 5.27½@5.26½; Swiss, bankers', 60 days, 5.23½@5.23½; sight, 5.21½@5.21½; Reichsmarks (4), bankers', 60 days, 94½@94½; sight, 94½@95; Reichsmarks (4), commercial, 60 days, 93½@94; sight, 94½@94½; Guilders, bankers', 60 days, 39½@39 15-16; sight, 40 1-16@40¼; Guilders, commercial, 60 days, 39 11-16@39¾; sight, 39½@39 15-16; Copenhagen, Stockholm, and Christiania, krona, 60 days, 26 11-16@26¾; sight, 26 15-16@27. Paris dispatches quote exchange on London 25f. 23c.

The following shows the posted rates for prime bankers' sterling bills on London, at 60 days, and sight, cable transfers and prime commercial sterling, together with exchange on Paris, on June 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of May and June:

May.	BANKERS—		Cable	Commercial.	PARIS	
	60 days.	Sight.	Transfers.		60 days.	Sight.
Highest.....	4.87	4.89	4.87¼	4.85½	5.19½	5.17¼
Lowest.....	4.86¼	4.88	4.87¼	4.84½	5.19¼	5.17½
June 1.....	4.86¼	4.88	4.87	4.84½	5.19¼	5.17½
" 2.....	4.86	4.87½	4.87	4.81¼	5.19¼	5.17½
" 6.....	4.85½	4.87	4.86¾	4.84½	5.19¼	5.17½
" 7.....	4.85½	4.87	4.86¾	4.83½	5.20½	5.18½
" 15.....	4.85	4.86½	4.86½	4.83½	5.21	5.19
" 16.....	4.85	4.86½	4.86½	4.82½	5.21½	5.19½
" 17.....	4.84½	4.86	4.85½	4.82½	5.21½	5.19½
" 21.....	4.84½	4.86	4.85½	4.82½	5.22¼	5.20¼
" 24.....	4.84	4.85½	4.84½	4.81¼	5.23¼	5.20½
" 27.....	4.84	4.85½	4.84½	4.81¼	5.23¼	5.21¼
" 28.....	4.83½	4.85	4.84	4.81	5.24½	5.21¼
Highest.....	4.86¼	4.88	4.87	4.84½	5.19½	5.17½
Lowest.....	4.83½	4.85½	4.84	4.81	5.24½	5.21¼

COINS AND BULLION.—Bar silver is quoted in London at 44d. per ounce. At this quotation for silver the bullion value of the standard dollar is 74 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars... ..	\$ 99 @ \$ 1 00	Twenty marks.....	4 74 @ 4 80
New (412½ grains) dollars...	99½ @ 1 00	Spanish doubloons.....	15 55 @ 15 70
American silver ½ & ¼s...	99½ @ 1 00	Spanish 25 pesetas.....	4 75 @ 4 85
American dimes.....	99½ @ 1 00	Mexican doubloons.....	15 55 @ 15 70
Mexican dollars.....	75½ @ 77	Mexican 20 pesos.....	19 50 @ 19 60
Peru soles & Chilean pesos...	72½ @ 74	Ten guilders.....	3 96 @ 4 00
English silver.....	4 80 @ 4 85½	Com'l silver bars, per oz...	95¼ @
Five francs.....	98 @ 96	U. S. Assay silver bars ...	95¾ @ 96¾
Victoria sovereigns.....	\$4 85 @ \$4 90	Fine gold bars par @ ¼ premium on the	
Twenty francs.....	3 87 @ 3 92	Mint value.	

THE HOME MONEY Market during the month has as a rule been easy with sudden rises owing to speculation especially during the week ending June 25th. The open market rates upon stock and bond collaterals during the first week ranged from 4 to 7 per cent., during the second from 3 to 5, during the third 3 to 10, during the fourth from 3 to 10 and 15, and even as high as ½ per cent. per day. Prime commercial paper has not varied much having remained steadily from 4½ to 5½ per cent. The reserves of the New York city banks diminished from \$98,644,800 on May 28th to \$95,421,400 on July 2d. The liabilities also diminished from \$379,726,800 to \$375,390,400. Exchange on New York was selling in Savannah from ¼ @ ¼ premium, in Charleston buying from par to ¼ and selling 3-16 @ ¼ premium, New Orleans, \$1.50 per thousand dollars premium, in St. Louis at par, and Chicago par to 25 cents per thousand dollars discount.

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of June, and the highest and lowest during the month. Actual sales marked *:

JUNE	4½s. '91, coup.	4s. 1907, coup.	4s. 1907, Reg.	C'y 6s. 1895.	C'y 6s. 1899.	JUNE	4½s. '91, coup.	4s. 1907, coup.	4s. 1907, Reg.	C'y 6s. 1895.	C'y 6s. 1899.
1	109¾	129½	128½	123½	134	17	109¾	129½	128½	123½	134½
2	109¾	129½	128½	123½	134	18	109¾	129½	128½	123½	134½
3	109½	129½	128½	123	134	20	*109¾	129½	128½	123½	134½
4	109½	129½	128½	123	134	21	109¾	129½	128½	123½	134½
6	109½	129½	*128½	123	134	22	109¾	129½	128½	123½	134½
7	109½	*128½	*128½	123	134	23	109¾	129½	*128½	123½	134½
8	*109¾	129½	*128½	123	134	24	109¾	129	128	123½	134½
9	109¾	*129½	128½	123	134	25	109¾	129	128	123½	134½
10	109¾	129½	128½	123	134	27	*109¾	*129½	*128½	123½	134½
11	109¾	*129½	128½	123	134	28	109½	*129½	128½	123½	134½
13	109¾	129½	128½	123	134	29	109¾	*129½	128½	123½	134½
14	109¾	129½	128½	123½	134½	30	*109¾	*129½	128½	123½	134½
15	109¾	*129½	128½	123½	134½	High	109¾	129½	128½	123½	134½
16	109¾	129½	128½	123½	134½	Low	109½	128½	128	123	134

The public debt and Treasury statements for July 1st show that during the month of June the public debt less the cash in the Treasury has decreased \$16,852,725 as against a decrease of \$8,888,997 during the month of May, making the total decrease of debt during the fiscal year ending June 30, 1887, \$109,707,646. The outstanding interest-bearing debt on July 1st was \$1,086,315,862 with accrued interest amounting to \$12,351,603. This statement includes \$64,623,512 bonds of the Pacific Railway companies included as the proper debt of the United States, and doubtless the fact that they have for nearly three years been carried as such in the public debt statements,

may be construed as an act of the Government showing an intention to assume them as a direct obligation instead of simply guaranteeing their payment if the companies failed to pay, as is understood to be the position of the Government under the law. The net cash balance available for redemption of the debt and for meeting the expenses of the Government was \$40,853,360, as compared with \$23,951,692 on June 1st. It is stated that this balance is but little larger than at the corresponding period in 1886. The *total* net cash balance in the Treasury June 30, 1886, was \$276,084,619, made up of net gold net silver, United States notes, National bank notes, and the same balances on June 30, 1887, were \$287,369,900. The balances due from National bank depositories were \$14,435,199 on June 30, 1886, and on June 30, 1887, were \$22,991,802. The debt statement shows \$19,716,500 called bonds not yet redeemed which will go to reduce the balance at present held. When, however, the threes are all redeemed the Treasury will have no outlet as heretofore, and unless some decision is reached the surplus revenues will then begin to increase the balances held. The National bank depositories have been used to a somewhat greater extent than heretofore, as may be seen by the increase of \$8,000,000 in the public deposits held by them, but as long as the Government will only give 90 per cent. on a deposit of 4, and $4\frac{1}{2}$ per cent. bonds, it cannot be expected that the banks will regard the deposits as very desirable. It is, however, understood that the Secretary of the Treasury has decided to allow 100 per cent. on 4's. If this is the case the banks may be induced to take the public money more freely and afford some relief to the Treasury. The Government appears to have more distrust of its own securities than any one else. There is no real reason why par should not be allowed on $4\frac{1}{2}$'s as well as 4's. It seems therefore to indicate a purpose to buy the $4\frac{1}{2}$'s in the market, the discrimination being to keep down the price of the latter class of bonds.

The following table shows the net gold and silver held by the United States Treasury on the 1st of July and on the 1st of May and June:

	July 1, 1887.	June 1, 1887.	May 1, 1887.
Gold coin and bullion.....	\$278,101,106	\$277,628,750	\$275,336,915
Gold certificates outstanding.....	91,225,437	90,960,977	94,434,485
Gold owned by Treasury.....	\$186,875,669	\$186,667,773	\$180,902,430
Silver dollars and bullion.....	\$215,166,442	\$212,300,918	\$209,960,748
Silver certificates outstanding.....	142,118,017	139,143,328	137,740,430
Silver owned by Treasury.....	\$73,048,425	\$73,157,590	\$72,220,318

The Treasury on July 1st held net gold amounting to \$186,875,669 and net silver amounting to \$73,078,425. The changes in these items since last month are very slight. The Bank of England on June 2d held gold coin and bullion amounting at \$5 to the pound to \$111,939,575. The Bank of France on June 24th, 1887, held 242,000,000f. in gold and 236,865,000f. in silver.

Figures derived from the Treasurer's and Comptroller's offices showing the circulation of all forms of money in denominations of \$20 and under amounted on June 1, 1887, to \$1,104,058,807 as compared with \$1,061,339,027 on June 1, 1886, showing an expansion of the currency of \$42,719,280. This is principally explained by the increase in silver certificates which was nearly \$36,000,000 during the year. United States notes increased about \$10,000,000, gold coin about \$17,000,000, fractional silver, \$2,000,000, and silver dollars about \$2,600,000. National bank notes decreased about \$34,000,000 and gold certificates about \$1,000,000. This indicates an expansion for the year but there was a contraction during the month of May of over \$4,000,000 indicating a turn in the tide at a time when contraction from the locking up of funds is most likely to prove most dangerous and difficult to remedy. The figures for the month of June have not been received up to the time of writing.

National bank circulation outstanding has decreased \$3,187,423 during the month of June as against a decrease of \$2,640,144 for May. The total decrease for the fiscal year was \$29,727,897. The place of these notes has been taken by silver certificates, and both the Secretary of the Treasury and the Comptroller of the Currency seem to think that it is necessary to throw National bank circulation overboard to prevent the incoming silver from sinking the ship. The amount on deposit with the United States Treasurer to redeem National bank notes was on July 1st, \$107,384,413, as against \$102,792,157 last month. The following shows the amount of each description of bonds held by the Treasurer to secure National bank circulation on or about the dates indicated:

	July 1, 1887.	June 1, 1887.	May 1, 1887.	Apr. 1, 1887.	Jan. 1, 1887.
Currency 6 per cents.	\$3,175,000	\$3,145,000	\$3,245,000	\$3,241,000	\$3,680,000
4½ per cents.....	67,743,100	65,807,350	64,621,250	62,973,300	59,636,200
4 per cents.....	115,842,650	114,975,350	114,351,750	113,637,800	113,903,200
3 per cents.....	*5,205,950	*17,011,400	20,228,550	27,085,900	52,218,950
Total.....	\$191,966,700	\$200,939,100	\$202,446,550	\$206,938,000	\$229,438,350
* Called.					

The table indicates that, of \$17,011,400 called threes held June 1st, \$11,805,450 have been taken out by the banks. The fours have increased \$867,800 and the 4½'s \$1,935,750 only showing that the banks as a rule are reducing their bonds to the minimum. The Comptroller in an interview recently published gives figures a little different from these, and states that the reduction of circulation consequent on this retirement of bonds will amount to about \$8,000,000. He alleges that this will not contract the currency to the extent of \$8,000,000 because for every National bank note surrendered the Government must pay out a dollar of lawful money. The interviewer must have misunderstood the Comptroller, inasmuch as the banks must lock up \$8,000,000 of lawful money in the Treasury so that the Government will have it to retire the \$8,000,000 of bank notes, and this reduces the amount which would be put in circulation by the redemption of the three per cent. bonds if the banks were not compelled to surrender their circulation on account of the high price of the only bonds they can substitute to save it. If the Comptroller had used his influence and secured the passage of the McPherson Bill or some similar measure last winter the banks would now have much to thank him for.

The rate of interest realized by investors in 4 per cent. bonds of 1907, at a market price of 129.75 is 2.29, and that realized on 4½ per cent. bonds of 1891, at 109½ premium is 2.028. The stock market was quiet during the first part of the month but there was a sudden drop on June 24th in sympathy with the breaking down of the wheat pool in Chicago.

NEW YORK BANKS.—The week ending June 4th showed a decrease in surplus reserve of \$1,451,875 making a total surplus reserve held at that date of \$4,327,725. During the week ending June 11th, the surplus reserve increased \$92,800, and during the week ending June 18th it increased \$196,575. During the week ending June 25th it decreased \$1,270,725, and during that ending July 2d it increased \$305,175. The following shows the condition of the New York Clearing-House Banks for a number of weeks past as well as about this time in 1886 and 1885:

1887.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
July 2...	\$363,563,800	\$73,288,200	\$22,133,200	\$367,081,900	\$8,209,100	\$3,651,075
June 25...	365,484,800	72,530,700	23,103,800	369,154,400	8,294,100	3,345,900
June 18...	363,373,800	73,010,000	24,690,400	372,347,100	8,247,300	4,616,625
June 11...	365,105,200	72,171,900	24,989,600	370,995,800	8,297,100	4,420,050
June 4...	365,281,700	74,499,900	24,654,600	371,307,100	8,280,700	4,327,725
1886.						
July 3...	355,742,700	64,433,900	40,890,400	377,411,400	7,819,700	11,021,450
1885.						
July 3...	307,206,400	114,119,600	42,638,000	380,006,800	9,836,300	64,607,400

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of June, the highest and lowest since January 1, 1887, and also during the year 1886:

	JUNE, 1887.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Atlantic & Pacific....	15 1/4	13	14	15 1/4—June 13	10 3/4—Feb. 1	13 3/4	7
Canadian Pacific....	62 1/2	59	61 1/4	68 1/2—Jan. 13	59—June 8	73	61
Canada Southern....	63 1/2	59 1/2	60 1/2	64 1/2—May 19	52 1/2—Feb. 1	71 1/4	34 1/2
Central of N. J.....	84 1/2	75	78	86 1/4—Apr. 13	55 1/2—Jan. 3	64	42 1/2
Central Pacific.....	40 1/2	37 1/4	39 1/4	43 1/2—Apr. 12	33 1/2—Feb. 3	51	38
Chesapeake & Ohio....	8	6 1/2	7	9 1/2—Jan. 8	7—May 26	13 1/4	7
do 1st pref.....	15	10 1/2	11 1/2	17—Jan. 13	10 1/4—June 24	21 1/4	13
do 2d pref.....	10 1/2	8	7 1/2	11 1/2—Jan. 20	9—Mar. 11	15 1/4	8 1/4
Chic., Burl. & Quincy	148 1/2	140 1/4	144	156—May 17	136 1/2—Jan. 13	141	128 1/2
Chic., Mil. & St. Paul.	93 1/2	86 1/2	89 1/2	95—May 18	85 1/2—Feb. 1	99	82 1/2
do preferred.....	125 1/2	119	122 1/2	127 1/2—May 17	117 1/2—Jan. 8	125 1/2	116
Chic. & North-west'n.	127	115	119 1/2	127 1/2—June 7	110—Feb. 1	120 1/2	104 1/2
do preferred.....	153 1/2	149	149 1/2	153 1/2—June 7	138 1/2—Jan. 29	144	135
Chic., Rock I. & Pac.	137 1/4	127 1/4	128	140 1/2—May 17	124 1/2—Mar. 18	131	120 1/2
Chic., St. L. & Pitts...	19 1/2	15	16 1/2	22—Apr. 22	16—Feb. 1	19 1/2	9 1/2
do preferred.....	50	40	46	52 1/2—Apr. 22	35—Jan. 27	43 1/2	26 1/2
Chic., St. P., M. & O.	54 1/2	49 1/2	51	54 1/2—May 17	45 1/2—Feb. 1	55	35 1/2
do preferred.....	118 1/2	113 1/2	114	118—June 7	106—Feb. 1	116 1/2	97
Clev., Col., Cin. & Ind.	65 1/2	58	60 1/2	68—Apr. 11	58—June 24	75 1/2	43 1/2
Col. H. Val. & Tol....	33 1/2	28 1/2	30 1/2	36 1/2—Jan. 11	28 1/2—June 24	45	26 1/2
Del., Lack. & West'n.	139 1/2	130	135 1/2	139 1/2—June 1	130—June 24	144	116
Denv. & R. Grande a.p.	32 1/2	28	29	32 1/2—Apr. 14	21 1/2—Feb. 3	35 1/2	21 1/2
E. Tenn., Va. & Ga.	14 1/2	12 1/2	13 1/2	17—Jan. 3	12 1/2—Mar. 14	18 1/2	11
do 1st preferred.....	77	69 1/2	71	82 1/2—Jan. 13	69 1/2—June 24	83 1/2	67
do 2d preferred.....	28	24	25	32—Jan. 3	21 1/2—Feb. 1	25 1/2	23
Evans. & Terr. Haute	99	93 1/2	93 1/2	100—Apr. 9	84—Mar. 12	91 1/2	67 1/2
Ft. Worth & Den. City	49 1/2	45 1/2	47 1/2	62 1/2—May 7	21 1/2—Feb. 4	25 1/2	15
Green B., Win. & St. P.	16 1/2	14	15	17—Apr. 7	12—Jan. 28	14 1/2	8
Illinois Central.....	138	120 1/2	121	138—May 28	120—June 24	143 1/2	130
Ind., Bloom. & W'n*	25	20	22	27 1/2—Apr. 1	17 1/2—Feb. 4	28 1/2	12
Kingston & Pem.....	45 1/2	38 1/2	40 1/2	47 1/2—Apr. 21	38 1/2—Mar. 24	100 1/2	76 1/2
Lake Shore.....	98 1/2	94 1/2	97 1/2	98 1/2—May 19	90—Feb. 1	100	80
Long Island.....	96	89	99	96 1/2—May 14	93—Jan. 15	100	80
Louisville & Nashv'e	68 1/2	63 1/2	65 1/2	70 1/2—Apr. 14	57—Feb. 3	69	35 1/2
Lou'ville, N. A. & Chic.	67 1/2	61 1/2	63 1/2	67 1/2—June 11	58—Jan. 22	71	32
Manhattan consol....	100 1/2	115	125	161 1/2—Apr. 20	115—June 24	175	120
Michigan Central....	94 1/2	87	92 1/2	95 1/2—May 19	86—Jan. 27	98 1/2	61 1/2
Mil., L. S. & West....	94	84 1/2	92	94 1/2—May 18	66 1/2—Jan. 6	71 1/2	22
do preferred.....	119	112	113	119—May 18	98—Jan. 4	103	50 1/2
Minneapolis & St. Louis	20 1/2	17	17	20 1/2—Apr. 2	17—June 14	23 1/2	16 1/2
do preferred.....	47 1/2	39	39 1/2	48 1/2—May 31	39—June 24	52 1/2	40 1/2
Mo., Kan. & Texas....	32 1/2	26	29 1/2	34 1/2—Apr. 9	26—June 24	38 1/2	21
Missouri Pacific.....	110 1/2	92	105 1/2	112—May 19	92—June 24	119	100 1/2
Mobile & Ohio.....	16 1/2	13	14	19 1/2—Jan. 8	13 1/2—June 14	21 1/2	11
Nash., Chat. & St. L.	86 1/2	83	84	88 1/2—Jan. 3	79 1/2—Feb. 1	105 1/2	43 1/2
N. Y. Cent. & H. R....	113 1/2	110	110 1/2	114 1/2—May 19	110—Feb. 1	117 1/2	98 1/2
N. Y. Chic. & St. Louis	19	17	18 1/2	20 1/2—May 16	16 1/2—Mar. 15	17 1/2	4 1/2
do preferred.....	38 1/2	31	34 1/2	37 1/2—May 18	27—Mar. 12	81	11
N. Y., Lake E. & Wat.	85	80 1/2	82 1/2	85 1/2—Apr. 12	29 1/2—Feb. 1	88 1/2	22 1/2
do preferred.....	75	68	72	78—May 23	65 1/2—Jan. 29	81 1/2	50 1/2
N. Y. & New Eng....	60 1/2	46 1/2	53	66—Mar. 29	45 1/2—June 24	68 1/2	30 1/2
N. Y., Ont. & West'n.	18 1/2	17 1/2	18 1/2	20 1/2—Jan. 3	15 1/2—Feb. 4	22 1/2	15
N. Y., Susq. & Westn	12 1/2	10 1/2	12	14—Feb. 14	10 1/2—June 24	12 1/2	6
do preferred.....	38 1/2	30	33 1/2	38 1/2—Feb. 14	30—June 24	33 1/2	17 1/2
Norfolk & Western...	22 1/2	15	19 1/2	23 1/2—Jan. 8	15—June 24	27 1/2	8 1/2
do preferred.....	53 1/2	44 1/2	49 1/2	55 1/2—May 16	42 1/2—Feb. 8	59 1/2	25
Northern Pacific....	33 1/2	31 1/2	33	33 1/2—June 22	26 1/2—Feb. 1	31 1/2	22
do preferred.....	62 1/2	59	49 1/2	63 1/2—May 19	56 1/2—Feb. 1	66 1/2	53 1/2
Ohio & Mississippi...	30 1/2	27	29	32 1/2—Apr. 4	22 1/2—Feb. 1	35 1/2	19 1/2
Oregon & Transc....	34 1/2	26 1/2	31	35 1/2—Apr. 7	26 1/2—June 24	38	25
Peoria, Dec. & Evans.	38 1/2	32 1/2	36	39 1/2—May 26	30 1/2—Jan. 3	34 1/2	16
Phila. & Reading....	58	48 1/2	52 1/2	53 1/2—June 22	34—Feb. 1	53 1/2	18 1/2
Richm'd & W. Point.	39 1/2	26	33 1/2	58—Jan. 17	26—June 24	77 1/2	27 1/2
Rome, Wat'n & Og'bg	93	88	90	95—Jan. 17	80—Feb. 8	97	25
St. L. & San F....	44	38 1/2	39	44 1/2—May 26	30—Jan. 27	36 1/2	17
do preferred.....	83 1/2	72	77 1/2	84 1/2—May 26	61 1/2—Feb. 2	72 1/2	37 1/2
do 1st pref.....	120	112	117 1/2	120—June 2	112—Jan. 28	118 1/2	97
St. Paul & Duluth...	95	80 1/2	92	95—June 20	55 1/2—Jan. 7	67	37
do preferred.....	113 1/2	110	110	114 1/2—May 23	107—Jan. 10	114	99 1/2
St. Paul, Minn. & Man	120 1/2	114	117 1/2	120 1/2—May 27	113—Feb. 1	124 1/2	106 1/2
Texas & Pacific....	34 1/2	25	30 1/2	35 1/2—May 28	20—Feb. 3	25	7 1/2
Union Pacific.....	62 1/2	56	58 1/2	63 1/2—May 18	53 1/2—Feb. 4	68 1/2	44 1/2
Wabash, St. L. & Pac.	21 1/2	17 1/2	19 1/2	22 1/2—May 6	18 1/2—Feb. 1	24 1/2	12
do preferred.....	36 1/2	32	34 1/2	38 1/2—May 18	28 1/2—Feb. 1	41 1/2	23 1/2
Col. Coal & Iron Co.	51 1/2	45	48	52 1/2—May 19	38 1/2—Feb. 1	51 1/2	23 1/2
Del. & Hudson Canal	104 1/2	100	103	105 1/2—Apr. 18	100—June 24	108 1/2	88 1/2
Oregon R. & Nav. Co.	10 1/2	97	99 1/2	105 1/2—May 19	90 1/2—Feb. 1	109 1/2	98
Pacific Mail.....	55 1/2	48 1/2	51	58 1/2—Apr. 7	48 1/2—Jan. 8	67	45 1/2
Western Union Tel...	79	67 1/2	78	79—June 7	67 1/2—June 24	80 1/2	60 1/2

* First assessment paid. † Assented. ‡ Conn. Repts. § Second assessment paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include *all securities listed at the New York Stock Exchange.*

The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JULY 1, 1887.	
				High.	Low.	Bid.	Askd.
Alabama Class A 3 to 5.....	1906	6,728,800	J & J	108	97	107	108
do do small.....				105	97	107	107
do Class B 5's.....	1906	538,000	J & J	110	105	112½	115
do Class C 4's.....	1906	959,000	J & J	103½	95		105
do 6's, 10-20.....	1900	990,000	J & J	107½	104	106	109
Arkansas 6's, funded.....	1899, 1900	3,000,000	J & J	111½	5	10½	12½
do 7's, Little Rock & Fort Smith...		1,000,000	A & O	28	12		38
do 7's, Memphis & Little Rock.....		1,200,000	A & O	27	18		30
do 7's, L. R., Pine Bluff & N. O.....		1,200,000	A & O	27½	12½	30	
do 7's, Miss., Ouachita & Red River		600,000	A & O	20½	12	28	34
do 7's, Arkansas Central R. R.....		1,360,000	A & O	8	5	10	15
Georgia 7's, gold bonds.....	1890	2,000,000	Q J	114	108½	107	109
Louisiana 7's, consolidated.....	1914		J & J	94	84	100	
do 7's, do stamped 4's.....		12,089,000		82½	67	87	88½
do 7's, do small bonds.....				78	67	87½	
Michigan 7's.....	1890	231,000	M & N	112	108	107	
Missouri 6's.....	1887	3,242,000	J & J	104½	102	102	
do 6's.....	1888	3,251,000	J & J	106½	103½	103	
do 6's.....	1889 or 1890	1,105,000	J & J	110	107	106	
do Asylum or University.....	1892	401,000	J & J	113	110	112	
do Funding bonds.....	1894, 1895	1,000,000	J & J	119	115	115	
do Hannibal & St. Joseph.....	1887	1,000,000	J & J	104	101	*118	
New York 6's, gold, registered.....	1837	942,000	J & J	104	102	100½	
do 6's, coupon.....	1887	643,200	J & J	104	102	103	
do 6's, loan.....	1891	4,302,800	J & J	115	110	112	
do 6's, loan.....	1892	2,000,000	A & O	120	112	115	
do 6's, loan.....	1893	473,000	A & O	122	115	118	
North Carolina 6's, old.....	1896-98	4,738,000	J & J	80½	30	35	
do do April & October.....		3,639,400		80½	30	35	
do to N. C. R. R.....	1892-4-5		J & J	175	165	170	
do do 7's, coupon off.....		3,000,000		175	165	140	
do do April & October.....			J & J	145	135	170	
do do 7's, coupon off.....				145	135	140	
do Funding Act.....	1866-1900	2,417,000	J & J	13½	10	12	13
do do.....	1866-1898	1,721,400	A & O	13½	10	12	
do new bonds, J. & J.....	1892-1898	2,383,000	J & J	23	20	21	23½
do do April & October.....		496,000		23	20	21	
do Chatham Railroad.....		1,300,000	A & O	13	5	10	
do special tax, Class 1.....			A & O	14½	8	15	
do do Class 2.....			A & O	10½	10	15	20
do do to W'n N. C. R.....			A & O			15	
do do to West'n R. R.....			A & O			15	
do do to W'il., C. & R'n R. R.....			A & O			15	
do do to W'n & Tar R. R.....			A & O			15	
do consolidated 4's.....	1910		J & J	100½	88½	98	100
do do small bonds.....	1919	2,553,000	J & J	98	87	95	100
Rhode Island 6's, coupon.....	1892-4	1,372,000	A & O	129	115	121	125
South Carolina 6's, Act March 23, 1868, non-fundable.....	1868	5,995,000	J & J	7½	5	6	7½
South Carolina, Brown consolid'n 6's.....	1893	4,280,000	J & J	110½	104	108	110½
Tennessee 6's, old.....	1890-2-3			85½	53	61	
do 6's, new bonds.....	1892-5-1900	4,397,000		85½	53	61	
do 6's, new series.....	1814			85½	53	61	
do compromise 3-4-5-6's.....	1912	2,014,000	J & J	75½	62	71	
do new settlement 6's.....	1913	822,000	J & J	109	103	106	
do do small bonds.....		49,400	J & J			*103	
do do 5's.....	1913	347,000	J & J	102	100	102	104½
do do small bonds.....		10,100	J & J				
do do 8's.....	1913	10,571,000	J & J	80	71½	75	
do do small bonds.....		345,800	J & J			72	77

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

A * indicates no quotation for past month, the last previous quotation being given.

‡ A part of this reserved to cover previous issues, etc. † Amount authorized.

STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JULY 1, 1887.	
				High.	Low.	Bid.	Ask d
Virginia 6's, old.....		9,427,000		47	42	48	.....
do 6's, new bonds.....	1886	700,000		47	42	48	.....
do 6's, do.....	1887	466,000		49	42	48	.....
do 6's, consolidated bonds.....		20,239,000		100	80	90	.....
do 6's, ex-matured coupons.....				60	50	45	52
do 6's, consolidated, 2d series.....		2,442,784		69	60	60	.....
do 6's, deferred bonds.....		12,691,531		139½	9	10¼	12
do Trust receipts.....				139½	9	10¾	11½
District of Columbia 3-65's.....	1924		F & A	120	116	121	.....
do small bonds.....		14,033,600	F & A				.....
do registered.....			F & A				.....
do funding 5's.....	1899		J & J	112½	110	107	.....
do do small.....		948,400	J & J				.....
do do regist'd.....			J & J				.....
FOR. GOV. SECURITIES.—Quebec 5's.....	1908	3,000,000	M & N			107	109

CITY AND COUNTY.

Brooklyn 6's.....			J & J			110	
do 6's, Water Loan.....		9,706,000	J & J			125	
do 6's, Improvement Stock.....		730,000	J & J			125	
do 7's, do.....		6,084,000	J & J			140	
do 6's, Public Park Loan.....		1,217,000	J & J			125	
do 7's, do.....		8,016,000	J & J			163	
Jersey City 6's, Water Loan.....		1,163,000	J & J			106	
do 7's, do.....		3,109,800	J & J			110	
do 7's, improvement.....		3,669,000	J & J			117	
Kings County 6's.....						128	
New York City 6's, 20, 50.....	1877					130	
do 6's.....	1878					101	
do 6's.....	1887	3,066,000	F. M. A. N			101	
do gold 6's, consolidated.....	1896		M & N			*121	
do do 6's.....	1902	14,702,000	J & J			136	
do do 6's, Dock bonds.....		3,976,000	J & J			110	
do do 6's, County bonds.....						120	
do do 6's, C's, Park.....	1894-6	10,343,000	J & D			*118	
do 6's.....	1896					120	
do 5's.....	1898	674,000	Q J			115	

MISCELLANEOUS.

	PAR.						
Bankers & Merchants' Telegraph.....	100	3,000,000		3¼	2½	*2½	
Boston Land Co.....	10	800,000					
Canton Co., Baltimore.....	100	4,500,000		65	53		
Chartiers Valley Gas Co.....	100	3,000,000					
Cent. New Jersey Land Improvement.....	100	2,200,000				*24	28
Consolidated Gas Co.....	100	35,430,000		111	74½	80¼	80¼
Delaware & Hudson Canal.....	100	24,500,000	Q M	108½	87¼	99¼	100
Equitable Gas Light Co.....	100	3,000,000				*102½	103½
Iron Steamboat Company.....	100	2,000,000				*28	30
Philadelphia Company.....	50	6,500,000	Mthy			97	
Pullman's Palace Car Co.....	100	15,927,200	Q F	147½	128	149½	150
Southern & Atlantic Telegraph.....	25	948,875	A & O			*142	
Sutro Tunnel Co.....	10	20,000,000					
Western Union Telegraph.....	100	81,200,000	Q F	80½	80½	77½	78
North-Western Telegraph.....	50	2,500,000					
Central & So. American Telegraph.....	100	4,006,600	Q J				
Commercial Telegram Co.....	100	1,800,000				*35	40
do do preferred.....	100	200,000		105	103¼	102	103
Mexican Telegraph Co.....	100	1,500,000	Q J	122½	110	*16½	17
Joliet Steel Co.....	100	2,666,000		131	105	135	145

GOVERNMENT SECURITIES.

United States 4½ registered.....	1891		M. J. S & D			109½	109½
do 4½ coupons.....	1891	250,000,000	M. J. S & D	114	109½	106½	106½
do 4's registered.....	1907		J. A. J & O			128¼	128¼
do 4's coupons.....	1907	737,792,150	J. A. J & O	129½	123	129¼	129½
do 6's, currency.....	1895	3,002,000	J & J			123¼	
do 6's, do.....	1896	8,000,000	J & J			126¼	
do 6's, do.....	1897	9,712,000	J & J			129¼	
do 6's, do.....	1898	29,904,952	J & J	136½	133	132¼	
do 6's, do.....	1899	14,004,560	J & J			134¼	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886. JULY 1, 1887.			
				High.	Low.	Bid.	Ask d
Albany & Susquehanna.....	100	3,500,000	J & J	148	138	*140	150
Atchison, Topeka & Santa Fe.....	100	68,000,000	Q F	99½	84½	118	119½
Atlantic & Pacific.....	100	25,000,000	.....	135½	7	137½	14
Beech Creek.....	50	3,700,000	.....	.....	.....	*23½	23½
do preferred.....	50	1,300,000	.....	.....	.....	*80	85
Burlington, Cedar Rapids & Northern.....	100	5,500,000	.....	75	45	*50	.....
Buffalo, Rochester & Pittsburgh.....	100	6,000,000	.....	35½	22½	65	70
Canada Southern.....	100	15,000,000	F & A	71½	34½	60½	60½
Canadian Pacific.....	100	65,000,000	F & A	73	61	61	61½
Central of New Jersey.....	100	18,583,200	Q	64	42½	77½	77½
Central Iowa.....	100	9,100,000	.....	22½	12	8	9
do 1st preferred.....	100	907,000	.....	.....	.....	*17	.....
do 2d preferred.....	100	1,167,800	.....	.....	.....	*10	11
Central Pacific.....	100	68,000,000	F & A	51	38	38½	39½
Charlotte, Columbia & Augusta.....	100	2,573,900	.....	50	30	.....	.....
Chesapeake & Ohio.....	100	15,906,138	.....	13½	7	7	8
do do 1st preferred.....	100	8,447,800	.....	21½	13	11	13
do do 2d preferred.....	100	11,594,000	.....	15½	8½	7½	10
Chicago & Alton.....	100	14,091,000	Q M	146	138	*143	144
do do preferred.....	100	3,479,500	Q M	162	150	*155	160
Chicago & Northwestern.....	100	41,373,000	J & D	120½	104½	119½	119½
do do preferred.....	100	22,325,200	Q M	144	135	148	150
Chic., St. Paul, Minneapolis & Omaha.....	100	21,403,293	.....	55	38½	52½	.....
do do preferred.....	100	12,616,833	J & J	116½	97	118	118½
Chicago, Rock Island & Pacific.....	100	75,000,000	Q F	131	120½	128	130
Chicago, Burlington & Quincy.....	100	76,385,300	Q M	141	128½	146	147
Chicago, Milwaukee & St. Paul.....	100	30,904,261	A & O	99	82½	89	89½
do do do preferred.....	100	21,555,900	A & O	126½	116	122	123
Chicago & Eastern Illinois.....	100	3,000,000	.....	.....	.....	110	.....
Chicago, St. Louis & Pittsburgh.....	100	10,000,000	.....	19½	9½	18½	19
do do do preferred.....	100	20,000,000	.....	43½	28½	47	48
Chicago & Indiana Coal Railway Co.....	100	2,197,800	.....	.....	.....	56	60
do do do preferred.....	100	1,465,200	.....	.....	.....	92	95
Cin., New Orleans & Texas Pacific.....	100	3,000,000	.....	.....	.....	.....	.....
Cincinnati, Ind'a, St. Louis & Chicago.....	100	7,000,000	.....	.....	.....	.....	.....
Cincinnati, Jackson & Mackinac.....	100	8,320,000	.....	.....	.....	.....	.....
do do preferred.....	100	4,680,000	.....	.....	.....	.....	.....
Cleveland & Pittsburgh guaranteed.....	50	11,243,738	Q M	153	146½	*56	56½
Cleve., Columbus, Cin. & Indianapolis.....	100	14,991,800	F & A	75½	43½	65	65½
Columbia & Greenville.....	100	1,000,000	.....	.....	.....	.....	.....
do do preferred.....	100	1,000,000	.....	60	42	.....	.....
Columbus, Hooking Valley & Toledo.....	100	11,700,000	.....	45½	28½	31	31½
Delaware, Lackawanna & Western.....	50	26,200,000	Q J	144	115	134½	134½
do Morris & Essex.....	50	15,000,000	J & J	144	132½	*139	140
do N. Y., Lackawanna & Western.....	100	10,000,000	Q J	109	100½	*105½	107
Dubuque & Sioux City.....	100	5,000,000	A & O	101	60½	*68	72
Denver & Rio Grande.....	100	38,000,000	.....	35½	21½	29½	31
do do preferred.....	100	23,650,000	.....	63½	53½	65½	66½
Denver & Rio Grande Western.....	100	7,500,000	.....	.....	.....	18½	20
Denver, South Park & Pacific.....	100	3,500,000	.....	.....	.....	.....	.....
Des Moines & Fort Dodge.....	100	4,283,100	.....	.....	.....	14	15
do do preferred.....	100	763,000	.....	.....	.....	26	34
Detroit, Mackinac & Marquette.....	100	4,750,000	.....	.....	.....	.....	.....
Det. Bay Cit. & Alp. R. R.....	100	1,533,300	.....	.....	.....	.....	.....
East Tennessee, Virginia & Georgia.....	100	27,500,000	.....	18½	11	13	13½
do do do 1st preferred.....	100	11,000,000	.....	89½	67	72	74
do do do 2d preferred.....	100	18,500,000	.....	35½	24	26	27
Elizabethht'n, Lexington & Big Sandy.....	100	5,000,000	.....	22	15	12	.....
Evansville & Terre Haute.....	50	3,000,000	.....	91½	67½	94	96
Flint & Pere Marquette preferred.....	100	6,500,000	.....	.....	.....	*14	14½
Green Bay, Winona & St. Paul.....	100	8,000,000	.....	14½	8	13½	14½
do do preferred.....	100	2,000,000	.....	.....	.....	25	28
Harlem.....	50	8,518,100	J & J	240	213½	219	223
do preferred.....	50	1,881,500	J & J	.....	.....	.....	.....
Houston & Texas Central.....	100	10,000,000	.....	44½	25	28	33
Illinois Central.....	100	900,000	M & S	143½	130	*136	137½
do leased line 4 per cent. stock.....	100	80,000,000	J & J	100½	93	94	100
Indiana, Bloomington & Western.....	100	10,000,000	.....	28½	12	*17½	19
do assented, first instalment paid.....	100	10,000,000	.....	.....	.....	*23	24
do assented, full assessment paid.....	100	10,000,000	21	24
Joliet & Chicago.....	100	1,500,000	Q J	150½	150
Kentucky Central.....	100	5,500,000

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JULY 1, 1887.	
				High.	Low.	Bid.	Askd.
Kingston & Pembroke.....	50	4,500,000	.....	.....	.....	39½	42
Lake Erie & Western.....	100	11,840,000	.....	.....	.....	20½	21
do preferred.....	100	11,840,000	.....	.....	.....	57½	57½
Lake Shore & Michigan Southern.....	100	49,466,500	F & A	100½	76½	98½	98½
Long Island.....	50	10,000,000	Q F	100	80	96	99
Louisville & Nashville.....	100	30,000,000	F & A	69	33½	64½	64½
Louisville, New Albany & Chicago.....	100	5,000,000	.....	71	32	58	65½
Marquette, Houghton & Ontario.....	100	2,378,600	.....	.....	.....	21	24
do preferred.....	100	3,278,500	.....	.....	.....	91	93
Mexican Central (limited).....	100	35,000,000	.....	.....	.....	16	17½
Milwaukee, Lake Shore & Western.....	100	2,000,000	.....	71½	22	88	92
do do preferred.....	100	5,000,000	.....	103	50½	111½	113
Milwaukee & Northern.....	100	2,137,000	.....	42½	40	55	70
Manhattan Beach Company.....	100	5,000,000	.....	21½	13½	12	15
Michigan Central.....	100	18,738,204	.....	98½	61½	92½	92½
Missouri Pacific.....	100	45,000,000	Q J	119	100½	105½	106½
Missouri, Kansas & Texas.....	100	46,405,000	.....	38½	21	29½	29½
Mobile & Ohio assented.....	100	5,320,600	.....	21½	11	14	.....
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100	.....	23½	16½	16	17
Minneapolis & St. Louis.....	100	6,000,000	.....	52½	40	39½	.....
do do preferred.....	100	4,000,000	.....	175	120	124½	125
Manhattan consolidated.....	100	23,895,630	Q J	117½	98½	110½	.....
New York Central & Hudson River.....	100	89,428,300	Q & J	223	204½	222	.....
New York, New Haven & Hartford.....	100	15,500,000	.....	102	96	99	100½
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000	.....	38½	22½	32½	32½
New York, Lake Erie & Western.....	100	78,000,000	Q	81½	50½	71	72
do do preferred.....	100	8,538,900	.....	22½	15	17½	18½
New York, Ontario & Western.....	100	58,113,982	.....	68½	30½	52½	53
New York & New England.....	100	20,000,000	.....	.....	.....	.....	.....
New Jersey & New York.....	100	1,500,000	.....	.....	.....	.....	.....
do preferred.....	100	800,000	.....	.....	.....	.....	.....
New York, Chicago & St. Louis.....	100	28,000,000	.....	17½	4½	18½	18½
do do do assented.....	100	22,000,000	.....	31	11	.....	.....
do do do preferred.....	100	.....	.....	.....	.....	33½	34½
do do do assented.....	100	.....	.....	.....	.....	11½	12
New York, Susquehanna & Western.....	100	13,000,000	.....	12½	6	.....	.....
do do preferred.....	100	8,000,000	.....	33½	17½	33	33½
Northern Pacific.....	100	49,000,000	.....	31½	22	32½	33
do preferred.....	100	37,936,778	.....	66½	53½	60	60½
Nashville, Chattanooga & St. Louis.....	25	6,668,375	.....	105½	43½	81½	83½
Norfolk & Western.....	100	7,000,000	.....	27½	8	19	19½
do preferred.....	100	18,000,000	.....	59½	25	49	49½
Norfolk Southern.....	100	1,000,000	.....	.....	.....	.....	.....
Ohio & Mississippi.....	100	20,000,000	.....	35½	19½	28	29
do preferred.....	100	4,030,000	.....	91	79	*51½	51½
Ohio Southern.....	100	3,840,000	.....	22½	13½	*20½	21½
Omaha & St. Louis preferred.....	100	2,220,500	.....	.....	.....	.....	.....
Oregon & California.....	100	7,000,000	.....	.....	.....	.....	.....
do preferred.....	100	12,000,000	.....	38	25	30½	31
Oregon & Trans-Continental.....	100	40,000,000	.....	38	19½	27½	28½
Oregon Short Line.....	100	15,265,000	.....	51	16	44	47
Oregon Improvement Co.....	100	7,000,000	.....	108½	93	99½	100½
Oregon Railway & Navigation Co.....	100	24,000,000	Q J	53½	18½	52½	52½
Philadelphia & Reading 1st ass't paid 50	100	34,702,000	.....	.....	.....	.....	.....
do do preferred.....	100	1,286,800	.....	.....	.....	.....	.....
Pittsburgh, Ft. Wayne & Chic. guar'd 100	100	19,714,285	Q J	150	141	*148	150
do do do special.....	100	10,776,600	.....	140	132½	.....	.....
Pitts., McK'sport & Youghiogheny con.....	100	3,000,000	.....	.....	.....	105	.....
Peoria, Decatur & Evansville.....	100	8,400,000	.....	34½	16	35½	36
Rochester & Pittsburgh.....	100	1,682,500	.....	7½	3½	*34	.....
Richmond & Allegheny reorganiz'n cert.	100	5,000,000	.....	15½	2	*14	10½
do stamped assessment paid	100	.....	.....	.....	.....	.....	.....
Richmond & Danville.....	100	5,000,000	Q F	200	75	*150	.....
Richmond & West Point R. & W. Co.....	100	40,000,000	.....	77½	27½	*82	32½
do do do preferred.....	100	5,000,000	J & J	.....	.....	*74	76
Rome, Watertown & Ogdensburg.....	100	5,293,900	.....	96	25	88	90
Utica & Black River guaranteed.....	100	2,223,000	.....	125	117½	120	.....
South Carolina.....	100	4,204,160	.....	24	10½	*34½	34½
Southern Pacific.....	100	88,076,200	.....	41½	30½	.....	30
St. Louis, Alton & Terre Haute.....	100	2,300,000	.....	46	27	41	44
do do preferred.....	100	2,468,400	May	95	80	75	85
Belleville & Southern Illinois pref.....	100	1,275,000	M & N	75	80

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RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1888, JULY 1, 1887.			
				High.	Low.	Bid.	Ask d
St. Louis & San Francisco	100	11,954,300	.....	86½	17	88½	89
do do preferred	100	10,000,000	.....	72½	87½	77	77½
do do 1st preferred	100	4,500,000	F & A	18½	97	115½	117½
St. Louis, Arkansas & Texas	100	9,555,000	.....	.....	.....	.....	.....
St. Paul & Duluth	100	4,055,400	.....	87	87	77½	.....
do preferred	100	5,377,003	J & J	114	99½	*110	114
St. Joseph & Grand Island	100	4,500,000	.....	87	25	*28½	29½
St. Paul, Minneapolis & Manitoba	100	20,000,000	Q F	124½	106½	117½	118
Texas & Pacific	100	.....	.....	25	7½	*19½	20½
do Trust Co. Cts., 3 assts. paid..	100	32,188,700	.....	28½	17½	*22	22½
do 4th assessment paid	100	.....	.....	.....	.....	30½	30½
Toledo & Ohio Central	100	1,562,000	.....	38½	26	27	.....
do do preferred	100	3,108,000	.....	93½	46½	50	55
United New Jersey R. & Canal Co.'s ..	100	21,240,400	.....	.....	.....	.....	.....
Union Pacific	100	60,868,500	Q J	68½	44½	58½	58½
Utah Central	100	4,250,000	.....	18	11	26	.....
Virginia Midland	100	6,000,000	.....	51½	15	*41	41½
Wabash, St. Louis & Pacific	100	.....	Q	13	6	*8½	7
do do full-paid p. c. cert.	100	28,419,500	.....	24½	12	19½	19½
do do preferred	100	24,223,300	.....	27	14	.....	*17
do do full-paid p. c. cert.	100	.....	.....	41½	23½	84½	84½
Wheeling & Lake Erie Railway	100	2,600,000	.....	.....	.....	54½	54½

RAILROAD BONDS.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Atchison, Topeka & Santa Fe 4½'s ..	1920	4,687,000	A & O	.....	.....	.....	.....
do do sinking fund 6's ..	1911	12,348,000	J & D	.....	.....	.....	*115½
Atlantic & Pacific guar'd 1st gold 4's ..	1937	17,610,000	J & J	.....	.....	86½	88
Beech Creek 1st gold 4's ..	1936	5,000,000	J & J	.....	.....	82	86
Balt. & Ohio 1st 6's (Parkersb'g br'ch) ..	1919	3,000,000	A & O	128½	120	125½	125½
do 5's, gold ..	1885-1925	10,000,000	F & A	114	106½	110½	112½
do do registered ..	.....	.....	F & A	113½	109½	.....	112
Boston, Hoosac Tunnel & W'n deb. 5's ..	1912	2,000,000	M & S	93½	92½	.....	99
Bur., Cedar Rapids & Northern 1st 5's ..	1906	6,500,000	J & D	111	106	108	.....
do con. 1st & col. tr. 5's ..	1934	5,000,000	A & O	110	98	99½	100
do do do registered ..	.....	.....	A & O	.....	.....	.....	.....
Minneapolis & St. L. 1st 7's, gold ..	1927	150,000	J & D	136	128	*140	.....
Iowa City & Western 1st 7's ..	1909	456,000	M & S	114½	109½	*109	.....
Cedar Rapids, Iowa Falls & N. 1st 6's ..	1920	825,000	A & O	111	110½	.....	107
do do do 1st 5's ..	1921	1,906,000	A & O	106½	100	.....	103½
Buffalo, N. Y. & Phila. con. 1st 6's ..	1921	11,000,000	J & J	51	87	.....	*57½
do do trust certificates ..	.....	.....	.....	.....	.....	40	50
do do general 6's ..	1924	8,700,000	M & S	.....	.....	.....	*45
do do trust certificates ..	.....	.....	.....	.....	.....	.....	50
Canada Southern 1st int. gold 5's ..	1908	14,000,000	J & J	108½	108½	.....	*108
do 2d mortgage 5's ..	1913	6,000,000	M & S	95	84	93	93½
do do registered ..	.....	.....	M & S	.....	.....	*92	93
Central Iowa 1st mortgage 7's ..	1899	8,700,000	J & J 15	.....	.....	*112	.....
do do coupons off ..	.....	.....	.....	111	84	89	91
do (Eastern division) 1st 6's ..	1912	1,515,000	A & O	75	66	.....	71½
do (Illinois division) 1st 6's ..	1912	1,520,000	A & O	70	66	70½	.....
Chesapeake & Ohio pur. money fund ..	1898	2,300,000	J & J	117	111½	115	.....
do 6's, gold, Series A ..	1908	2,000,000	A & O	114	108½	101½	106
do 6's, gold, Series B ..	1908	.....	M & N	.....	.....	*68½	.....
do do coupons off ..	.....	.....	M & N	84	60	72½	.....
do do small bonds ..	1908	15,000,000	M & N	.....	.....	74	.....
do do coupons off ..	.....	.....	M & N	.....	.....	72	72
do extension coupon 4's ..	1906	.....	M & N	.....	.....	67	70
do do reg'd 4's ..	1906	.....	M & N	.....	.....	.....	*73½
do 6's, currency ..	1918	10,122,500	J & J	41½	25	24½	26½
do small bonds ..	1918	.....	J & J	.....	.....	23½	.....
do mortgage 6's ..	1911	2,000,000	A & O	108	94½	95	96½
Ches., Ohio & S.-W. mortgage 5-6's ..	1911	6,676,000	F & A	104	88½	*106	.....
do do 2d mortgage 6's ..	1911	2,495,000	F & A	.....	.....	65	.....
Chicago & Alton 1st mortgage 7's ..	1893	2,383,000	J & J	121½	117	117	.....
do sinking fund 6's ..	1903	2,655,000	M & N	125	121	123	124
Louisiana & Missouri River 1st 7's ..	1900	1,785,000	F & A	124	120	122½	125
do do 2d 7's ..	1900	300,000	M & N	116½	116	117	.....
St. Louis, Jacksonville & Chic. 1st 7's ..	1894	2,365,000	A & O	122	116½	117½	.....
do 1st guarantee (564) 7's ..	1894	564,000	A & O	.....	.....	117½	.....
do 2d mortgage (360) 7's ..	1898	44,000	J & J	118½
do 2d guarantee (188) 7's ..	1898	188,000	J & J	117

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1896.		JULY 1, 1897.	
				High.	Low.	Bid.	Askd.
Mississippi River Bridge 1st s. f'd 6's. 1912		680,000	A & O	107	105	106	
Chicago, Burling'n & Quincy cons. 7's. 1903		230,000,000	J & J	138	132½	134	134½
do 5's, sinking fund..... 1901		2,500,000	A & O			110	
do 5's, debentures..... 1913		9,000,000	M & N	110¼	105	107½	108
do (Iowa div.) sinking f'd 5's. 1919		3,000,000	A & O	113½	112½	112	
do do do 4's. 1919		10,591,000	A & O	103	99¼	98	99
do Denver division 4's..... 1922		7,988,000	F & A	101¼	97¼	97	98
do do 4's..... 1921		4,300,000	M & S	101¼	92½	92	
Chic. Burlington & Northern 1st 5's. 1926		9,000,000	A & O	104½	102½	106	106½
do do debentures 6's. 1896		2,250,000	J & D				
Chic., Rock Island & Pacific 6's, coup. 1917		+12,500,000	J & J	140	128½	134	135
do 6's, registered..... 1917			J & J	140	130	130½	
do extension & out. 5's..... 1894		8,860,000	J & J	118	109	110	110½
do do registered..... 1905			J & J			107	
Des Moines & Fort Dodge 1st 4's..... 1905		1,200,000	J & J			90	
do do 1st 2½'s..... 1905		1,200,000	J & J				
do do extension 4's..... 1905		672,000	J & J			90	
Keokuk & Des Moines 1st mort. 5's. 1923		2,750,000	A & O	113	108	108½	
do do small bonds. 1923			A & O			107	
Central Railroad of N. J. 1st 7's. 1890		5,000,000	F & A	114½	107	108½	
do 1st consolidated 7's..... 1899		225,000,000	Q J			117½	
do assented..... 1902			M & N	118	108	115½	117½
do convertible 7's..... 1902		5,000,000				114	
do assented..... 1903				120	106	107	110½
do adjustment 7's..... 1903		5,550,000	M & N	112	103½	108	108½
do convertible deb. 6's. 1908		5,000,000	M & N	92½	63	101½	103½
do interim bond certs		12,000,000				99	99½
Lehigh & Wilkes-Barre con. gold..... 1900		11,500,000	Q M				
do do assented..... 1900				114½	103	114	117
\$6,116,000 held by Central R. R. of N. J. unassented: \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's..... 1921		5,000,000	J & J	103	99	106	107
Mil. & St. Paul 1st m. 8's Fra. du Chn. 1898		3,674,000	F & A	138½	132	130	
do 2d 7 3-10 Pra. du Chn..... 1898		1,241,000	F & A	129	125	121	125
do 1st 7's & gold, Riv. division. 1902		8,804,500	J & J	134½	130		131
do 1st 7's & do do..... 1902			J & J				126
do 1st m. La. Crossed div. 7's..... 1893		5,284,000	J & J	125	120	119	124
do 1st m. Iowa & Minn. 7's..... 1897		3,198,000	J & J	127½	122½	121½	
do 1st m. Iowa & Dakota 7's. 1899		541,000	J & J	132	124½	125½	127
do 1st m. Chicago & Milw. 7's. 1903		2,363,000	J & J	134	130	130	
do consolidated 7's..... 1905		235,000,000	J & J	136	129½	131	
do 1st 7's, Iowa & Dak. exten. 1908		3,505,000	J & J	134½	125½	130	
do 1st 6's, Southwest'n div'n. 1909		4,000,000	J & J	121	115½	117	
do 1st 5's, LaCrosse & Dav. 1919		3,000,000	J & J	109½	105	106	
do 1st So. Minnesota div. 6's. 1910		7,432,000	J & J	121	114½	*120	
do 1st Hastings & Dak. div. 7's. 1910		5,680,000	J & J	131	124	127	129
do do 5's. 1910		585,000	J & J			104½	
do Chic. & Pacific div. 6's..... 1910		2,500,000	J & J	124½	119	121	
do 1st Chicago & Pac. W. 5's. 1921		23,440,000	J & J	111	103	108	108½
do Chic. & Mo. R. div. 5's..... 1926		2,049,000	J & J				
do Mineral Point div. 5's..... 1910		2,840,000	J & J	108½	103	104½	
do Chic. & L. Sup'r div. 5's..... 1921		1,390,000	J & J			105	
do Wis. & Min. div. 5's..... 1921		4,755,000	J & J	109½	102	106½	108½
do terminal 5's..... 1914		4,666,000	J & J	108½	101½	*105	105½
do Far. & So. 6's assu. 1924		1,250,000	J & J	119	114½		120
do inc. conv. sink'g fund 5's. 1916		2,000,000	J & J			97	
Dakota & Gt. Southern 5's..... 1916		1,000,000	J & J			*100	103
Chic. & Northw'n consol. bonds, 7's. 1915		\$12,900,000	Q F	143½	138	138½	139½
do coupon gold 7's..... 1902			J & J	140	130	128	
do registered gold 7's..... 1902		248,000,000	J & D	127	120	118	120
do sink'g fund 6's..... 1879-1929			A & O	2	1	128	
do do registered..... 1879-1929		6,305,000	A & O	20	116		118
do do 5's..... 1879-1929		8,155,000	A & O		108	109	
do do registered..... 1903			A & O	111½	107	109	
do debenture 5's..... 1903		10,000,000	M & N	110½	105	108½	110
do do registered..... 1909			M & N	110½	105	108	109
do 25 year debenture 5's..... 1909		4,000,000	M & N	109	104½	104	107
do do registered..... 1909			M & N			105	
do extension gold 4's. 1886-1926		8,190,000	F & A	101½	101½	92	98
Esanaba & Lake Superior 1st 6's..... 1901		720,000	J & J	115½	115	116	
Des Moines & Minneapolis 1st 7's..... 1907		600,000	F & A				*131

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1888.		JULY 1, 1887.	
				High.	Low.	Bid.	Ask.
Iowa Midland 1st mortgage 8's.....	1900	1,350,000	A & O	137	134	133½	.....
Peninsula 1st convertible 7's.....	1898	152,000	M & S	.....	.....	130	.....
Chicago & Milwaukee 1st mortg. 7's.....	1898	1,700,000	J & J	133	124	123½	124½
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	.....	.....	130	.....
Milwaukee & Madison 1st 6's.....	1905	1,600,000	M & S	117½	116½	117½	.....
Ottumwa, C. F. & St. P. 1st 5's.....	1909	1,000,000	M & S	111	106	.....	109
Northern Illinois 1st 5's.....	1910	1,500,000	M & S	110½	106	108	110
Cin., Ind., St. L. & Chic. 1st guar. 4's.....	1938	1,255,000	Q F	.....	.....	.....	99
do do registered.....	.....	.....	Q F	.....	.....	.....	.....
C., C. C. & Ind'polis 1st 7's sink. fund.....	1899	8,000,000	M & N	128	123	119½	122½
do do consolidated mtge 7's.....	1914	7,500,000	J & D	134	123½	.....	130
do do sinking fund 7's.....	1914	.....	J & D	128	124	120½	.....
do do gen'l consol. 6's.....	1934	3,500,000	J & J	110½	100	.....	111½
do do registered.....	.....	.....	J & J	.....	.....	*110½	.....
Chic., St. P., Min's & Omaha con. 6's.....	1930	222,839,000	J & D	128½	118½	120½	121
Chicago, St. Paul & Min. 1st 6's.....	1918	3,000,000	M & N	130	125	123	123½
Nort'n Wisconsin 1st mortgage 6's.....	1930	800,000	J & J	.....	.....	124½	125½
St. Paul & Sioux City 1st 6's.....	1919	6,080,200	A & O	130	125	123½	125
Chic. & Eastern Ill. 1st sink'g f'd c'y.....	1907	8,000,000	J & D	122	115	114½	.....
do do small bonds.....	.....	.....	J & D	.....	.....	*118	119
do do 1st c. 6's, gold.....	1934	8,000,000	A & O	119	110	116	117
Chic., St. Louis & Pittsb. 1st con. 5's.....	1932	222,000,000	A & O	100	92	100	101
do do registered.....	.....	.....	A & O	.....	.....	.....	.....
Chic. & West'n Ind. 1st sinking f'd 6's.....	1919	2,500,000	M & N	118	113½	.....	116½
do do general mortgage 6's.....	1932	28,896,666	Q M	113	109	108	111½
Chicago & St. Louis 1st 6's.....	1915	1,500,000	M & S	108	101	.....	*120
Chicago & Indiana Coal 1st 5's.....	1938	3,688,000	J & J	100½	92	.....	102½
Cincin., Jack. & Mack. 1st con. g. 5's.....	1936	1,400,000	J & D	.....	.....	98	.....
Columbia & Greenville 1st 6's.....	1916	2,000,000	J & J	.....	.....	*105	.....
do do 2d 6's.....	1926	1,000,000	A & O	.....	.....	.....	*92
Col., Hocking Valley & Toledo 1st 5's.....	1931	14,500,000	M & S	94	81	75½	79½
do do general mortgage gold 6's.....	1904	2,000,000	J & D	97½	88½	75½	.....
Col. & Cincinnati Midland 1st 6's.....	1914	2,000,000	J & J	.....	.....	95	.....
Delaware, Lackaw'a & W. conv. 7's.....	1892	600,000	J & D	118½	114	111½	114
do do mtge 7's.....	1907	210,000,000	M & S	140	135½	131½	.....
Syracuse, Bingham'ton & N. Y. 1st 7's.....	1906	1,750,000	A & O	137½	131½	132	134
Morris & Essex 1st mortgage 7's.....	1914	5,000,000	M & N	146	140½	140	.....
do do 2d 7's.....	1891	3,000,000	F & A	117	112½	111	.....
do do bonds, 7's.....	1900	281,000	J & J	.....	.....	*119	122
do do 7's.....	1871-1901	4,991,000	A & O	133	125	125	126
do do 1st cons. gua'd 7's.....	1915	25,000,000	J & D	138	130	135½	134½
N. Y., Lackawanna & W'n 1st 6's.....	1921	12,000,000	J & J	133	125	130	132
do do construction 5's.....	1923	5,000,000	F & A	113	108½	108½	.....
Delaware & Hud. Canal 1st reg. 7's.....	1891	4,988,000	J & J	115½	110	108½	107½
do do 1st extension 7's.....	1891	549,000	M & N	115½	112½	108	.....
do do coupon 7's.....	1894	.....	A & O	121	115½	116½	.....
do do registered 7's.....	1894	4,829,000	A & O	120½	118	115½	.....
do do 1st Penna. Div. coupon 7's.....	1917	210,000,000	M & S	144½	136	141	.....
do do do reg. 1917.....	.....	.....	M & S	141	140½	140	.....
Albany & Susquehanna 1st 7's.....	1888	1,000,000	J & J	109	108½	105½	.....
do do 1st con. gua'd 7's.....	1906	3,000,000	A & O	135	128½	.....	140
do do do registered.....	.....	.....	A & O	.....	.....	*128	.....
do do do 6's.....	1906	5,443,000	A & O	124	117½	119½	119½
do do do registered.....	.....	.....	A & O	119½	118	.....	*122½
Rensselaer & Saratoga 1st coup. 7's.....	1921	2,000,000	M & N	144	141½	141½	.....
do do do 1st reg. 7's.....	1921	.....	.....	.....	.....	141	.....
Denver & Rio Grande 1st consol. 4's.....	1938	22,575,000	J & J	81½	75½	82	82½
do do do 1st mtge 7's.....	1900	6,382,500	M & N	124	114½	120	121½
Denver, South Park & Pac. 1st 7's.....	1905	1,800,000	M & N	89	72	80	82
Denver & Rio Grande West'n 1st 6's.....	1911	5,857,000	M & S	85½	72½	73	80
do do do assented.....	.....	.....	.....	83½	72	73	74½
Detroit, Mack. & Marquette 1st 6's.....	1921	2,290,000	A & O	100	55	*90	.....
do do land grant 3¼ S. A. 1911.....	.....	4,580,000	.....	56	20	49½	51
Detroit, Bay City & Al'p'a 1st 6's.....	1913	2,300,000	J & J	106½	106	109½	.....
East Tenn., Virginia & Georgia 1st 7's.....	1900	3,500,000	J & J	128	118½	120	123
do do do divisional 5's.....	1930	3,104,000	J & J	108	106	110	.....
do do do con. 1st std 5's.....	1956	12,770,000	M & N	99½	94½	98	99
E. & W. of Ala. 1st con. gld 6's.....	1926	1,109,000	J & D	.....	.....	108½	110½
Elizab' h City & Norfolk a.f. deb. cert. 6's.....	.....	250,000	A & O	.....	.....	.....	*104
do do do 1st mtge 6's.....	1920	900,000	M & S	*52½
Elizabeth'n, Lex & Big Sandy 6's.....	1902	3,500,000	M & S	110	99	101	103

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886. JULY 1, 1887.			
				High.	Low.	Bid.	Ask'd
Erie 1st mortgage extended 7's.....	1897	2,482,000	M & N	127½	121	*125	.....
do 2d extended 5's.....	1919	2,149,000	M & S	117½	113	118	.....
do 3d extended 4½'s.....	1923	4,618,000	M & S	112½	108	105	.....
do 4th extended 5's.....	1920	2,926,000	A & O	119	112½	117	118
do 5th extended 7's.....	1888	709,500	J & D	109	103	102½	104
do 1st consolidated gold 7's.....	1920	16,890,000	M & S	139½	129	135½	137
do 1st cons. f'd coup. 7's.....	1920	3,765,997	M & S	133	120½	130	.....
do reorganization 1st lien 6's.....	1908	2,500,000	M & N	112	108½	*112	.....
Long Dock bonds, 7's.....	1883	3,000,000	J & D	120	112½	112½	114
do do consolidated 6's.....	1935	4,500,000	A & O	124	114½	118	120
Buffalo, New York & Erie 1st 7's.....	1916	2,380,000	J & D	140	133½	136	137
N. Y., L. Erie & W. new 2d con. 6's.....	1969	83,597,400	J & D	116½	89	.....	101
do collateral trust 6's.....	1922	5,000,000	M & N	108	102	.....	108
do fund coupon 5s.....	1885-1969	4,032,000	J & D	96½	77½	92	.....
Buffalo & Southw'n mortgage 6's.....	1908	1,500,000	J & J	.....	80	.....	.....
do do small.....	.....	.....	J & J	.....	82	.....	.....
Evansville & Terre Haute 1st con. 6's.....	1921	3,000,000	J & J	120½	111½	120	121
do Mt. Vernon 1st 6's.....	1923	375,000	A & O	112½	103	.....	115½
do Indianapolis 1st con. 6's.....	1926	1,020,000	J & J	113	109	108	112½
Flint & Pere Marquette mortgage 6's.....	1920	5,000,000	A & O	122½	116	120	.....
Fort Worth & Denver City 1st 6's.....	1921	5,216,000	J & D	95½	81	91½	91½
Gal., Harrisburg & San Antonio 1st 6's.....	1910	4,800,000	F & A	116	108½	109	.....
do 2d mortgage 7's.....	1905	1,000,000	J & D	119½	108	108	109
do Western division 1st 5's.....	1931	18,500,000	M & N	103	92	.....	94½
do do do 2d 6's.....	1931	6,750,000	J & J	94	80	82	.....
Grand Rapids & Indiana general 5's.....	1924	3,217,000	M & S	.....	96	96½	.....
do do registered.....	.....	.....	M & S	.....	.....	.....	.....
Green Bay, Winona & St. Paul 1st 6's.....	1911	1,600,000	F & A	107½	80	106	108
Gulf, Col. & Santa Fe 1st 7's.....	1909	11,724,000	J & J	128½	118½	124	128
do do gold 6's.....	1923	5,500,000	A & O	108½	96½	103½	104
Hannibal & St. Joseph consol'd 6's.....	1911	28,000,000	M & S	125	119½	120	121
Henderson Bridge Co. 1st 6's.....	1981	2,000,000	M & S	112	108½	106½	110
Houston & Texas Cent. 1st main l. 7's.....	1891	6,894,000	J & J	.....	116	118	.....
do do 1st West. div. 7's.....	1891	2,375,000	J & J	.....	114½	116	.....
do do 1st Waco & N.W. 7's.....	1908	1,140,000	J & J	.....	114½	.....	.....
do do 2d c. main line 8's.....	1912	4,114,000	A & O	95½	76	108	110½
do do gen'l mort. 6's.....	1921	4,325,000	A & O	73½	50	68	.....
do do Trust Co. receipts.....	.....	.....	.....	.....	73	.....	.....
Houston, E. & W. Texas 1st 7's.....	1898	1,344,000	M & N	89½	66	68	.....
Illinois Central 1st gold 4's.....	1961	1,500,000	J & J	110	108½	107	108
do do registered.....	.....	.....	.....	.....	107	*108	.....
do do gold 3½'s.....	1961	2,500,000	J & J	102½	90½	96½	97½
do do registered.....	.....	.....	.....	.....	96½	*98½	.....
Springfield division coupon 6's.....	1898	1,600,000	J & J	121	117½	118	119
Middle division registered 5's.....	1921	600,000	F & A	109½	103	.....	.....
Chicago, St. L. & N. O. Tenn. lien 7's.....	1897	541,000	M & N	.....	120	120	.....
do 1st consol. 7's.....	1897	857,000	M & N	123	122½	120	121½
do 2d mortgage 6's.....	1907	80,000	J & D	120½	112	116	.....
do gold 5's.....	1961	118,000,000	J & D 15	120½	112	116	115½
do gold 6's registered.....	.....	.....	J & D 15	.....	.....	.....	.....
Dubuque & Sioux City 2d div. 7's.....	1894	586,000	J & J	119	118½	115	120
Cedar Falls & Minn. 1st 7's.....	1907	1,324,000	J & J	120	106	104	109
Ind., Bloomington & W'n 1st pref'd 7's.....	1900	1,000,000	J & J	120½	118	120	.....
do 1st 5's, 6's.....	1909	3,500,000	A & O	104½	89½	96	98½
do Trust Co. receipts.....	.....	.....	A & O	.....	96	97	.....
do 2d 5's.....	1909	1,500,000	A & O	90	66½	85	88½
do Trust Co. receipts.....	.....	.....	A & O	.....	85	80	.....
do Eastern division 6's.....	1921	8,000,000	J & D	105½	89	96½	98½
do Trust Co. receipts.....	.....	.....	J & D	.....	96	98	.....
Ind., Decatur & S. 1st 7's, ex. fund coup. 1906	.....	1,612,000	A & O	108	99½	106	108
Internat'l & Gt. Northern 1st 6's, gold.....	1919	7,954,000	M & N	119	114	113	115
do do coupon 6's.....	1909	7,064,000	M & S	96	84	.....	93
Kentucky Central mortgage 6's.....	1911	780,000	J & J	71	59½	74	.....
do stamped 4 per cent. 1911	.....	5,400,000	J & J	105½	86½	97½	98
Knoxville & Ohio 1st 6's, gold.....	1925	2,000,000	J & J	.....	103½	104	.....
Lake Erie & Western 1st gold 6's.....	1987	5,320,000	.....	.....	.....	.....	.....
Lake Shore & Michigan Southern.....	.....	.....	.....	.....	.....	.....	.....
Cleve., Painesville & Ashtabula 7's.....	1892	920,000	A & O	119	114	112½	114
Buffalo & Erie new bonds 7's.....	1898	2,784,000	A & O	120	121½	120½	.....
Kal'zoo & White Pigeon 1st 7's.....	1880	400,000	J & J	108	106	*102	105
Detroit, Monroe & Toledo 1st 7's.....	1908	924,000	F & A	128

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				High.	Low.	Bid.	Ask d
Lake Shore div. bonds 7's.....	1899	1,356,000	A & O	128	121½	121½	124
do consol. coupon 1st 7's.....	1900	{ \$25,000,000	J & J	134½	127	127½	129
do consol. registered 1st.....	1900		Q J	132½	127	124¾	125½
do consol. coupon 2d 7's.....	1903		J & D	127	119¾	120	123½
do consol. registered 2d.....	1903		J & D	125	119¾	122	123
Mahoning Coal 1st 5's.....	1934	1,500,000	J & J	105	103	106	106½
Long Island 1st mortgage 7's.....	1898	1,500,000	M & N	130	119	121	123
Long Island 1st consolidated 5's.....	1931	\$5,000,000	Q J	115½	108	.....	114
N. Y. & Manhattan Beach 1st 7's.....	1897	500,000	J & J	.....	.....	.....	*110
N. Y., B'klyn & M'n B. 1st c. g. 5's.....	1835	783,900	A & O	.....	.....	.....	.....
Louisville & Nashville consol'd 7's.....	1898	7,070,000	A & O	125	117	119	.....
do Cecilian branch 7's.....	1907	1,000,000	M & S	113	107½	.....	111
do N. O. & Mobile 1st 5's.....	1930	5,000,000	J & J	107¾	99	112½	.....
do do 2d 5's.....	1930	1,000,000	J & J	97	86	99	.....
do Evans, Hend. & N. 1st 5's.....	1919	2,400,000	J & D	116½	112	111	114½
do general mortgage 5's.....	1930	\$20,000,000	J & D	109½	100½	110½	111½
do Pensacola division 5's.....	1920	600,000	M & S	102	97½	.....	103
do St. Louis division 1st 5's.....	1921	3,500,000	M & S	113	108	115½	.....
do do 2d 3's.....	1980	3,000,000	M & S	57	51	59	.....
do Nash. & Decatur 1st 7's.....	1900	1,900,000	J & J	126	121	119	.....
do So. & N. Ala. sink'g f'd 6's.....	1910	2,000,000	A & O	105	102	*106½	.....
do Louisville, Cin. & Lex. 5's.....	1931	\$7,000,000	M & N	.....	.....	.....	.....
do Trust bonds, 5's.....	1922	10,000,000	Q M	107	98	107½	107½
do 10-40 5's.....	1924	5,000,000	M & N	100	84½	101	.....
do 5 per cent 50 year g. bonds.....	1937	1,350,000	.....	.....	.....	.....	.....
do Penn. & At. 1st 5's, gold, gtd.....	1921	3,000,000	F & A	96	82½	95	98½
Lou., New Albany & Chicago 1st 5's.....	1910	3,000,000	J & J	120	100½	114	115
do do consol'd gold 5's.....	1916	3,500,000	A & O	100	94½	97½	98½
Louisville, N. Orleans & Texas 1st 5's.....	1934	13,641,000	M & S	92¾	90¾	.....	*91
Manhattan Beach Imp't Co., 11m'd, 7's.....	1909	1,000,000	M & S	90	80	85	90
Memphis & Charleston 5's, gold.....	1924	1,000,000	J & J	108½	102	106½	107
Metropolitan Elevated 1st 5's.....	1908	10,818,000	J & J	123	115	120	120½
do do 2d 5's.....	1899	4,000,000	M & N	113½	108½	107½	108½
Mexican Central 1st mortgage 7's.....	1911	{ 41,170,000	J & J	.....	.....	.....	.....
do do ex. coupon 6-7-8.....	.....		J & J	80	89	*81	.....
do do new assorted 4's.....	.....		J & J	57	84	74½	75½
do do income bonds.....	1911		.....	.....	.....	.....	25½
Michigan Central 1st consol. 7's.....	1902	8,000,000	M & N	123	122½	124	128½
do do 1st consol. 5's.....	1902	2,000,000	M & N	111½	107	108	.....
do do 5's.....	1909	1,500,000	M & S	.....	.....	.....	128
do do coupon 5's.....	1931	{ 4,000,000	M S	110	107½	108½	.....
do do registered 5's.....	1931		Q M	110	107	.....	108
Mich., Jackson, Lansing & Sag'w 5's.....	1891	1,100,000	M & S	.....	.....	104	.....
Milwaukee & Nor. 1st main line 5's.....	1910	2,155,000	J & D	108½	102	109½	.....
do do 1st extension 5's.....	1913	1,978,000	J & D	104	100	106½	107½
Milw., L. Shore & West'n 1st 5's.....	1921	4,350,000	M & N	121½	112½	118½	.....
do do conv. debent. 5's.....	1907	800,000	F & A	.....	.....	100	101½
do do Mich. div. 1st 5's.....	1924	1,281,000	J & J	120½	108½	118	120
do do Ashland div. 1st 5's.....	1925	1,000,000	M & S	117	112½	114½	117
Minneapolis & St. Louis 1st 7's.....	1927	950,000	J & D	136	128	129	.....
do do Iowa exten. 1st 7's.....	1909	1,015,000	J & D	125	119	111	.....
do do 2d mortgage 7's.....	1891	500,000	J & J	102	101	101	.....
do do Southw'n ext. 1st 7's.....	1910	638,000	J & D	.....	.....	.....	115
do do Pacific ext. 1st 5's.....	1921	1,382,000	A & O	110	108	.....	107
do do imp't and equip. 5's.....	1922	2,000,000	J & J	100	90	.....	89
Minnesota & Pacific 1st mortgage 5's.....	1936	3,035,000	J & J	.....	.....	.....	*108
Minnesota & N. West 1st 5's, gold.....	1934	7,682,000	J & J	108	99½	103	104½
Mo., Kansas & Texas gen'l cons. 5's.....	1920	\$25,125,000	J & D	105½	87½	96½	98
do do gen'l cons. 5's.....	1920	9,230,000	J & D	98½	72½	84½	85½
do do cons. 7's.....	1904, 5-6	14,811,000	F & A	118	108	112½	113
do do 2d mort. income.....	1911	635,000	A & O	90	78	.....	96
Hannibal & Cent. Missouri 1st 7's.....	1890	729,000	M & N	115	110	*105	.....
Mobile & Ohio new mortgage 5's.....	1927	7,000,000	J & D	116	109½	112	.....
do collateral trust 5's.....	1892	69,000	J & J	.....	.....	102	.....
do 1st extension 5's.....	1927	\$1,000,000	Q J	108	101	107	.....
St. Louis & Cairo 4's, guaranteed.....	1931	4,000,000	J & J	78½	72½	74	76½
Morgan's Louisiana & Texas 1st 5's.....	1920	1,484,000	J & J	116	114	105	.....
do do 1st 7's.....	1918	5,000,000	A & O	127	118	120	.....
Nashville, Chattanooga & St. L. 1st 7's.....	1913	6,900,000	J & J	131	123	127½	133
do do 2d 5's.....	1901	1,000,000	J & J	111½	110	110	111

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				High.	Low.	Bid.	Ask d
{ N. Y. Central 6's 1887		2,991,000	J & D	106	101	100½	
do debenture cert. ext. 5's 1893		6,450,000	M & N	108½	104	104½	104½
do & Hudson 1st coup. 7's 1903			J & J	140½	134	136	
do do 1st registered 1903		\$30,000,000	J & J	137½	133½	132½	134½
do do deb. 5's 1904		7,850,000	M & S	112½	107½	110½	110½
do do deb. 5's, registered			M & S	110½	107½	108½	
Harlem 1st mortgage 7's, coupon 1900		\$12,000,000	M & N	139	131	130	130½
do do 7's, registered 1900			M & N	139	131½	130	132
N. J. Junction guaranteed 1st 4's 1886		2,000,000	F & A			*104	105
do registered certificates 1886							
N. Y. Elevated 1st mortgage 7's 1906		8,500,000	J & J	120	122	121	121½
N. Y. Penn. & Ohio prior lien 6's 1886		8,000,000	M & S			*110	
{ N. Y. City & North. gen'l mtg 6's 1910			M & N	73½	55		73
do do Trust Co. receipts		4,000,000		73½	54	74	75
do do assented.			M & N			74	75
N. Y. & New England 1st 7's 1906		6,000,000	J & J	120	125	*71½	72
do do 1st 6's 1906		4,000,000	J & J	117½	117½	*116	
N. Y., Chicago & St. Louis 1st 6's 1906		15,000,000	J & D	99	85½	99½	100
do do Trust Co. receipts 1906			J & D	100½	84	99½	100
do do 2d 6's 1923		10,000,000	M & S	7	66	98	
N. Y., Ontario & W. 1st gold 6's 1914		3,000,000	M & S	109	108	109½	110
N. Y., Susquehanna & W'n debent. 6s 1897		600,000	F & A				
do do coupons off.			F & A	94	76½	*73	
do do 1st refund g 5's 1937		3,750,000	J & J			*94½	95
do do 2d mtg. 4½'s 1937		636,000	F & A			73	73½
Midland R. of New Jersey 1st 6's 1910		3,500,000	A & O	110	100	112	
N. Y., N. Haven & H. 1st reg. 4's 1903		2,000,000	J & D	112½	112	110½	111
No. Pac. g'l 1st m. r'd and l.g. c. 6's 1921		53,309,000	J & J	120	111½	117½	118
do do do reg. 6's 1921			J & J	117½	111½	*117½	
do g'l 2d m. r'd and l.g. s.f. c. 6's 1933			A & O	104	91½	104½	
do do reg. 6's 1933		20,000,000	A & O			*108	
{ James River Valley 1st 6's, gold 1936		963,000	J & J	109	106½	108	111
Spokane & Pal. 1st sinking f. gold 6's 1936		688,000	M & N			104	
St. Paul & North'n Pacific gen'l 6's 1923		6,000,000	F & A			*119½	119½
do registered certificates			Q F				
Helena & Red Mountain 1st gold 6's 1937		400,000	M & S			108	
No. Pacific Terminal Co. 1st gold 6's 1933		3,000,000	J & J	106½	102½	105	107
New Orleans Pacific 1st 6's, gold 1920			J & J			*82½	83
do do coupons off.		6,720,000	J & J	85½	51	*73	
do do Trust Co. receipts.			J & J	85½	73½	83	85
N. O. & N. East'n prior lien gold 6's 1915		1,050,000	A & O			*107	
Norfolk & Western gen'l mtg 6's 1931		6,902,000	M & N	115½	104	116	
do New River 1st 6's 1932		2,000,000	A & O	118	99½	112	114
do improvement & ext. 6's 1934		3,500,000	F & A	102	87½	100	
do adjustment mortg. 7's 1924		1,500,000	Q M	107	82½	108	107
Ordensburg & Lake Champl. 1st con. 6's 1920		3,500,000	A & O	104½	96	104½	
Ohio & Miss. consol. sinking fund 7's 1898		3,436,000	J & J	125	118½	118	120
do do consolidated 7's 1898		3,066,000	J & J	125	118	*117½	118½
do do 2d consolidated 7's 1911		3,715,000	A & O	120	119½	114	117
do 1st Springfield division 7's 1905		3,000,000	M & N	110½	9	114	109
do do 1st general 5's 1932		3,218,000	J & D	94½	87½	92	
Ohio Central 1st terminal trust 6's 1920		600,000	J & J				
do do 1st Mineral division 6's 1921		300,000	J & J				
Ohio River 1st 6's 1936		2,000,000	J & D			98½	100½
Ohio Southern 1st mortgage 6's 1921		2,100,000	J & D		97½	103	108
Omaha & St. Louis 1st 4's 1937		2,717,000	J & J			80½	82
Oregon & California 1st 6's 1921		9,000,000	J & J			*104	
Oregon & Transcontinental 6's 1882-1922		10,063,000	M & N	104½	92½	98½	99
Oregon Improvement Co. 1st 6's 1910		5,000,000	J & D	99	84	93	98
Oregon Railroad & Navigation 1st 6's 1909		6,000,000	J & J	114½	110	111	111
do do consol. m. 5's 1925		6,820,000	J & D	108½	102	101	102½
Panama Sinking Fund subsidy 6's 1910		2,747,000	M & N			90	
Peoria, Decatur & Evansville 1st 6's 1920		1,287,000	J & J	119	108	115	116
do Evansville division 1st 6's 1920		1,470,000	M & S	111½	108	111	112
do do 2d mortgage 5's 1927		2,088,000	M & N				84
Peoria & Pekin Union 1st 6's 1921		1,500,000	Q F	112	108	111	
do do 2d mortgage 4½'s 1921		1,499,000	M & N			74	75
{ Central Pacific gold bonds 6's 1895			J & J	118½	112½	116½	
do do 1896			J & J			116½	
do do 1897		25,883,000	J & J			116½	
do do 1898			J & J			117	

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		JULY 1, 1887.	
				High.	Low.	Bid.	Ask'd.
do San Joaquin branch 6's.....1900		6,080,000	A & O	112	107½	114½	116
do California & Oregon 1st 6's.....1888		6,000,000	J & J	106	100	103½	.....
do do Series B 6's.....1892		5,860,000	J & J	.....	.....	105½	.....
do land grant 6's.....1890		9,436,000	A & O	107½	102½	102½	.....
Western Pacific bonds 6's.....1899		2,735,000	J & J	116	109	115	.....
Nor. Ry. (Cal.) 1st 6's, guaranteed.....1907		3,961,000	J & J	123	116½	121	122
Southern Pac. of California 1st 6's 1906-12		28,447,000	A & O	114	105½	112½	113½
Southern Pac. of Arizona 1st 6's 1908-1910		10,000,000	J & J	112	100½	114½	115
Southern Pacific of N. Mexico c. 1st 6's 1911		5,000,000	J & J	106½	100	109½	.....
Union Pacific 1st 6's.....1896		J & J	119½	114	116½	.....
do do.....1897		27,229,000	J & J	.....	.....	116½	.....
do do.....1898		J & J	.....	.....	117½	.....
do do.....1899		J & J	.....	.....	118	.....
do land grant 7's.....1887-9		1,270,000	A & O	106½	101½	103½	.....
do sinking fund 8's.....1893		14,348,000	M & S	123½	116	114½	116
do registered 8's.....1893		M & S	121	117	114	115
do collateral trust 6's.....1908		4,423,000	J & J	108½	104	109	.....
do do 5's.....1907		5,583,000	J & D	.....	.....	101	.....
Kansas Pacific 1st 6's.....1895		2,240,000	F & A	114½	110½	118	114½
do 1st 6's.....1896		4,063,000	J & D	116	110	111	112½
do Denver division 6's, ass'd.....1899		6,242,000	M & N	118	113	114	.....
do 1st consol. 6's.....1919		14,855,000	M & N	109½	99½	108	104
Central Br'oh U.P. fund coup. 7's.....1895		630,000	M & N	.....	.....	105	.....
Atchison, Colorado & Pac. 1st 6's.....1905		3,672,000	Q F	107	101½	107½	108
Atchison, Jewell Co. & West. 1st 6's 1905		542,000	Q F	106	100	105	.....
Oregon Short Line 1st 6's.....1922		14,931,000	F & A	109	97½	102	102½
Utah South'n general mortgage 7's 1909		1,950,000	J & J	90½	85	93	.....
do extension 1st 7's.....1909		1,950,000	J & J	88	72½	93½	93½
Missouri Pacific 1st consol. 6's.....1920		20,184,000	M & N	117	108	116	116½
do 3d mortgage 7's.....1906		3,328,000	M & N	127½	116½	122	124
Pacific R. of Mo. 1st mortgage 6's.....1888		7,000,000	F & A	107	103½	103	.....
do 2d mortgage 7's.....1891		2,573,000	J & J	113	109	110½	111½
St. L. & S. Francisco 2d 6's, class A.....1906		500,000	M & N	118	108	114	.....
do 6's, class C.....1906		2,400,000	M & N	117	106½	112	113
do 6's, class B.....1906		2,766,500	M & N	118	105½	114	.....
do 1st 6's, Pierce C. & O. b.....1896		1,090,000	F & A	117	111½	118	.....
do equipment 7's.....1895		650,000	J & D	.....	.....	101	.....
do general mtge. 6's.....1931		7,732,000	J & J	114	99½	113½	115
do general mtge. 5's.....1931		5,000,000	J & J	.....	.....	100½	.....
South Pacific (Mo.) 1st 6's.....1888		7,144,500	J & J	106	108	103½	104½
Kansas City & Southw'n 1st 6's, gold 1916		744,000	J & J	107½	105	101	108
Fort Smith & Van B. Bdg. 1st 6's.....1910		475,000	A & O	.....	.....	109	.....
St. L., Kansas & Southwest'n 1st 6's 1916		735,000	M & S	.....	.....	*100	104½
Texas & Pacific 1st 6's.....1905		3,784,000	M & S	105½	105½	106½	.....
do ex coupon.....1905		M & S	.....	.....	*109	.....
do consolidated 6's.....1905		J & D	103½	90	*103	.....
do do coupons off.....1905		29,316,000	J & D	100½	70	*100	102½
do do Trust Co. receipts.....1915		7,922,000	J & D	104	99	100	.....
do income & land grant reg. 7's.....1915		July	61½	34	*63½	.....
do assented Trust receipts.....1915		July	63½	53½	57½	60
do RioGrande 6's, Aug. '84 c.on. 1930		F & A	75	72½	*74	75
do do coupons off.....1930		18,028,000	F & A	75½	45½	.....	.....
do do Trust Co. receipts.....1930		F & A	78	66	75½	76½
do do gen. m. & ter. 6's.....1905		22,859,000	A & O	62	34½	*67	70
do do Trust Co. receipts.....1905		A & O	71	49	67½	70
Pennsylvania Railroad Company.							
Penna. Co.'s guar'd 4½'s, 1st coup. 1921		15,000,000	J & J	108½	102½	107	107½
do do do registered.....1921		2,706,000	J & J	108½	101½	104	105
Pitt., C. & St. Louis 1st coupon 7's.....1900		4,157,000	F & A	121	120½	118	.....
do 1st registered 7's.....1900		2,500,000	A & O	.....	.....	*119	.....
do 2d 7's.....1913		5,250,000	J & J	145	141	142½	143
Pitt., Ft. Wayne & Chicago 1st 7's.....1912		5,180,000	J & J	142½	138	139½	141
do do 2d 7's.....1912		2,000,000	A & O	138	133½	134½	136
do do 3d 7's.....1912		2,292,000	M & N	131	128	128	.....
Clev. & Pitts.con. sinking fund 7's.....1900		1,105,000	J & J	111	109	108	.....
do 4th do 6's.....1892		1,899,000	J & J	122	120	118	121
St. L., Van. & Terre H. 1st guar. 7's 1897		1,000,000	M & N	.....	.....	109	.....
do do 2d 7's.....1898		1,600,000	M & N	.....	.....	*112	.....
do do 2d guar. 7's.....1898		3,500,000	J & D	.....	.....	.....	.....
Pine Creek 6's.....1932		2,400,000	A & O	110½	106½	114
Pittsburgh, Cleve. & Toledo 1st 6's.....1922	

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1888.		JULY 1, 1887.	
				High.	Low.	Bid.	Ask d
Pittsburgh Junction 1st 6's.....	1922	1,440,000	J & J	.....	.....	*122	.....
Pittsburgh, McKeesport & Y. 1st 6's.....	1932	2,250,000	J & J	.....	.....	.....	*130
Rome, Watertown & Ogd. 1st 7's.....	1891	1,021,500	J & D	117	108½	108½	.....
do do consol. 1st ex. 5's.....	1922	6,237,000	A & O	103	87½	100½	101½
Rochester & Pittsburgh 1st 6's.....	1921	1,300,000	F & A	117	113½	119½	120
do do consolidated 1st 6's.....	1922	3,920,000	J & D	112	105½	113½	114
Richmond & Allegheny 1st 7's.....	1920	.....	J & J	.....	.....	*71½	.....
do Trust Co.'s receipts.....	.....	5,000,000	J & J	80	65	73	.....
do do stamped.....	.....	.....	J & J	.....	.....	.....	70
Richmond & Danville consol. gold 6's. 1915	.....	6,000,000	J & J	119½	111½	114½	115
do do debenture 6's.....	1927	4,000,000	A & O	114	86	.....	113
do do do assented.....	.....	.....	J & J	113½	106½	.....	94
do do consol. m.g. 5's. 1936	.....	1,500,000	A & O	.....	.....	.....	90
Atlanta & Charlotte 1st pref'd 7's.....	1897	500,000	A & O	.....	.....	114	.....
Atlanta & Charlotte income.....	1900	750,000	A & O	.....	.....	105	.....
Rich. & W. Point terminal trust 6's.....	1897	8,500,000	F & A	.....	.....	96½	.....
San Antonio & Aran. Pass 1st g. 6's. '85-1916	.....	1,750,000	J & J	.....	.....	90	.....
do do do 1898-1926	.....	1,608,000	J & J	.....	.....	90	.....
Scioto Valley 1st consolidated 7's.....	1910	.....	J & J	72	47	*95	.....
do do do coupons off.....	.....	903,000	J & J	.....	.....	60	70
St. Joseph & Grand Island 1st 6's.....	1925	7,000,000	M & N	110½	104	103½	104
St. Louis & Iron Mountain 1st 7's.....	1892	4,000,000	F & A	118	110	111½	112½
do do do 2d 7's.....	1897	6,060,000	M & N	119	111	112½	113
do do Arkansas branch 1st 7's.....	1895	2,500,000	J & D	116½	112½	110	112
do do Cairo & Fulton 1st 7's.....	1891	7,555,000	J & J	113	108½	108½	109½
do do Cairo, Ark. & Texas 1st 7's.....	1897	1,450,000	J & D	116½	109½	112	115
do do gen'l con. r'y & land g't 5's.....	1931	288,201,000	A & O	100	90	94½	95
St. L., Alton & Terre Haute 1st 7's.....	1894	2,200,000	J & J	119½	115	115½	.....
do do 2d mortgage preferred 7's.....	1894	2,800,000	F & A	114	110½	112½	.....
do do 2d mortgage income 7's.....	1894	1,700,000	M & N	108	103½	105½	.....
Belleville & Southern Illinois 1st 6's.....	1896	1,041,000	A & O	117½	116½	115	.....
Bellev'e & Carondelet 1st 6's.....	1923	485,000	J & D	110½	110½	*110	113½
St. Louis, Ark. & Tex. 1st cfs. 6's.....	1936	10,374,000	M & N	.....	.....	99½	99½
do do do 2d cfs. 6's.....	1936	11,804,000	F & A	.....	.....	47½	48½
St. Paul, Minn. & Manitoba 1st 7's.....	1909	.....	J & J	116	112	116	.....
do do do small.....	.....	5,250,000	J & J	.....	.....	.....	.....
do do do 2d 6's.....	1909	8,000,000	A & O	122½	116½	119	120
do do Dakota extension 6's.....	1910	5,676,000	M & N	122	116½	117	120
do do 1st consolidated 6's.....	1933	.....	J & J	125	115	120	121
do do do registered.....	.....	21,144,000	J & J	119	114½	120	.....
do do do reduced to 4½'s	.....	.....	J & J	.....	.....	99½	100½
do do do do regist'd	.....	.....	J & J	.....	.....	100	100½
Minneapolis Union 1st 6's.....	1922	2,150,000	J & J	.....	.....	112	.....
St. Paul & Duluth 1st 5's.....	1881	1,000,000	F & A	.....	.....	111½	118
South Carolina Railway 1st 6's.....	1920	5,000,000	A & O	113	102	97½	99
do do do 2d 6's.....	1931	1,500,000	J & J	90	81	67½	71
Shenandoah Valley 1st 7's.....	1909	.....	J & J	100	70	*101½	.....
do do do Trust Co. receipts.....	.....	2,270,000	J & J	.....	.....	107½	108
do do do gen'l mtge 6's.....	1921	28,212,000	A & O	49½	29	51½	52
Sodus Bay & Southern 1st 5's, gold.....	1924	500,000	J & J	105	101	.....	.....
Texas Central 1st sinking fund 7's.....	1909	2,145,000	M & N	80	68	79	80
do do 1st mortgage 7's.....	1911	1,254,000	M & N	.....	.....	79	.....
Toledo & Ohio Central 1st gold 5's.....	1935	3,000,000	J & J	102½	92½	99	99½
Toledo, Peoria & W'n 1st 7's.....	1917	.....	Q J	.....	.....	*108	.....
do do do Trust Co. receipts.....	.....	4,500,000	.....	108	91	108	109
Toledo, Ann Arbor & No. Mich. 1st 6's.....	1924	2,120,000	M & N	95	90	97	98
Toledo, Ann Arbor & G.T. 1st 6's, gold.....	1921	1,280,000	J & J	107	101	.....	110
Toledo, St. Louis & Kan. City 1st g. 6's.....	1916	2,000,000	J & D	.....	.....	97	98
Texas & New Orleans 1st 7's.....	1905	1,620,000	F & A	.....	.....	110	118
do do do Sabine div. 1st 6's.....	1912	2,075,000	M & S	107½	100½	102	.....
Virginia Midland mortgage inc. 6's.....	1927	4,000,000	J & J	100	53¾	.....	*97
do do do gen'l mortgage 5's.....	1936	3,195,000	M & N	.....	.....	87½	88½
Wabash, St. L. & Pac. gen. mtge 6's.....	1920	.....	J & D	62	45	.....	*90
do do do Trust Co. receipts.....	.....	16,000,000	J & D	67	44	54	57
do do do Chicago division 5's.....	1910	4,500,000	J & J	97	85	101	108
do do do Havana division 6's.....	1910	1,600,000	J & D	88	88	.....	*90
do do do Indianapolis division 6's.....	1921	2,275,000	J & D	.....	.....	.....	*90
do do do Detroit division 6's.....	1921	2,062,000	J & J	92	78	.....	98
do do do Cairo division 5's.....	1931	8,867,000	J & J	55	55	*50
Wabash mortgage 7's.....	1879-1908	2,000,000	A & O	91	70	90	93

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				High.	Low.	Bid.	Ask d
Tol. & Wabash 1st extended 7's.....1890	3,400,000	F & A	115½	110	114	114½	
do 1st St. Louis division 7's.....1889	2,700,000	F & A	111	100	111½	114	
do 2d mortgage extended 7's.....1893	2,500,000	M & N	105¾	97	102	103	
do equipment bonds 7's.....1883	600,000	M & N	6	4	.....	*4	
do consol. convertible 7's.....1907	2,600,000	Q F	100	84½	.....	92½	
G't Western 1st mortgage 7's.....1888	2,500,000	F & A	114	109½	114	.....
do 2d mortgage 7's.....1893	2,500,000	M & N	106	96	102	.....
Quincy & Toledo 1st mortgage 7's.....1890	500,000	M & N	97	94	106	.....
Hannibal & Naples 1st 7's.....1909	500,000	J & D	.....	.....	.....	.....
Illinois & So. Iowa 1st exten. 6's.....1912	300,000	F & A	.....	.....	.....	96	
St. L. Kan. C. & N. R'l E'e & R'y 7's.....1895	3,000,000	M & S	116	108¾	112½	113	
do Omaha div. Trust Co. receipts	2,298,000	A & O	.....	.....	123	125	
do Clarinda br. 6's.....1919	264,000	F & A	76½	65	.....	60	
do St. Charles bridge 1st 6's.....1908	1,000,000	A & O	103½	94	103	106	
North Missouri 1st mortgage 7's.....1895	6,000,000	J & J	120	112½	117¾	.....
Wabash, St. L. & P. Iowa div. 6's.....1921	2,269,000	M & S	.....	.....	.....	50	
do Trust Co. receipts.....	.....	M & S	.....	.....	.....	103½	
West Shore 1st guaranteed 4's.....	50,000,000	J & J	106	100½	103	103½	
do do registered.....	.....	J & J	105¾	101½	101½	.....
Western Union coupon 7's.....1900	3,920,000	M & N	12½	116	*117	.....
do do registered.....	.....	M & N	125	117	118½	119	
North Western Telegraph 7's.....1904	1,250,000	J & J	.....	.....	*102	.....
Wheeling & Lake Erie 1st 5's.....1926	3,000,000	A & O	.....	.....	101½	102	
Mutual Union Tel. sinking fund 6's.....1911	5,000,000	M & N	90½	75	85	.....
Colorado Coal & Iron 1st 6's.....1900	3,500,000	F & A	101¾	90	103¾	104	
Tenn. Coal, Iron & R. consol. 6's.....1901	620,000	M & N	100	97	*105	.....
do South Pittsburgh 1st 6's.....1902	720,000	F & A	98	96	*107	105	
do Bir. div. 1st consolidated 6's.....1917	4,000,000	J & J	.....	.....	87½	90	
Col. & Hocking Coal & Iron gen'l 6's.....1917	1,000,000	J & J	.....	.....	.....	*89	

INCOME BONDS. Interest payable if earned, and not to be accumulative.

Atlantic & Pacific West'n div. income.....1910	10,500,000	A & O	31¾	20¾	*35¾	35¾	
do do do small.....	2,100,000	A & O	.....	.....	*30	29	
do do Cent'l div. income.....1922	629,000	J & D	.....	.....	*20	.....
Central Iowa coupon debt certificates.....	1,000,000	A & O	.....	.....	*100	.....
Chicago & Eastern Illinois income.....1907	1,200,000	D	.....	.....	57	60	
Des Moines & Fort Dodge 1st inc. 6's.....1905	1,500,000	J & J	43½	12	54	.....
Detroit, Mack. & Marquette income.....1921	1,000,000	.....	.....	.....	.....	48	
Elizabeth City & Norfolk 2d income.....1970	3,781,000	.....	42¾	24½	45	48	
Green Bay, Winona & St. Paul 2d inc.....1911	4,680,000	J & J	41¾	21¾	*33	34	
Indiana, Bl'n & W'n consol. inc. 6's.....1921	.....	J & J	.....	.....	29	33	
do do Trust Co. receipts.....	2,850,000	J & J	39	22	.....	*33	
Indp's, Decatur & Springfield 2d inc.....1906	.....	J & J	41	20	44	46	
do do Trust Co. receipts.....	1,119,200	M & N	100	90	95	.....
Lehigh & Wilkesbarre Coal Co.....1888	500,000	M & N	.....	.....	94	.....
do do small bonds.....1888	4,763,000	M & N	107	88	.....	101¾	
Milw., L. Shore & Western income.....	1,850,000	.....	74¾	53	53	55	
Mobile & O. 1st preferred debentures.....	600,000	.....	44½	32	25	30	
do 2d do do.....	900,000	.....	35	30	20	25	
do 3d do do.....	508,000	.....	31	25	19	25	
do 4th do do.....	35,000,000	.....	76	56	70	80	
N. Y., Lake E. & Western income 6's.....1977	300,000	J & J	.....	.....	*48½	.....
N. Y., Penn. & Ohio 1st inc. acc. 7's.....1905	2,100,000	.....	.....	.....	*39½	.....
Ohio Central (Min'l division) inc. 7's.....1921	800,000	J & D	49½	34	42	42½	
Ohio Southern 2d income 6's.....1921	200,000	Oct	.....	.....	*40	.....
Ogdensburg & L. Champlain income.....1920	1,870,000	Oct	.....	.....	*84	.....
do do do small.....	3,000,000	.....	.....	.....	*60	.....
Rochester & Pittsburgh income.....1921	348,000	Feb	33	22½	15	19	
South Carolina Railway income 6's.....1931	418,000	Mch	.....	.....	.....	.....
St. Louis, I. M. & S. 1st 7's pref. int. ac'e.....	491,000	Feb	.....	.....	.....	.....
Sterling Iron & Railway (series B) inc.....1894	476,000	April	.....	.....	.....	.....
do plain income 6's.....1896	1,357,000	June	50	33	40	47	
Sterling Mountain Railway income.....1895	1,680,000	June	77	55¾	70	73½	
St. Louis, Alton & Terre H. div. bds.....1894	2,500,000	J & J	.....	.....	16	.....
St. Joseph & Grand Island 2d income.....1925	.....	.....	.....	.....	.....	.....
Shenandoah Valley income 6's.....1923	.....	.....	.....	.....	.....	.....

EXPRESS.

Adams Express.....	Par 100	12,000,000	Q M	150	136½	144	.....
American Express.....	" 100	18,000,000	J & J	111	101½	109	113
United States Express.....	" 100	7,000,000	Q F	66	51	67	70
Wells Fargo Express.....	" 100	6,250,000	J & J	130	119	126	125
Pacific Mail Steamship Co.....	" 100	20,000,000	67	45¾	45	45½

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COAL AND MINING.

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				High.	Low.	Bid.	Ask d
American Coal Co.....	PAR 25	1,500,000				25	
Consolidated Coal Co. of Maryland	100	10,250,000				20	24
Cumberland Coal and Iron Co.....	100	500,000					
Colorado Coal and Iron Co.....	100	10,000,000				47½	48
Cameron Iron and Coal Co.....	100	2,720,900				40	42
Columbus & Hocking Coal & Iron Co.....	100	4,700,000				37	41
Marshall Consol. Coal Co.....	100	2,000,000				24¾	
Maryland Coal Co.....	100	4,400,000				10	13
Montauk Gas Coal Co.....	100	2,500,000				69¾	70½
New York & Perry Coal and Iron Co.....	100	1,500,000				69	70
New Central Coal Co.....	100	5,000,000				12	14
Pennsylvania Coal Co.....	50	5,000,000	Q F			266	275
Quicksilver Mining Co.....	100	5,708,700				6½	7½
do do preferred.....	100	4,291,300				31	33½
Tenn. Coal, Iron & R. R. Co.....	100	10,000,000				33	36

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph.....	100	3,000,000		45	30		
Albany City 6's.....	1909	500,000	J & J				*115
Albany & Chesapeake 1st 7's.....	1918	1,000,000	J & J				
Allegheny Central 1st mortgage 6's.....	1922	900,000	J & J				
Atlantic & Pacific (W'n div.) 1st m. 6's.....	1910		J & J				
Boston, H. & Erie 1st mtge 7's.....	1900	346,000	J & J				
do do guaranteed.....	100	1,000,000					
Boston & New York Air Line.....	100	500,000					
Bradford, Bordell & Kinzua.....	100	500,000	J & D			*55	60
do do 1st 6's.....	1932	500,000					
Bradford, Eldred & Cuba.....	100	500,000					
do do 1st 6's.....	1932	500,000	J & J			*37	42
Brooklyn City R. R.....	25	2,000,000	Q F				
Brooklyn Gas Company.....	25	2,000,000					
Brooklyn, Bath & Coney Island 1st 6's.....	1912	200,000	F & A				
Buffalo & Southwestern.....	100	471,900					
do do preferred.....	100	471,900					
Carolina Central 1st mortgage 6's.....	1920	2,000,000	J & J				*109
Cedar Falls & Minnesota.....	100	1,586,000		19½	11	12	14½
Cincinnati, Sandusky & Cleveland.....	50	4,500,000		51	32		
do do preferred.....		429,000					
do do 1st 7's.....	1890	1,072,300	J & D				
Cincinnati, Lafayette & Chic. 1st 7's.....	1901	900,000	M & S				*118
Cin. & Sp. 1st mort. C., C. & I. 7's.....	1901	1,000,000	A & O	119	114	*119	
do. 1st m. g'd Lake S. & M. S. 7's.....	1901	1,000,000	A & O	121	117½	*121	
Cincinnati, Hamilton & Dayton.....	100	3,500,000		149	105½	147	
do consol sinking fund 7's.....	1905	1,000,000	A & O	120	120		*105½
do do consol. 6's.....	1920	1,000,000	M & N				
Cin., W. & Baltimore prior lien 4½'s.....	1893	500,000	A & O				
do 1st 6's.....	1931	1,250,000	M & N			*115	
do 1st 4½'s guaranteed.....	1931	5,922,000	M & N	106½	103½	*104	105½
do 2d 5's.....	1931	3,040,000	J & J				
do 3d ¾'s.....	1931	2,270,000	F & A				
do 1st income mortgage.....	1931	3,040,000	F & A				
do 2d income mortgage.....	1931	4,000,000					
do preferred stock.....	100	12,993,000		12	5	7½	8½
do common stock.....	100	5,884,100		6¾	2½	4½	5½
Citizens' Gas Company.....	20	1,200,000					
Columbus, Springfield & Cin. 1st 7's.....	1901	1,000,000	M & S				
Consolidation Coal convertible 6's.....	1897	1,250,000	J & J				
Cumberland & Penn. 1st 6's.....	1891	903,500	M & S			103	
do do 2d 6's.....	1888	392,000	M & N			101	
Cumberland & Elk Lick Coal.....	100	1,000,000					
Chicago City 7's.....	1890	220,000	J & J				
Charlotte, Col. & Augusta 1st 7's.....	1895	2,000,000	J & J				
Chicago & Atlantic 1st 6's.....	1920	6,500,000	M & N				*104½
do do 2d 6's.....	1923	2,500,000	F & A				
Dubuque & Dakota 1st 6's.....	1919	630,000	J & J				
Duluth Short Line 1st 5's.....	1916	500,000	M & S				

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NOTE.—The railroads enclosed in a brace are leased to Company first named.

FREE LIST—Continued.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYA- BL.	YEAR 1886.		JULY 1, 1887.	
				High.	Low.	Bid.	Ask d
Danbury & Norwalk.....	50	600,000	.....	.....	.....	.....	.....
Detroit, Hillsdale & Southwestern.....	100	1,350,000	.....	82	79	.....	.....
Eighth Avenue.....	100	1,000,000	.....	.....	.....	.....	.....
Erie & Pittsburgh.....	50	1,998,400	Q M	.....	.....	112	113½
do do consolidated 7's.....	1898	22,485,000	J & J	.....	.....	.....	.....
Farmers' Loan & Trust Company.....	25	1,000,000	.....	.....	.....	*450	.....
Frankfort & Kokomo.....	50	600,000	.....	.....	.....	.....	.....
do do 1st 7's.....	1908	200,000	J & J	.....	.....	.....	.....
Fort Worth & Denver City.....	100	3,880,000	.....	25½	15	44½	45½
Galveston, H. & H. of '82, 1st 5's.....	1913	2,000,000	A & O	79	71	78½	79½
Gold & Stock Telegraph Co.....	100	5,000,000	Q J	.....	.....	.....	.....
Grand Rapids & Indiana 1st 7's.....	1899	505,000	A & O	.....	.....	*105	.....
do 1st guaranteed 7's.....	1899	3,934,000	J & J	.....	.....	*116	.....
do 1st extended land 7's.....	1899	1,010,000	A & O	.....	.....	*113	120
Henderson Bridge Co.....	100	1,000,000	.....	.....	.....	.....	.....
Ind., Decatur & Sp. 1st coupon 7's.....	1900	187,000	A & O	.....	.....	.....	.....
Iron Steamboat Company 6's.....	1901	500,000	J & J	90	85½	.....	*94
Int. & Great Northern 2d income.....	1909	370,000	.....	.....	.....	.....	.....
Jefferson R. R. 1st mortgage 7's.....	1889	2,000,000	J & J	107	102½	*103	103
Jerome Park Villa Site & Imp. Co.....	100	1,000,000	.....	.....	.....	.....	.....
Keokuk & Des Moines.....	100	2,600,400	.....	16	5½	*6	8
do do preferred.....	100	1,524,600	.....	38½	26	*31	31½
Little Rock & Fort Smith.....	100	4,098,135	.....	.....	.....	.....	.....
do 1st 7's.....	1905	3,000,000	J & J	.....	.....	.....	.....
Louisville City 6's, act. of Leb. bra'h. 1886	.....	225,000	J & D	.....	.....	.....	.....
do 6's, Leb. branch extension. 1893	.....	333,000	A & O	.....	.....	.....	.....
Long Island Railroad.....	50	.....	.....	100	80	.....	.....
{ Brooklyn & Montauk.....	100	900,000	.....	.....	.....	.....	.....
do do preferred.....	100	1,100,000	.....	.....	.....	.....	.....
{ Smithtown & Port Jefferson 1st 7's. 1901	.....	600,000	M & S	.....	.....	.....	.....
Louisiana & Missouri River.....	100	2,272,700	.....	.....	.....	*24¾	25
do do preferred.....	100	1,010,000	.....	.....	.....	*55	.....
do do preferred g't'd.....	100	329,100	F & A	.....	.....	*120½	124
Louisiana Western 1st 6's.....	1921	2,240,000	J & J	.....	.....	.....	.....
Lac. & Sus. Central 1st E. side 7's.....	1892	500,000	J & D	.....	.....	.....	.....
do W. side 7's.....	1892	500,000	J & D	.....	.....	.....	.....
Metropolitan Elevated.....	100	1,136,000	Q J	.....	.....	.....	.....
Mariposa gold convertible 7's.....	1886	250,000	J & J	.....	.....	.....	.....
Memphis & Charleston.....	25	5,312,725	.....	69½	29	*126	128
do 1st consol'd Tenn. lien 7's. 1915	.....	1,400,000	J & J	.....	.....	.....	*128
Missouri, Kansas & Texas.....	100	.....	.....	38½	21	.....	.....
{ Union Pacific (South branch) 1st 6's. 1899	.....	2,296,000	J & J	.....	.....	.....	.....
{ Tebo & Neosho 1st mortgage 7's.....	1903	347,000	J & D	.....	.....	.....	.....
Hannibal & Central Missouri 2d 7's.....	1892	32,000	M & N	.....	.....	.....	.....
Boonville Bridge Co. 7's, guarant'd. 1906	.....	1,000,000	M & N	.....	.....	.....	.....
Milwaukee & St. P. con. sink. f'd 7's.....	1905	209,000	J & J	.....	.....	.....	.....
do 1st m. Hastings & Dakota 7's.....	1902	89,000	J & J	.....	.....	.....	.....
Milwaukee & Lake Winnebago.....	100	520,000	.....	.....	.....	.....	.....
do do preferred.....	100	780,000	.....	.....	.....	.....	.....
do do 1st 6's.....	1912	1,430,000	J & J	.....	.....	*106	.....
do do income 5's.....	1912	520,000	.....	.....	.....	.....	.....
New York Life & Trust Co.....	100	1,000,000	F & A	.....	.....	565	.....
Norwich & Worcester.....	100	2,604,000	.....	.....	.....	.....	.....
Nash., C. & St. L. 1st 6's, T. & P. branch. 1917	.....	300,000	J & J	.....	.....	.....	.....
do 1st mort. 6's, McM., M. W. & A. l. b.	.....	220,000	J & J	.....	.....	.....	.....
New London Northern.....	100	1,500,000	.....	.....	.....	.....	.....
New York Mutual Gas Light.....	100	3,500,000	.....	.....	.....	.....	*100
N. J. Southern int. guaranteed 6's.....	1899	1,449,600	J & J	101¾	91	102½	103
New Orleans, Mobile & Texas.....	100	4,000,000	.....	.....	.....	.....	.....
N. Y. & Texas Land Co., limited.....	50	1,500,000	.....	180	149½	*161¼	.....
do do land scrip.....	.....	2,946,400	.....	57½	50	87	.....
N. Y., Texas & Mexico 1st 6's.....	1912	2,103,000	A & O	.....	.....	.....	.....
N. Y., Wood. & R. 1st 6's.....	1902	800,000	J & J	.....	.....	.....	.....
do do 2d income.....	1912	1,000,000	.....	30	10	*10½	11¼
N. Y., Brooklyn & Man. Beach pref.....	100	650,000	A & O	.....	.....	.....	.....
Nevada Central 1st mortgage 6's.....	1904	720,000	A & O
Oswego & Syracuse.....	1,820,400
Ohio Central incomes.....	1920	642,000	1½

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NOTE.—The railroads enclosed in a brace are leased to Company first named.

FREE LIST—Continued.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886, JULY 1, 1887.			
				High.	Low.	Bid.	Ask d
Panama.....	100	7,000,000	Q F				
Pullman's Palace Car debenture 7's.....	1888	1,000,000	A & O			103½	
Phila. & Reading con. coupon 6's.....	1911	7,304,000	J & D				
do registered 6's.....	1911	683,000	J & D				
do coupon 7's.....	1911	7,310,000	J & D				
do registered 7's.....	1911	3,339,000	J & D				
do imp't mtge. coupon 6's.....	1897	9,364,000	A & O				
do general mtge. coupon 6's.....	1908	18,686,000	J & J				
do income mtge. coupon 7's.....	1896	10,000,000	J & D			*54	
do debenture coupon 6's.....	1893	670,500	J & J				
do debenture conv. 7's.....	1893	10,385,900	J & J			*24½	
do pref. 1st series con. 5's.....	1923	6,000,000	M & N			*71½	
do pref. 2d series con. 5's.....	1933	5,000,000	F & A			*34	
do def'd inc. irredeemable.....							
do do small.....		84,300,000					
Pittsb'h, Bradford & Buffalo 1st 6's.....	1911	800,000	A & O	82½	70	*80	85
Rensselaer & Saratoga R. R.....	100	7,000,000		170	155		
Second Avenue R. R.....	100	1,199,500					
Sixth Avenue R. R.....	100	1,500,000					
do 1st mortgage.....	1889	415,000	J & J				
Savannah & Charleston 1st 7's.....	1889	500,000	J & J				
Sandusky, Day'n & Cincinnati 1st 6's.....	1900	608,000	F & A				
St. Louis, Jacksonville & Chicago.....	100	1,448,800					
do do preferred.....		1,034,000					
St. Louis Southern 1st gold 4's.....	1931	550,000	M & S				
do 2d income 5's.....	1931	525,000	M & S				
Sterling Iron & Railway Co.....	50	2,300,000					
Scioto Valley Railway.....	50	‡ 2,500,000		17	6½	*10	11
Spring Valley Water Works 1st 6's.....	1906	† 7,000,000	M & S				
Terre Haute & Indianapolis.....	50	1,988,000	F & A			*97	100
Third Avenue R. R.....	100	2,000,000				*230	240
do coupon bonds.....			J & J				
do registered bonds.....		2,000,000					
Toledo, Delphos & Burlington.....	50	7,000,000					*7½
do do 1st main line 6's.....	1910	1,250,000	J & J				
do do 1st Dayton div. 6's.....	1910	1,000,000	A & O				
do do 1st term. trust 6's.....	1910	250,000	J & J				
do do income 6's.....	1910	1,250,000					*7
do do Dayton div. inc. 6's.....	1910	1,000,000					
Tonawanda Valley & Cuba.....	100	600,000					85
do do 1st 6's.....	1931	500,000	M & S				
Union Trust Co.....	100	1,000,000				435	440
United States Trust Co.....	100	2,000,000				555	
Valley Railway Co. cons. gold 6's.....	1921	1,700,000	M & S	105½	104	*100	104½
Vermont Marble Co.....	100	3,000,000					
do do sinking fund 5's.....	1910	1,200,000	J & D				
Warren Railroad.....	50	1,800,000				130	
do 2d mortgage 7's.....	1900	750,000	A & O			*123	
Williamsburgh Gas Light Co.....	50	1,000,000	Q J				
Wabash funded interest bonds.....	1907					*100	
Toledo & Illinois Division 7's.....		126,000	F & A			105	
Lake Erie, Wabash & St. Louis 7's.....		350,000	F & A			105	
Great Western 1st mortgage 7's.....		350,000	F & A			105	
Illinois & Southern Iowa 7's.....		42,000	F & A			*95	
Decatur & East St. Louis 6's.....		472,500	F & A			95	
Quincy & Toledo 6's.....		37,500	F & A			*80	
Toledo & Wabash 2d mortgage 6's.....		127,500	F & A			*85	
Wabash & Western 2d mortgage 6's.....		262,500	F & A			*85	
Great Western 2d mortgage 6's.....		437,500	F & A			*85	
Consolidated convertible 6's.....		637,000	F & A			*95	
Central Arizona Mining.....	10	3,000,000					
Excelsior Water & Mining Co.....	100	10,000,000					
Homestake Mining Co.....	100	12,500,000	Mo.	23	11	15	15½
La Plata Mining & Smelting Co.....	10	12,000,000					
Little Pittsburgh Consol. Mining.....	100	10,000,000					
Mariposa L. & M. Co., California.....	100	20,000,000					
do do preferred.....	100	5,000,000					
Ontario Silver Mining Co.....	100	15,000,000	Mo.	30	22	25	26
Robinson Consolidated Gold Mining.....	50	10,000,000					
Standard Consol'd Gold Mining Co.....	100	10,000,000					
Silver Cliff Mining Co.....	50	10,000,000					

NOTICES OF NEW BOOKS.

A Treatise on the Law of Stock and Stockholders, as applicable to Railroad, Banking, Insurance, Manufacturing, Commercial, Business, Turnpike, Bridge, Canal, and other Private Corporations. By WILLIAM W. COOK, of the New York Bar. New York: Baker Voorhis & Co., Law Publishers, 1887.

This work has met with a very favorable reception from the legal fraternity. Such authorities as Hon. Judge John F. Dillon, Hon. David Dudley Field, Hon. Chauncey M. Depew, speak of its great value and usefulness to the profession. It gives full explicit and detailed information as to the rights, liabilities, risks, remedies and general status of stockholders. It treats of the issue and liability on stock, the methods of issuing, fictitious issue, the contract entered into by subscribing, conditional and municipal subscriptions, calls and forfeitures for non-payment, parol agreements and fraudulent representations inducing subscriptions, defenses to subscriptions made for stock, stockholders' liability to corporate creditors, their statutory and partnership liability, liability of trustees, executors, agents, etc., liability as affected by transfers, preferred stock and stock on which interest is guaranteed, increase, reduction and over issue, gifts and legacies of stock, the competency of parties to buy stock, formation, legality, enforceability and performance of contract to sell stock, formalities of transfer and registry, the rule as to refusing or allowing registries or transfers of stock, non-negotiability and danger incurred in purchase of certificates, stock-brokers and their contracts, pledges and mortgages of and attachment and execution upon stock, amendment and repeal of charters, joint stock companies, right of shareholders to inspect books, liens on shares for stockholders debts, various kinds of dividends, taxation of shares, forms of action and measure of damages when stockholder has been deprived of stock, calls for time, place, etc., of corporate meetings, elections and other business, wrongs of stockholders and remedies against Directors majorities, etc., fraud, negligence, ultra vires, etc., etc., in fact, covering the whole ground. The book will be invaluable to the numerous class interested in the stocks of all kinds which form so large a part of the wealth of the country. It will also be of great use to banks and bankers in their dealings with their stockholders. There is, however, an error in Section 684, where it is stated that a National bank in liquidation, by vote of two-thirds of the stock, is wound up by a Receiver.

Tables exhibiting at a glance the interest on any sum from one dollar to ten thousand dollars for any number of days, from one day to three hundred and sixty-six days, at 3, 3½, 4, 4½, 5, 5½ and 6 per cent., and also at any rate from 6 to 24 per cent., being the most correct and prompt manual of interest for capitalists, bankers, merchants, conveyancers, Treasury clerks, and men of business in all its departments. By JAMES M. BREBAN. Thirteenth edition. Philadelphia: Edward Meeks, 1887.

The above is the title page of a work giving results as stated for calculations of simple interest. The object of using tables is to obtain accuracy and to save time. Many dispense with the use of interest tables because they have some simple and universal rule which they can apply with a readiness due to long practice perhaps quicker than they could deduce the result from the most perfect tables. In any personal calculation there is more or less liability to error even in the case of those who are most accurate and expert. The personal equation is bound to enter into it and this is dependent on the state of health or the mood with which the individual may be blessed or cursed at the time. In the long run time and mental strain will probably be saved and accuracy secured, or at least the danger of error reduced to a minimum, by the use of simple and accurate interest tables. As has been seen, Mr. Breban's work has reached its thirteenth edition. It has apparently established itself as a standard. Its advantages are simplicity of arrangement and accuracy of result. Any one can learn its use in five minutes. A large number of testimonials from Presidents of Savings Banks, Secretaries and actuaries of insurance companies, bank officers and other business men attest the value of the work by the use of terms of high commendation.

Mr. F. P. Webb, Assistant Manager of the Philadelphia Clearing-House, writes: "Allow us to compliment the JOURNAL on its success, we consider it the best publication on banking topics that we receive, and always feel sure to find the live questions of finance ably discussed in its columns."

BANKERS' OBITUARY RECORD.

Adams.—Platt Adams, a retired banker, died in this city on May 13th, at the advanced age of 94. He was formerly of Catskill and came to New York twenty-eight years ago.

Brayton.—Edward S. Brayton, President of the Second National Bank of Utica, N. Y., died June 2d of peritonitis, aged 71 years.

Clark.—James A. Clark, President of the Pulaski National Bank, Pulaski, N. Y., died on June 13, 1887.

Comstock.—C. C. Comstock, President of the Mariners' Savings Bank, of New London, Conn., is dead.

Fuller.—Henry Fuller, Jr., President of the Chicopee National Bank of Springfield, Mass., died on June 9th, aged 76 years.

Greene.—M. M. Greene, President of the Clinton National Bank of Columbus, O., died on June 26th, aged 57 years.

Husted.—Seymour L. Husted, President of the Long Island Loan & Trust Company, and of the Dime Savings Bank of Brooklyn, N. Y., died on June 13th. He was prominently connected with street railroads, a Director in the Brooklyn Gas Company and in many Insurance Companies.

Leigh.—Samuel W. Leigh, one of the oldest members of the Produce Exchange and a member of the firm of C. C. Sweet & Co., flour and grain merchants, died suddenly of heart disease at the age of 62.

Melgs.—Henry Melgs, Ex-President of the Stock Exchange, and at one time Cashier of the Metropolitan National Bank, of New York city, died June 7th, in the 79th year of his age.

Myers.—Joseph M. Myers, Cashier, City National Bank, Plainfield, N. J., is dead.

Shields.—A. H. Shields, Assistant Cashier of the Merchant's Bank of Greenville, Mississippi, died recently.

Thompson.—Geo. D. Thompson, Cashier of the First National Bank of Harper, Kas., committed suicide on June 4th. He was 30 years old. No cause is assigned for the act.

Wadsworth.—Julius Wadsworth, formerly connected with the firm of Wadsworth and Sheldon, bankers, and President for several years of the Second Avenue Railroad Company, of which he was a Director at the time of his death, died on May 28th at Middletown, Conn., of Bright's disease.

Wadsworth.—Strong Wadsworth, a prominent member of the New York Stock Exchange, died on July 1st.

Wiswell.—Joseph B. Wiswell, Cashier of the Bank of America of Philadelphia, in attempting to board a train to convey him to his place of business on the morning of the 24th was struck and fatally injured—dying in a few minutes. He was born in 1820.

Woodard.—Daniel Woodard, President of the National Bank of Granville, N. Y., died on the 13th of June.

H. Douglas Fuller, Assistant Cashier of the Shenandoah Valley National Bank, Winchester, Va., writes: "Our bank takes your JOURNAL regularly, and I will say I would not be without it for a vast deal more than the subscription price. All of us, officers and clerks alike, look forward with much pleasure each month to its arrival."

Mr. J. H. Page, Teller of the Second National Bank of Cleveland, Ohio, writes as follows: "I like the JOURNAL very much as a whole and do not hesitate to let my friends know it. Have been interested in sample copies sent here in past years, but you seem to be giving it a regular boom this year, and as I have an opportunity, I always say a good word for it."

WANTED—OFFICERS AND CLERKS, POSITIONS, BANKS FOR SALE, LOCATIONS WANTING BANKS, ETC.

[Notices under this head—space not over four lines—cost \$2 an insertion. If replies are to be sent to this office the advertiser must send us two stamped envelopes addressed to himself, in which the replies will be forwarded.]

FOR SALE.—The only bank in a new town in central Iowa. Established 1884. Fourteen miles to nearest bank. Paying business and can be run with small capital. Building with two lots, fire-proof vault, safe and furniture and fixtures complete, \$2,500. Address: G. A. R. N., care of RHODES' JOURNAL OF BANKING, New York.

A CITY bank Cashier, with fifteen years' experience, desires to form a partnership with a gentleman of integrity and means, to engage in private banking in a North-western city where the population is 25,000. Address: stating references, W. B., care BRADFORD RHODES & Co.

RHODES' JOURNAL OF BANKING.

Vol. XIV.

AUGUST, 1887.

No. 8.

IN ANOTHER PLACE we publish a very interesting report of the action recently taken by the Bankers' Club of Chicago, indorsed by all the banks and bankers in that city, having in view the lightening the labors of bankers by securing uniformity in form of the checks and drafts used. A very large part of the work in any bank grows out of the handling of the checks and drafts presented for payment or collection. Most of the improvements in keeping accounts are aimed at lightening this labor. However perfect, the system of handling the numerous items of which a check or collection account is made up, there must necessarily remain an element of delay, which arises from the diverse appearance, size and manner of drawing up the items themselves. The report of the committee of the Bankers' Club of Chicago, is very moderate and sensible in its tone. It attempts to secure uniformity on essential points only, and leaves a wide range for individual taste and fancy as to the other features of the check or draft. While it might be even better to secure uniformity on all points, still the moderate and conciliatory suggestions of the report, will be apt to secure a more general acquiescence than would be the case with a more sweeping plan. Such reforms as this accomplished through the medium of the American Bankers' Association would demonstrate most forcibly the value and importance of that organization, and point out the way in which other needed improvements may be inaugurated. Formerly the diversity and variety of bank notes in circulation gave very nearly as much trouble in handling them as do the conditions now existing in the handling of checks and drafts. Our bank note circulation has been made uniform by the force of law, although the law accomplished this incidentally merely, having a much greater reform for its principal object. If the State banking systems had never been deprived of the privilege of issuing notes, they could by concerted action have secured the same uniformity in the appearance of their notes as the law has secured in that of the notes of National banks. In the United States, people have become so accustomed to do every thing by an Act of Congress that

they feel helpless without one, forgetting that there are many spheres in which agreement and association will accomplish what the law itself might fail in. If the American Bankers' Association can be brought to enter into a plan for uniform checks and drafts, so strongly urged by the Chicago bank and bankers, and the change sought is satisfactorily accomplished, the encouragement will be sufficient to attempt to initiate other reforms, especially one in the matter of country collections. This is the subject of much thought among bankers. The JOURNAL has already published essays sent to us on this subject, in answer to an offer of a prize. Those who have read, these articles and other suggestions on the subject, heretofore published, will be very apt to come to the conclusion, that the only way to deal with items of this class is by some uniform rule to be adopted by all the banks of the country, which shall be as binding upon all its members as are the rules of a Clearing-House on its members. The Chicago Bankers' Club has taken a step in the right direction and if successful as it doubtless will be in securing uniformity of checks and drafts will feel encouraged to undertake other reforms of equal importance to the banks and bankers of the country.

THE LEGISLATURE OF THE STATE OF ILLINOIS at its last session, enacted two laws, one to provide for the organization of Savings societies or institutions for Savings, for their supervision, and for the administration of their affairs, and the other for the regulation of corporations with banking powers. The constitution of the State adopted in 1870, provides that, "no act of the general Assembly authorizing or creating corporations or associations with banking powers, whether of issue, deposit, or discounts nor amendments thereto shall go into effect or in any manner be in force unless the same shall be submitted to a vote of the people at the general election next succeeding the passage of the same and be approved by a majority of all the votes cast at such election for or against such law." This constitutional provision was adopted on account of the feeling of disgust which prevailed in the State because of the failures of banks organized under previous general banking laws and the losses to the people consequent thereon. The law for Savings institutions above mentioned is very carefully drawn and nowhere styles them banks, and further distinctly forbids them to transact any banking business, whether of issue, deposit or discount, and that no such corporation shall be deemed a bank or company having or exercising banking powers. Those who favor the bill have no objection to submitting it to the ratification of the people, but in some way no provision for so submitting it was inserted in the bill itself, and there was no time for introducing a supplementary measure to that effect. It became a law without the signature of the governor, having been retained by him without veto for ten days after its passage, the Legislature being still in session. The opinions of some of the best lawyers of the state is that the bill not creating corporations

with banking power, will be constitutionally valid, without ratification by the popular vote. These opinions are however somewhat ex-parte and, the friends of the measure seem to have some doubts, as they intend to take measures to have the question brought before the Supreme Court of the state. It seems that the bill had many enemies and the ratification clause was omitted, in order to avert opposition to its passage, many of its opponents being less pronounced against it, because they supposed that without the ratification provision it would amount to nothing. The bill in itself is a good one inasmuch as it provides a safe and well guarded system of Savings institutions in which, if the law is lived up to, the people of the State can have confidence. The provisions are similar to those of the Savings bank law of the State of New York except that the word institution is used instead of bank. We trust that the Supreme Court of Illinois will confirm the views taken by the friends of this measure, that it does not need the ratification of the people, for if the Court takes the contrary view Illinois will have to remain without a Savings bank law until another bill can be passed by another Legislature and be properly ratified. We fear however that the mere insertion in a bill of a provision that an institution doing a Savings bank business, is not a bank, does not really make it anything else. A Savings bank or institution necessarily is a bank of deposit, however the deposits are invested. And the power to receive sums of money for accumulation and safe keeping granted in the bill is the very essence of the right to receive deposits. We express this opinion with regret as we hope the law will be decided to be valid in every respect.

The law for general banking is modelled upon the best provisions and restrictions of the National banking Act, but does not permit the issue of circulating notes, which was the feature of previous general banking laws of the State, that brought the institutions under it into the greatest disrepute, and inspired the constitutional provision of 1870. When the validity of the two important laws above mentioned have been settled the one by the decision of the Supreme Court and the other by the ratification of the people, they will be printed in the JOURNAL.

IT IS CLAIMED that the Secretary has the power to buy bonds even at the present high rates of premium, under existing laws, and the laws which are cited in support of this view are those of July 11, 1862, and March 3, 1881. The first authorizes him to purchase bonds at the current market value, *for the sinking fund*, the latter authorizes him to use surplus revenues in the purchase or redemption of United States bonds, which purchases are not to be considered a part of the sinking fund. These laws have to be considered in the light of the circumstances existing at the time they were passed. There are many laws which have never been formally repealed but which no one thinks of enforcing because the conditions which brought about their enactment

have passed away. Indisputably the act of 1862 gives the Secretary of the Treasury power to buy for the sinking fund, but as we pointed out last month, the requirements of the sinking fund do not compel the payment of an exorbitant premium. If it be admitted that they do, the Secretary would be authorized in paying such a rate for bonds, that it would virtually be increasing rather than reducing the debt. For instance if he paid \$300 for a four per cent. \$100 bond, he would be creating a debt of \$200 just for the pleasure of paying it. So looking at the requirements of the sinking fund as meaning only the purchase of bonds at a price which would really effect a reduction of the debt, the Secretary may well hesitate before he buys fours at 129—130, even for the sinking fund. The act of March 3, 1881, was passed at a time, when there were a large number of 6 and 5 per cent. bonds, which were to become due June 30, 1881, and was intended to give the Secretary power, by appropriating money, to enable him to purchase in advance of their coming due any of these bonds, which were then at a premium of about 102, and to have the control of funds to redeem them when they did become due. It was passed to meet the circumstances that existed at the time, to purchase bonds soon to become due and which from the nature of the case could not command a high premium. The sixes outstanding amounted to \$196,378,600 and the fives to \$439,841,350. Congress failed to pass a refunding bill and at the last moment the Act of March 3d was passed to give the Secretary some power to act in the emergency. On April 11, 1881, Secretary Windom issued a circular to the holders of the six per cents. offering to extend at 3½ per cent. all that were presented before May 10. At this date \$150,000,000 of the sixes had been offered for extension, and as there were indications that more would be offered the time was extended to May 20th and all but \$16,000,000 were extended on or before that date. The \$16,000,000 were redeemed on July 1st. A circular similar to that for extension of the sixes was on May 12th issued to the holders of the five per cent. bonds, and all but about \$58,000,000 of the registered fives and \$15,000,000 of the coupon fives were extended. The Act of March 3, 1881, was therefore enacted after a vain attempt to agree on a refunding bill, to give the Secretary of the Treasury command of the surplus for the particular purpose of taking care of the bonds which fell due July 1, 1881. It was not intended to apply to any other case and certainly when it was passed Congress had no intention of authorizing the purchase of bonds at the exorbitant premiums which now prevail. The Secretary is right in hesitating to regard this law as authorizing the purchase of United States bonds under any and all circumstances.

SOME OF THE FINANCIAL PAPERS are working themselves into a fever of indignation, over what they style the interference of the Treasury department with the money market. The base of the an-

imadversion is the suspicion that the Treasury takes the steps, which it is alleged affect speculation, in a way that aids one set of speculators against another. In other words the Treasury has favorites and makes its transactions in a timely way for them. How the Treasury can avoid affecting the money market, under the present condition of the laws governing the public finances, it is difficult to see. It is obliged to pay out for the expenses of the government, for interest on the debt, and for the redemption of the debt. These payments may and do have the effect of making money easy or the contrary, according to the circumstances under which they are made, but their effect is but temporary. Of course it would be fairer to all outsiders if government payments were always made at fixed dates because every one would then know what to expect and govern themselves accordingly. But this is impossible. Government expenditures may be divided into two classes, those that could be made at fixed dates, and those which necessarily are made at uncertain intervals. As to the first class there are some, the payment of which public policy might require should be left to the discretion of public officers. For instance it would be possible to decree that interest on the public debt should be invariably payable at the time it becomes due, with perhaps two or three days lee way, also that redemption or purchase of bonds should occur at fixed dates only, and that the drafts on the Treasury for pensions etc. should be made only on certain dates in the fiscal year. But of these instances, it might be better that in the purchase or redemption of bonds the Secretary of the Treasury should have some discretionary power in order that he might make such purchases or redemptions at a time when it would be for the greatest advantage of the Government.

Of course it is practically impossible for Treasury operations to be planned and carried on so secretly that no one will have any knowledge in advance of what is to be done, but this danger of information leaking out is no reason why public officers should hesitate to act when necessary. "It is an ill wind that blows nobody any good," and hardly any thing can be even proposed, much less executed, but that some one is affected either for good or evil. The law allows the Secretary of the Treasury to anticipate the payment of interest, and this form of payment has been oftener used to affect the money market than any other because it can be so easily and suddenly employed. In times of panic or tight money there is great pressure brought to bear on the Secretary of the Treasury from the money centers to use this power. It is of course not altogether the money paid out, which as a rule does not immediately go to those who need it most, but the moral effect the payment has, that makes money easier. The recent failure of the Fidelity National bank caused some apprehension in New York and other centres, the rates of money went up, there were fears of other failures. Now to those who delight in disaster and who revel in the wreck of others, fortunes it seemed a pity that the

Treasury should interfere. But there is no doubt but that the simple announcement that \$9,000,000 of interest would be paid a few days in advance had a very great effect in calming an agitation that might have grown into a serious panic. What if some of the persons most benefited by this course might happen to be personal and political friends of the Secretary of the Treasury. A public officer in the performance of a public duty is sometimes called on to sacrifice his friends, but also he is often compelled to act regardless of exposure to the criticism, that what he does seems to be for the direct benefit of his friends.

THE SUCCESS OF HARVEY the chief of the horse claims division of the Third Auditors Office at Washington, indicates how little the so called checks which are supposed to insure the safety of Government business, really conduce to that result. It appears that each fictitious claim which was pushed through required the attachment of twenty-five names, initials, or private marks, which if the claims were right should be made by very nearly that number of different persons. Each one of these claims had legitimately to pass through at least three separate Government bureaus; the second and third Auditors' office and that of the first Comptroller. Each of these offices is expected to be a check on the others, and the clerks within each bureau are expected to be a check on each other. Of course these clerks are arranged in different degrees of subordination, and there must be one at the head. Harvey was at the head in his own division. He had only to report to the Third Auditor himself. The latter was the check upon him. He gained the confidence and lulled the suspicion of his chief, who was evidently looking more for frauds in the past than in the present, from his intimating that the Government had been swindled by Harvey's predecessors by the same method which Harvey was practising. The Auditor, it is said, proclaimed to his friends the confidence he had in Harvey, and this aided to lull suspicion in other offices, and gave the forger the clear opportunity he desired. It is plain that while a system of business organization which places subordinates in an antagonistic position to each other, has its advantages, yet it is not altogether such an unvarying protection against dishonesty as many imagine. Such a system enables the real supervising head to do his work with more ease and success, but it in no way enables him to dispense with the exercise of the superior faculties for supervision which his appointment necessarily implies.

In the July number of the Journal we published some remarks made by the Comptroller of the Currency, Mr. Trenholm, in regard to the present system of bank examinations, recommending a new class of examiners whose duty it would be to supervise the ordinary examiners. The latter are paid by the banks, but the Comptroller suggests that this new kind of inspectors shall be paid by the Government a larger salary than, under the present law and system pursued by the National

bank bureau, the present examiners receive. The Comptroller intimated that by this course a superior body of men could be secured. This is nothing but a platitude of the very thinnest kind, inasmuch as a mere increase of salary does not necessarily procure better men. In the same way as the present examiners received their appointments through the friendship of influential politicians, so the new ones would theirs, and admitting that the influential politicians seldom take into consideration the general ability of the candidate they recommend, they would hardly make any discrimination between the acquirements necessary to fill one examinership and another.

But what good will it do to inspect one examiner by means of another. The last is as likely to be deceived or be dishonest as the first. If Congress had authorized an office, intermediate between the chief of the horse claims division and the third Auditor, with a higher salary for the purpose of inspecting the work of the chief of the division; who probably would have obtained the office? The man whom the Auditor had most confidence in; and who did he have confidence in but Harvey? So the latter would have held the same relative position as before with the same opportunities for cheating. The amount of all this is there is no remedy for breach of confidence either where it is confidence in honesty or confidence in the ability of another. The Comptroller has to take the same chances with his subordinates that any business man has to take and the Government and the people have to take the same chances with the Comptroller. Positions may be multiplied but single individuals have to be trusted. If more examiners are needed to do the work and it is right that the Government should pay them, there is no reason why they should not be appointed and paid in this way. The tax on circulation affords sufficient money for the purpose. In fact it would be a good idea to have the government pay all the examiners, from the proceeds of this tax and relieve the banks entirely from the present examiners charges. But don't put the recommendation for new examiners on a wrong ground, especially on one so untenable as the alleged necessity of inspectors to inspect inspectors.

NO NEW LAW is needed to enable the Secretary of the Treasury and the Comptroller of the Currency to appoint as many bank examiners as they may deem necessary. Section 5240, of the United States revised statutes provides for the appointment and compensation of bank examiners, but the provisions of this section having reference to compensation have been amended by the Act of February 25, 1875. The law as to appointment is that, "the Comptroller of the Currency, with the approval of the Secretary of the Treasury, shall, *as often as shall be deemed necessary or proper*, appoint a suitable person or persons to make an examination of the affairs of every banking association, who shall have power to make a thorough examination into all the

affairs of the association etc. etc." Now this plainly gives the power at any time to appoint an examiner to examine any association, or two or three or four examiners, if necessary for the purpose. In practice examiners are appointed, not one for each bank ; but when an experienced man is appointed for the examination of one bank he is employed to examine others. A strict application of the law warrants the employment, not necessarily of a separate examiner for each institution, but at least the employment of as many examiners as the Comptroller may deem necessary, to make the examinations he may require to give him information about the banks. If bank examinations can prevent failures, the law is not at fault, in restricting the number of examiners, or in providing for their payment, but rather the Comptroller in not employing the means which the law now gives him. The Comptroller is the general, he has ample means at his control, and should, if possible direct his forces so as to gain the end for which they are intended. We do not claim, however, that bank examiners can absolutely prevent failures. We claim that the present system of examinations is as wise an application of the law as long experience can dictate, and that all that bank examinations can be expected to accomplish is or may be, by proper direction from Comptroller's office, accomplished by it. But we do not believe that an increase in the number of examiners whether paid by the Government or the banks would prevent such failures as that of the Fidelity National bank, due as it was to causes which examinations cannot wholly control.

THE LONDON BANKERS' MAGAZINE, which we have always supposed to be a conservative journal, devoted to the single gold standard, publishes in its July number an article on the "Appreciation of Gold" in which the low prices prevalent in England seem to be ascribed to the dislocation between gold and silver brought about by the closure of the mints of the Latin Union and the United States. The use of the word dislocation appears unfortunate as it implies that the previous union was a natural and normal one. The article intimates that the low prices of wheat and other agricultural products so distressing to German and English farmers are due to the progress of the single gold standard. In substance it says that, while in the countries that, like England and Germany, have adopted the single gold standard the purchasing power of gold has increased, in India with a single silver standard the purchasing power of silver has not decreased. It would be a reasonable and natural deduction for a disinterested reader to draw from the statements made in the article mentioned, that India now is gaining more advantage from a silver standard, than are England and Germany from a gold standard.

We point this out not because we favor a silver standard, for the JOURNAL has never been in favor of it, but because the article referred to is palpably open to great misconstruction. The advantages which

India now enjoys should be ascribed not to her silver standard but to the numerous other causes which we have not space or time to enumerate, that have combined to bring about an immense industrial and agricultural development manifesting itself in the building of railways, the establishment of cotton factories, and the great advance in the culture and export of wheat. We believe this development, great as it has been, would have been greater under a gold standard.

MEXICAN FINANCES.—The appropriations for expenditures of the fiscal year 1887–88, exceed those of the previous fiscal year by nearly \$6,000,000. The increase is chiefly in expenditures for the war and navy departments and for public works. As Mexico has many foreign creditors, any increase of expenditures is regarded by them with suspicion, more particularly, when the outlay is in a direction to enable the Government to assume a more independent attitude toward foreign powers. Notwithstanding the fact that the financial history of Mexico has to some extent rendered such suspicions just, yet it must be acknowledged that the Mexicans should be permitted to be the judges of the amounts necessary to carry on their Government and develop their resources. States kept under the surveillance of foreign powers and submissive to the timid and often impertinent suggestions of foreign creditors would seldom increase their debt paying capacity. If investors in securities of foreign countries had looked more to the real financial ability and capacity of those States and had trusted less to the ultimate application of compulsion, they would have invested more warily and losses and delays would have been diminished.

THE FARMERS' PARTY IN CANADA, recommend that the whole currency of the country should be in the hands of the Government. This seems to mean that fiat money should take the place of bank currency. In the United States we have had the fiat money craze and we may have it again, but so far we have always managed to have a majority in favor of a redeemable currency whether issued by the banks or the Government. Just now however, Government issues are rapidly replacing bank issues, but they consist of gold and silver certificates redeemable in coin on demand. If the Government money the Canadian farmers want is of this character, all they have to do is to procure a law allowing them to deposit their gold and silver with the Canadian Treasury and to take certificates for it. But it is lack of capital they appear to suffer from, and this no mere Legislative enactment has ever been able to supply no matter how many bills a Government may print.

FINANCES OF THE DOMINION OF CANADA.—The revenue receipts of the Dominion of Canada have risen from \$13,687,928, twenty years ago, to \$33,177,049, for the fiscal year ending June 1886. The cost of collecting this latter revenue was \$7,808,751. The expenditures have

as a rule been less than the receipts, for in 13 years there have been surpluses aggregating, over thirty millions, and in seven years deficits aggregating about 16 millions of dollars. The deficit during the last year was the biggest of all being nearly 6 millions, which is explained by the rebellion in the North West. The debt of the Dominion has however increased very fast, owing to subsidies to the provinces and the construction of public works, railroads, canals, etc., from \$75,728,641 to \$223,159,107. The average rate of interest paid on the debt has however fallen from 4.64 to 3.71 per cent. Perhaps the people of Canada would be unanimous in favor of annexation to the United States, if the latter would assume the debt. This would relieve the Canadians of the largest portion of their burdens, and at the same time be a ready out-let for the surplus revenues of the United States, to which the Canadians would contribute their fair share.

FOREIGN BUDGETS.—There is a strange contrast between the Government of the United States burdened with a revenue too great for its expenses, and the Governments of Europe most of which have to struggle with the problem of making up an annual deficit. The deficit in Germany for this year is estimated at about 50 millions of marks, that of Russia at 100,000,000 roubles, and that of Austria at 70,000,000 florins. France and Italy are not much better off. Great Britain rejoices however in an estimated surplus of about £1,000,000.

THE SECRET community of interest existing between Russia and France as against Germany has caused the latter recently to inaugurate a war on Russian securities in the hands of German citizens. Inasmuch as a short time before the German Government, when endeavoring to cajole Russia, recommended the same securities as a good investment, this sudden change at the expense of Germans shows how merciless are the demands of diplomacy. Suppose the United States should undertake a similar game with Canadian, Mexican or South American securities. There are some complaints here of Government interference with the stock market, but it would take some time for us to get used to the methods of European rulers.

FOREIGN BANKERS remark that the National banks of the United States show a lower scale of profits and a less rate of dividends than any other group of banks in the leading countries of the world. This is because the National banks invest a large portion of their capital in bonds for the purpose of issuing circulation, upon which at present rates for bonds, there is little or no profit. They also keep reserves as great as those kept by foreign banks. If like the latter they could have the benefit of circulation in addition to their capital, instead of being compelled to invest their capital in circulation, they could perhaps make as high dividends. The truth is that in this country the function of issuing circulation is virtually assumed by the Government.

OVER-CERTIFICATION OF CHECKS.

A telegram from Washington recently announced that the Comptroller of the Currency has become aware that some of the National banks in New York city habitually violate the provisions of Section 5,208 of the United States Revised Statutes forbidding the over-certification of checks, and that Secretary Fairchild will probably take some action before long. Section 5,208 provides that if any officer, clerk or agent of any National Banking Association shall certify a check drawn upon the association, unless the drawer has on deposit at the time such check is certified an amount of money equal to the amount specified in the check, the bank becomes subject to the liabilities and proceedings *on the part of the Comptroller* as provided in section 5,234. This clearly leaves the matter of instituting proceedings discretionary with the Comptroller. Section 5,234 is the general section providing for the appointment of a Receiver by the Comptroller to wind up National banks for certain causes. Sections 5,208 and 5,234 taken together may perhaps give the Comptroller of the Currency power, if he deems it best, to place any National Bank, of which some officer clerk or agent has certified a check when there were no funds to the credit of the drawer, in the hands of a Receiver. This is a very harsh and unsatisfactory remedy, as it injures so many innocent stockholders, depositors and customers of a solvent bank, to suddenly, without trial, in order to punish an alleged offense committed by its management perhaps through error of judgment, stop the business of the institution in all its numerous ramifications and spread terror and distrust throughout the community. It is very much like chopping off a man's head to cure him of a carbuncle. In addition to this liability of the bank itself to proceedings on the part of the Comptroller, section 18 of the Act of July 12, 1892, makes it a criminal offense on the part of any officer, clerk or agent of a National bank, to wilfully violate the provisions of section 5,208, or to "resort to any device or receive any fictitious obligations, direct or collateral, in order to evade the provisions thereof, or who shall certify checks before the amount thereof shall have been regularly entered to the credit of the dealer upon the books of the Banking Association." The penalty is five thousand dollars fine or imprisonment for five years, or both. This last law requires no action on the part of the Comptroller of the Currency other than to call the attention of the Department of Justice, or the United States Attorney for the district where the bank is located, to any evidence which he may obtain of over-certification by the bank officers, clerks or agents. The Comptroller is not a prosecuting officer. It follows that the officers, etc., may be prosecuted without placing a bank in the hands of a Receiver, or that both penalties, one against the corporation and the other against its officers, may be enforced at the same time. The actual certification is usually done by some Clerk or Teller acting under the direction of his superior officer, and it seems a perversion of justice to punish the agent when the principal, the officer who directs him, does not come under the scope of the law. It applies only to the one, be he officer, clerk or agent, who certifies the check. The section does not subject to its penalties the officer, clerk or agent who directs or aids and

abets the certification. Thus in the case of the Wall Street National Bank, the Teller, who merely carried out the settled policy of the officers of the institution, was convicted, while there was no way of reaching the latter. This conclusion was so lame that further proceedings being had, the Teller finally was permitted to escape the penalty. Moreover as the Comptroller of the Currency (Mr. Knox), in his report for 1883, pointed out, the law as it stands makes it criminal for an officer of a bank to certify the check of a dealer who may inadvertently overdraw his account for a few dollars in the payment of an ordinary obligation. In the report of the same officer for 1882, there is the following resumé of the whole subject. "The practice of certifying checks prevailed for more than thirty years previous to the organization of the National banking system, and at least twenty years previous to the establishment of the Clearing-House. In the beginning this certification was not considered as legally binding the bank to pay the check. For many years the amount of the check when certified was not charged to the account of the drawer until it was afterwards presented for payment. Subsequently to the year 1854, when the Clearing-House was organized, it became the custom to present checks and also bills receivable or acceptances on the day of maturity at the bank, where they were made payable for certification. The bills and checks which were certified were then returned to the bank Messenger who had presented them, and on the following morning were transmitted to the Clearing-House with the other exchanges. The certification consisted of the signature of the Paying-Teller, written across the face of the paper inside of a stamp bearing the date of the certification and the title of the bank. This was regarded as a legal obligation of the bank, and the amount of the check was charged to the account of the drawer at the date of the certification. If the maker or acceptor of notes or bills was in good standing at the bank at which they were made payable, such bills were not infrequently certified, even if the full amount were not to the credit of the account to which they were subsequently charged. Bills or checks are usually presented for certification during the first business hours of the day, and the deposits of merchants and brokers are made subsequently. The officers of banks, knowing the usual habits of their dealers in making their deposits, do not hesitate to assume the payment of checks and drafts which they know will be provided for before the exchanges of the Clearing-House are received. If these certifications were confined to mercantile and commercial transactions, little objection would have been raised to the practice, and it is not probable there would have been legislation prohibiting it. It would certainly seem to be advisable to leave to the discretion of a bank the right to accept bills drawn by correspondents at a distance or by merchants at home, whose standing is beyond question and whose deficiency in the account is known to arise from delay in receiving remittances or making deposits. A refusal to certify or pay under such circumstances would be likely to subject the bank to the loss of its most valuable dealers. The large use of these instruments by which the banks in effect guarantee the contracts of stock-brokers with their customers has grown to be a great abuse during the past few years, and cannot be defended upon any correct principle of banking. This business is chiefly done by nine or ten National banks, although other banks, organized under State laws as well as National, certify similar checks for considerable amounts."

Referring to the provisions of section 5,208 the Comptroller said: "There are many methods of evading this law. If certification is required in excess of the amount on deposit a demand note is made, and the amount thereof is entered to the credit of the broker desiring the accommodation; or his check upon another bank is received without certification, and a temporary credit entered upon his account, and these temporary credits are canceled at the close of business when the account has been made good. Brokers asking for such over-certifications keep large balances to their credit, on which the bank pays no interest. Certification is made without charge, the bank receiving its compensation in the large deposits which stand to the credit of the broker. The banks justify the practice upon the ground that it is of great convenience to the community, and that stock transactions, particularly, could not be carried on without some such arrangement. They insist that for many years only trifling losses have arisen from the practice—very much less than the losses incurred by them in ordinary discounts. After the passage of the Act of July 12, 1882, the banks have accepted checks which have been drawn upon them instead of certifying them, and have assumed that such acceptance is not in violation of law. In some cases these acceptances are made payable through the Clearing-House, the effect of which form of acceptance is that such checks are payable upon the following day; in other cases the acceptance is made without any condition as to the mode of its payment. The banks claim that they have power to accept checks under the third and seventh paragraphs of section 5,186 of the Revised Statutes. The former authorizes National banks 'to make contracts,' and the latter provides for the 'exercise of all such incidental powers as shall be necessary to carry on the business of banking.' It is also claimed that section 5,209 of the Revised Statutes, which provides that it shall be a misdemeanor for an officer of a bank to make acceptances without proper authority, by implication authorizes acceptances to be made with the authority of the Directors, and that the Act of July 12, 1882, does not, in plain terms, prohibit such acceptance."

The question whether an acceptance was the same as a certification was referred to the Attorney-General, who, in November, 1882, decided that it was. It is very doubtful, however, how far an *ex parte* opinion of a Government law officer would have weight in a criminal prosecution.

An acceptance is a much more general act than a certification, and from time immemorial the right to accept bills and checks has been exercised by banks and bankers. Certification is a form of acceptance which properly exercised simply states that the drawer of the check presented for certification has funds to his credit to meet it. To certify that there are funds when there are none is a fraud, on its face, but to *accept* a check as good is to bind the bank to pay the check without saying whether there are funds or not.

States banks are not forbidden to certify or accept checks to any extent, and the penalty of the law of July 12, 1882, was the outgrowth of a desire, so it is understood, on the part of one or two State banks to monopolize all the brokers business. If the National banks were compelled to rigidly obey the law, their object would be accomplished. They succeeded in interesting a prominent national legislator, who was instrumental in securing the insertion of the 13th section in the Act of July 12, 1882. Former Comptrollers have been criticized for exercising too much forbearance toward the banks. We

are curious to see whether Mr. Trenholm, even with the advantage of the experience and powers of consideration of Secretary Fairchild, will be any more successful in setting the Department of Justice on the track of violators of this law.

EFFECT OF FAILURE ON COLLECTIONS.

When a National bank fails and is placed in the hands of a Receiver, much difficulty arises as to the proper disposition to be made of funds coming into the bank at or near the time of failure. Collections which have been sent to the insolvent bank are often sought to be recovered in full by the owners, and many perplexing questions arise in regard to them. The law intends that when a National bank fails its remaining assets shall be divided among its creditors *pro rata* according to the amount of their various claims, and that there shall be no preferences for any purpose whatever. On the other hand the law provides that special deposits may be delivered to the owners. The owner of a collection usually feels, if it is possible to trace the money, that it has somewhat of the nature of a special deposit. Collection of checks and drafts is a necessity of the banking business. A large part of deposits are made in this form, and checks and drafts are often credited the same as cash. This is done when the depositor's account is a large one or the depositor responsible. Where this is not the case, banks take the items for collection, enter them on a register, but do not credit them to owner's or sender's account until advised of payment. Whenever a check or cash is credited to an account, that moment it ceases to belong to the depositor and becomes the property of the bank, if there is nothing on the check to give the bank notice that the depositor's title is bad. The depositor has no further interest in that particular check, having in its stead the credit against which he may draw. The bank, however, if the check is not paid, has the right to charge back the amount to the depositor's account, because it had received no real equivalent for the credit given, and is entitled to payment for it. In order to preserve the title to the check and avoid any danger, there may be of its getting exchanged for a credit, or when not desiring or expecting an immediate credit, many holders of checks sending them to banks for collection indorse them, for collection simply, or if they do not desire that any account should be opened they indorse them for collection and remittance.

An indorsement "for collection and credit" would indicate to any bank or banks through whose hands the item might pass, that the intention was to permit the bank to which it was sent to credit the proceeds after collection to the account of the owner. If indorsed simply for collection it would be the same, for there being no instructions to the contrary the bank would have the right to credit the proceeds according to usual banking custom. Some, however, indorse such items "for collection and remittance," thinking that such indorsement gives notice to all banks through whose hands the document may pass that the owner does not wish to open an account with the bank to which he sends it. This would be a good way of making collections free from danger of having the proceeds mixed with the funds of some insolvent institution if it was the custom to pay checks and drafts with actual money. The indorsement would then mean that whoever receives the cash for this check must seal it up and send it back as a special matter until it reaches first hands.

But as a fact the check or draft is more frequently paid by the drawee with a check. The bank making the collection does not remit this check, but its own draft or check on some central correspondent, and if the collection has gone through many banks, each one of these may substitute its own check for the one it receives, and the owner of the collection will probably receive a draft of the bank to which he first sent the item. So if any bank in the chain fails, the indorsement for collection and remittance really is of little more effect as far as safety is concerned than if it had been simply for collection. A bank failing or closing its doors on a certain day will have collections in several stages and with various characters of indorsement. First, there will be those simply indorsed payable to the bank received before failure, for which credit has been given to the depositor. These belong to the common fund of the bank to be collected by the Receiver for it, and cannot be recovered as such by the depositor. Second, similar items coming by mail received after failure. The senders of these should be notified by telegraph if there is time before the items come due; if there is not the Receiver should see that they are properly presented, collected or protested, as far as he may be able, the proceeds if collected to be remitted to the owner or sender. Any other items received after failure belong to the senders and should be similarly treated. Third, there are items indorsed for collection received before failure, but not sent off. These items should be treated as belonging to the owner or sender, and should be collected for him or held subject to his order. Where such items have been actually collected and credited the owner has no further claim for them as such, his claim is then for the credit. Even where remitted for by draft of the failed bank, if the correspondent on whom the draft is drawn is notified of the failure before the presentation of the draft, it must refuse payment, and the claim will then be on the draft. This would be the same were the collection indorsed "for collection and credit," or simply "for collection." Even if indorsed "for collection and remittance," if the proceeds were in the bank before failure, the owner would only have a claim against the bank for *pro rata* dividends. But the treatment of collections *in transitu*, that is those received prior to failure which have been sent to other banks, would vary according to the character of the indorsement. Thus a bank to which the failed bank sent the item might, in fact is very likely to have reciprocal accounts with the failed bank. Being, according to the view taken by the United States Supreme Court, the agent of the principal bank and not of the owner, it would have the right in the absence of special instructions to the contrary to do the same with the proceeds of the collection as its principal might do. Therefore, if a check was indorsed either "for collection" or "for collection and credit or account," the agent bank might credit the proceeds to the account of its principal, and thus place them in the common fund of the latter. The owner could not recover of it for this action. But if the indorsement were "for collection and remittance," then the agent bank would be liable to the owner for the proceeds, and could not credit them to the account of the principal bank, because such an indorsement gives notice that the owner does not wish to open an account with the principal bank for the proceeds. If, therefore, the agent bank has collected but not remitted, the proceeds go to the owner, either directly or through the Receiver. To sum up: All items coming to the bank after failure belong to the owners. They do not get into the bank. All items for collection

in the bank or with its correspondents before failure but not collected, should be returned to owners. All items, however indorsed, the proceeds of which have been received by the bank before failure belong to the general fund. The owners are not preferred creditors. Items collected by agent bank and not remitted are governed by the indorsement. If "for collection," or "for collection and credit," or "account," then the agent bank may following its customary practice, credit the proceeds into the common fund of its principal; but if indorsed "for collection and remittance," then the agent bank would be responsible to the owner if it had not already remitted to the principal bank. The owners of collections frequently notify banks acting as agents of the failed bank to hold the proceeds of collections. It is a question what such notification would amount to where the indorsement gives the agent bank the right to credit the proceeds to the account of its principal. Can the owner revoke his written indorsement made in good faith and with the design to submit to usual banking custom? If the indorsement was for remittance, the bank would credit the proceeds to the principal's account at its peril, and no notification is needed.

When a bank fails it usually has a large number of drafts or rather checks on its correspondents outstanding, of which the payment is stopped as soon as the failure is known. Many think because the Courts have held that a check is an equitable assignment of so much of the funds of the drawer in the hands of the drawee, that therefore the holders are entitled to preference. The view whether or not a check is such equitable assignment has never been determined by the United States Supreme Court. But this Court has decided that, admitting for the sake of argument that a check is an equitable assignment of funds, the holder must in some way put himself in communication with the drawee. That is he must apparently, from the view taken by the Court, notify the drawee that he holds the check, either by presentation or otherwise, before the drawee has received notice of failure and stopped payment. If, therefore, the Receiver of a failed bank or the Comptroller notify the correspondents to hold all funds in their possession subject to the Receiver's order before the holder of a draft presents the same or notifies the drawee that it is in his possession, then the latter has no preference. A notification by telegraph is sufficient. It would seem, therefore, that it would be wise for the holder of any large bank draft to notify the drawee at once, and if he did so he might perhaps hold the funds, even if the drawing bank failed before the presentation of the draft. The Courts have held that the acceptance of a check is as necessary to its validity as between the holder and drawee as is that of a draft. A check however being payable on presentation, the acceptance is lost sight of because it usually occurs simultaneously with payment. But to bind the drawee there must be such acceptance, either involved in payment, by certification or some other way. It, therefore, seems quite doubtful whether mere notification by the holder without presentation would warrant the bank in accepting absolutely, and as the Supreme Court has not yet signified what it thinks about the equitable assignment theory, it is probable that a holder of a draft of a failed National bank will not be treated as a preferred creditor. Another thing to be considered is that the law evidently intends to have no preference in the distribution of the assets of failed National banks, although bankrupt laws often recognize such. All the decisions of the Supreme Court have gone to sustain this view.

TREASURY DEPARTMENT AND THE CURRENCY.

From the statements of the Director of the Mint, Comptroller of the Currency, and the United States Treasurer, it appears that the aggregate amount of all forms of currency in the hands of the people and banks, that is, held outside the Treasury was on July 1, 1887, \$1,818,784.081, as compared with \$1,253,054,741, on July 1, 1886, an increase of \$65,729,290. There has been an increase of \$18,742,518 in gold coin, of \$15,181,062, in gold certificates, of \$2,986,427, in standard dollars, of \$3,026,840 in subsidiary silver coin, of \$54,001,792 in silver certificates and of \$2,854,520 in legal-tender notes. All of these increases foot up \$96,798,159, and the difference between this sum and the net increase of \$65,729,290 given above is the amount of the decrease in National bank notes, viz. \$31,068,869. Instead therefore of there having been a contraction of the currency of the country as was anticipated from the locking up of the surplus in the Treasury and the retirement of National bank circulation, the circulating medium has increased to a very important extent.

The amount of cash in the Treasury on July, 1887, has not increased as compared with the amount in the Treasury on July 1, 1886, but this is not a fair comparison inasmuch as the amount in the Treasury on the latter date was exceptionally large, the amount of United States three per cent. bonds redeemed during the previous fiscal year having been only about \$44,000,000 as compared with over \$100,000,000 during the last fiscal year. The balance in 1886, was however only some 12 millions of dollars larger than it is this year, when the comparison is made with due consideration for the conditions existing in the two years.

On July 1, 1886, there was according to the Treasurer's Statement, including the \$100,000,000 reserve on legal-tender notes, the subsidiary silver coin, and the amount deposited with National banks, \$204,095,811, in the Treasury over and above the liabilities. Of this \$14,435,199, was deposited with the National banks, leaving \$189,661,502 actually locked up. But in arriving at this balance the liability for amount deposited by National banks for redemption of their notes was allowed to offset or lock up an equal amount of cash. No one contends that it is necessary to keep a full reserve on these deposits. On the other hand it is contended that the retirement of National bank notes by the deposit of lawful money does not lock up money. Assuming that the Treasury, if it could use all its surplus, need not keep over 30 per cent. reserve on such funds—about the same as it keeps on legal-tender notes—we must add to the available balance on July 1, 1886, 70 per cent. of the \$70,698,821, that was held to retire National bank notes, which will make the total amount available on that day \$289,157,177. On July 1, 1887, the balance including the \$100,000,000 reserve, the subsidiary silver coin and amounts with National banks was \$167,831,862. Add to this as in the preceding computation 70 per cent. of the \$106,106,258, held for redemption of National bank notes and we have \$219,114,938 available means on July 1, 1887, as against \$289,157,177, on July 1, 1886. As the amount deposited with National banks included in both of these balances was \$8,556,108 larger in 1887 than in

1886, the actual amount locked up in the Treasury on the latter date was only about \$12,000,000 larger than on the former. If during the fiscal year ending July 1, 1886, one hundred of millions in bonds had been redeemed instead of \$40,000,000, we would have seen the balance on that date reduced by about \$60,000,000 leaving it 179 millions instead of 239 millions. In which case the balance as it stands this year would have been about 48 millions larger than in that year. Comparing the balance for 1887 with that for the year 1885, we find that it is just about 30 millions larger at the first-named date than at the latter, the sums being \$219,114,988, and \$188,588,761, respectively, including deposits with National banks in both cases. But deposits with National banks in 1885 were \$12,928,264 only, whereas in 1887 they were \$22,991,302, a difference of 10 millions which added to the 30 millions difference in the total balances gives 40 millions more locked up in 1887 than in 1885.

The conclusion is that contraction of the currency outside the Treasury has been avoided by the increased coinage of gold, the issue of silver certificates in the place of National bank notes, the large disbursement of the Government for the redemption of bonds, and the use of National bank depositories. Notwithstanding the opportunity to relieve the Treasury by bond calls, the full benefit of which as an outlet was obtained by the issue of silver certificates, the Treasury balance has increased about forty millions since 1885. What will occur next year with increasing or even stationary revenues, with no outlet for the surplus in the optional redemption of bonds, unless some plan, of expenditure either for the debt, or for some other purpose, is authorized by Congress or adopted by the Secretary of the Treasury under present law, may be surmised. If in two years during which about \$150,000,000 have been paid out on the public debt the surplus funds in the Treasury have increased forty millions, when this mode of expenditure is cut off, the annual increase in the Treasury with the best management will be over \$100,000,000 per annum. The opportunity of putting out silver certificates will not be as great as it has been, since the National bank circulation cannot be further reduced by the calling of bonds. The 106 millions of National bank notes already retired may however be replaced with certificates, and the 70 millions standard dollars now in the Treasury with what are coined each month will perhaps get into circulation in this way. The production and importation of gold and the continued coinage of silver tend to an increase of money in the hands of the people, but whether it is sufficient to overcome the accumulation in the Treasury vaults, remains to be seen.

THE FAILURES OF TWO BANKS, the Citizens' Savings Bank of Leavenworth, Kansas, and the Columbian Bank of Philadelphia have been reported within a few days. The former with a capital of \$100,000, although called a Savings bank did a commercial business, was broken by the embezzlements of its President, R. P. Clements, who has absconded, and the latter having a capital of \$200,000, appears to have loaned too largely on paper based on transactions in railway securities. The Citizens' Savings Bank failed on July 27th and the Columbian Bank on July 30th. It is not as yet known whether the officers of the last named institution were in any way interested in the transactions mentioned.

*** DOMESTIC EXCHANGE.**

"HE, WHO BY THE PLOW WOULD THRIVE."

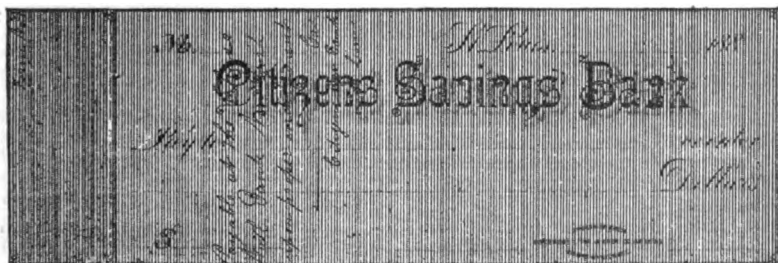
Domestic exchange is now one of the perquisites of depositors, the great extent to which the use of their checks is carried making it so. These checks, also, cause the trouble known in country collections, being issued, and sent to all parts of the country and their collection at par, causing them to be sent through numberless banks, is both expensive and annoying. The profit of bank exchange arising from the sale to occasional customers and to other banks, is very small, and when exchange requires to be bought, to keep up foreign balances, it is more than offset. Care in issuing drafts, in cashing of bills of exchange, and promptness in collection of remittances, to prevent any possible loss, form the most of the profit from this class of bank business. Inland exchange can readily be divided into three classes or at most four. Bankers drafts, issued on their reserve in some business center and on a point where it can be most conveniently used by the buyer; checks of depositors, the troublesome country collections are of this class; the drafts of merchants on their debtor customers, and last, accepted notes, or notes made payable by some third party or at a bank, and but little used in form of exchange. Bankers drafts being easily handled are received at par by almost every bank from its customers. Their collection is easily made, but they are not so convenient or so readily obtained by the depositors, who find their own checks far more suitable for them, making them more independent in the transaction of their business, and being so, also better for the business of the country. The banks should now by their influence throw these checks into proper channels and have established rules in regard to them, to make them more readily pass current, and to collect them promptly and with least expense. The checks of a depositor of a large city when sent to the surrounding country of which it is somewhat of a business center, can be readily used, the banks keeping accounts, or, being able by other means, very easily to take such checks at par and collect without expense. Checks sent to the city from the country are hard to use at par, often not more than one bank in the city having an account in that locality and the check often wanders about for weeks through the country banks in trying to reach its destination. As most banks receive these checks at par, to send direct for their collection would entail a collection fee and would be at a loss to the bank. To the uninitiated, the par list issued by the banks, crediting almost every point at par, would make them think that the trouble with collections was at an end. But it is this very list that causes so much trouble. The trouble could be somewhat abated if banks would explain to their depositors, by issuing to them a list of points where the bank would think it advisable for them to send their checks without great inconvenience to the receiver and the collecting banks. The list could be obtained by watching the course of checks and also getting a list of the correspondents of the other banks of the place, and when a majority of the banks of any place can easily reach any point in their collections, that place could be put on the list. For all places not on the list have depositors get drafts to use in place of checks. This any bank might do and were all to unite a great saving could be made in country collection. To save the trouble of giving drafts in payment for checks, when wanted to use on outside points, the bank could certify the check, making it payable in New York or some convenient point. A ticket being made and charged against the depositor's account, when check is returned at end of month by the paying bank, along with other cancelled vouchers, the bank can then take up the ticket and file away the check with the balance of the depositor's checks. Some banks whose customers' business extends over a large area of country have arrangements made with such depositors that their checks can be

* One of a series of articles on "Country Collections," in competition for the prize of \$100 offered by the Publishers of the JOURNAL. Subscribers are invited to vote on the best when the series is completed; for particulars see page 574 of the June number.

paid either at their counter or by their New York correspondent. This plan is objectionable, being too burdensome if in use by a number of depositors. It also requires larger deposits or satisfactory security and a complete understanding with the New York paying bank, making extra work without an increase of business. A more satisfactory manner of dealing with out-of-town collections by individual banks is in a reformation and complete revision of its par collection list. These lists are got up mostly to make a show of business and because other banks issue such lists, and are mostly taken from their correspondents' lists, they getting theirs up in the same manner. Not much care being taken with these lists when a check is sent out the lists are looked over and the check sent to any bank thereon, and as a consequence the check often wanders aimlessly about. City banks trying to stop this have refused to receive checks that have once passed through one of the city banks. It saves them bookwork but still the check has to travel. To obtain a correct list get from the bank's correspondents a list of all their correspondents and also of all points that can be credited through them direct, or one remove from the bank's correspondent's correspondents. If two banks credit one point enter so on the list, as it may be of convenience in the making up of remittances. The list of a large bank will be found to be quite large, as large almost in fact as before, but correct. Knowing for a certainty where to send a check for credit, knowing how to dispose of checks when received, the next move for the bank is to limit the points at which they can handle for other banks. Their correspondents doing a large business should only be allowed to remit checks, etc., on points in the immediate vicinity of the receiving bank and such points as they themselves cannot reach conveniently. Other banks, who look to them as their correspondents, and expect to clear through them, if the business justifies the necessary work, should have full benefit of the list as revised. In cities and towns of several banks an association might be formed to collect the checks for each other. The small towns surrounding have each one bank or possibly two, keeping only one or two accounts in the city, the balance of the city banks being unable to collect at par on these points, except in the roundabout way so annoying. The association can form as a regular Clearing-House or not, or part of the banks of a place might unite for mutual help. Each bank sends in a list of its correspondents (both direct and one remove from the points they credit at par.) The association forms a list allotting to each bank so many points at which to collect all checks and cash drafts given them by the association. If the collections be cash, the debtor and creditor balances of the banks should be paid and received at every distribution of collections. If they are made through a Clearing-House the rules established will govern settlements. Rules and by-laws must be formed to prevent unnecessary collections being made. Each bank must agree to collect for itself on all points direct and those not on the list, also not to drop any correspondent without notice to the associated banks and to report all new accessions to its list of correspondents, to take no checks except from town customers so as to exclude all banks outside the association from using it to clear their out-of-town collections. All expense entailed by this manner of collecting must be apportioned to each bank according to the number of checks handed in for collection and not of the amount of the business, unless excessively large. The association issues a list to each bank of the points credited at par. A limit also of the territory might be added, as it would be impossible to collect closely over the United States, except in cities of a certain size. Banks in large cities doing business over the whole country should also be excepted, as collections on them are easily used. In small places the banks might take turns in detailing a clerk to conduct the exchange of checks reducing the expense to the minimum. A receipt is taken from debtor banks and one given credit banks, and balances can be adjusted at the Clearing-Room with currency thirty or forty minutes later. A plan somewhat similar to this has been tried in Boston and several other places with varying success. The country checks being sent direct to their destination from the cities, the city banks and also those of the country keeping a reliable par list, the possibility of stray checks wandering through the country at the expense of postage and clerk hire will be limited to narrow

bounds. A few banks will disregard all rules and still cause trouble to some extent. To stop the depositors from sending checks wherever they feel disposed, as the door has been opened to them, would be an utter impossibility. Country collections will increase, to stem the torrent is not possible or not prudent, but it is easy even for one bank to throw them into proper channels. The checks of depositors playing such a large part in the matter of exchange, the keeping of their accounts should be as simple as possible. Pass-books should be done away with. Each depositor filling and signing his deposit-tab, and a receipt is given him for the deposit by the receiving Teller. The account is balanced every thirty, sixty or ninety days as the business will justify on statements prepared and a receipt is taken from depositor for correctness of account and checks. This mode will be the least expensive and can be balanced at convenience of the bank. Merchants' drafts, except on points on the bank's list known as direct, should be sent to their destination and proceeds remitted in exchange. Checks drawn with exchange can often be sent direct with advantage in time, and this should be done when the bank can't credit without sending it direct. In a purely agricultural community the marketing of crops causes plenty of exchange. Farm products are most always sold for cash and the buyers give in exchange their checks or drafts on some central city. The exchange in such a community occurs with known regularity, being scarce when the community have nothing to sell. In a mercantile or manufacturing community or city the output of its products does not always bring in exchange as credit enters largely into the sale of mercantile and manufacturing fabrics. Exchange varies in such cities with the supply or demand for it. New York being the financial centre, checks and drafts drawn on banks located there pass current anywhere, and it is owing to this fact that drafts and checks on banks in other commercial cities are not generally at a premium, the New York exchange taking precedence. The rates of exchange vary most generally with the demand. The express charges on currency being heavy for the shipment of large amounts long distances to keep up a reserve to be drawn on, cause the price of exchange to advance in anticipation of such shipment. While an excessive supply of exchange and scarce currency causes a depreciation in the exchange offered for sale or credit. While exchange may be scarce in one bank or one city, another bank or place may have a superabundance and a transfer could easily be facilitated were the fact known. To let these facts be known a "Bureau of Exchange" could be established at some centrally located city, and the members of the different cities could notify when desiring to buy or sell exchange, and the Bureau could make the sales with its members taking a certain per cent. from the profits as commission to meet the necessary expense. The members to be of good financial standing and subject to the rules and by-laws of the association. A bank requiring currency might through such a "Bureau" find it close by and given for exchange, saving long and expensive shipments by express. If an institution of strength it could make better contracts for shipments of currency than most banks could. Such an exchange, covering so much territory would be hard to manage and unless a company would organize with the purpose of profit, cannot be properly carried out with the present unorganized state of the banks of the country.

The following forms accompanying this essay are referred to in the text :



CHARGE

Account of

\$

For certified check of 1886.

Date

CREDIT

..... \$

Check of

Date

FORM 1. Check. Indorsed, making payable in New York. Use rubber stamps as shown on check (red letters), and signed by Cashier.

Tickets, both on same tablet, to Cr. and Chg., the proper accts. (shown as for printed form) upon indorsing check as above.

FIRST NATIONAL BANK, OHIO.

BANK CREDITING.

(Correspondents.)

Akron.

Ashland.

Bucyrus

Canton.

Bank of Akron,

{ + National Bank of Commerce, Cleveland..

{ + Merchants' National Bank, Cincinnati.

National Bank of Commerce, Cleveland.

FORM 2. Private list of bankers, telling what bank credits the several points and when several banks credit one point. Mark with a cross when the point is one remove from that bank crediting.

Country Collection Register

Date	15	Bank	Bank of Main City	First Natl. Bank	Name of Bank	Bank	Dr.	Cr.
Bank								
Name of point								
Bank of Main City								
1st Natl. Bank Main								
Richwood								
Bank								
Bank								
Total Cks. recd. Creditor Bal.								

FORM 3. Country Collection Register. The headings, the words "Bank," where written, also "Total Cks. Rec.," "Total Checks Given," and "Dr. Bal." and "Cr. Bal."

printed on book, also what other words deemed necessary. The points on which the checks are drawn entered under name of bank giving them in. The date and amount entered under bank receiving such checks (see leaf.) The banks handing in check columns run to the right; Receiving run up and down. The totals carried out and added must balance. The Dr. and Cr. balances added must balance. The two places marked "proof" proves the work, being the foot of both checks received and given and Dr. and Cr. balances. Plan as shown will hold eighteen check entries for each bank, and suitable for ten to fifteen banks; each page (double) will last one day. Require only one entry of a check, and the balances received and paid by the banks are proven by the books without extra trouble of drawing off a statement.

FIRST NATIONAL BANK, OHIO.

CUSTOMERS' LIST.

(Correspondents.)

(Credit.)

Akron.	.....
Ashland.	.....
.....	Bucyrus.
Canton.	.....
Cincinnati.	.....
Cleveland.	.....
.....	Delaware.
.....	Dungannon.
.....	Suffolk.
.....	Newtonstewart.
.....	Berlin.

FORM 4. Customers' list, first column; the bank's correspondents, second column, points Cr. at par.

*BANKING IN THE WEST,

Or Prompt Returns for Out-of-Town Items.

In Illinois and Indiana so many of the merchants in the smaller towns buy goods of wholesale dealers in their immediate neighborhood, and instead of using exchange on the larger cities send their individual checks on the local banks in payment of their purchases. So many of these checks go in a round-about way to their destination, and in some cases, when the checks are not honored by the bank on which they are drawn, are protested and returned through the same channel they came. This involves a great expense and in the end the local merchant has to pay the fees of protesting, besides causing the different banks through which the check has to pass a great deal of trouble. It might be well to add here that banks in collecting in the round-about system, call that "collecting at par." In some of the Western cities the banks have been collecting for their country correspondents in this way. All of the country banks in the immediate neighborhood opened accounts with banks in a certain city. The banks alluded to would publish a list of all the places they could collect at par, and presently had so many small accounts on their books that this system became a nuisance and they abolished it. At a recent date they refused to even take their resident customers' out-of-town checks without charging for the collection of them. The country banks then adopted the plan of collecting checks direct.

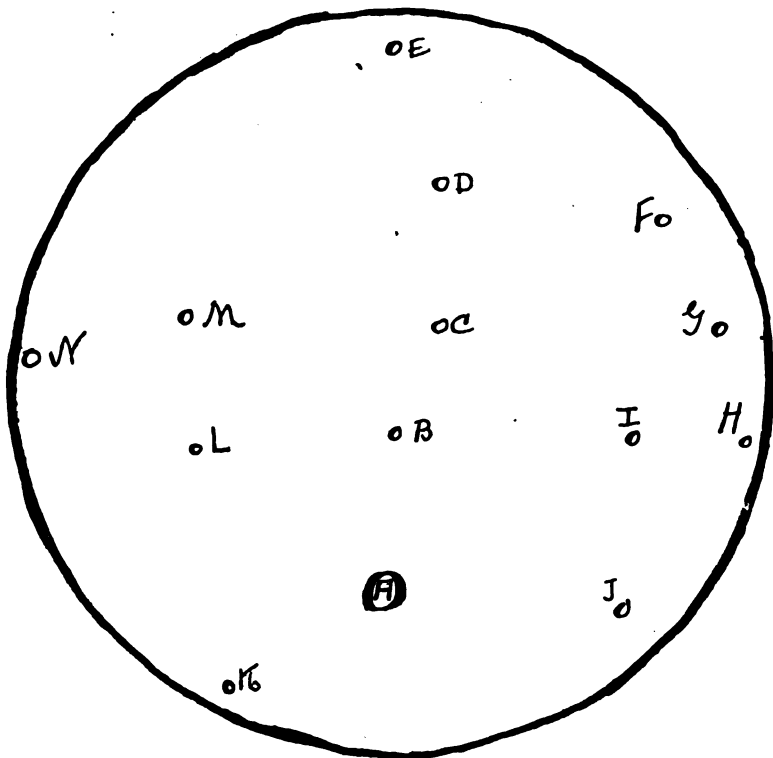
Now to the writer it seems that the following description of "Domestic exchanges" would be a good plan for the Western banks to adopt. As to other localities the writer does not know whether it could be used or not. Taking for instance the town in which the writer is a resident, the merchants pay most of their invoices of goods by check on the local banks. These checks find their way into four or five different banks before they get home. They should be sent direct to the bank on which they are drawn, but in most cases the smaller banks charge too much for remitting for their own checks. If all the smaller banks would adopt a uniform rate for exchange these checks would

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be collected direct. The bank in which the writer is employed has adopted uniform rates for the remittance of all checks and collections sent it on the banks and merchants in the town in which it is located.

If the State of Illinois, as an example, could be divided into districts according to the location of banks in the following method, bank magazines could then publish the names of the banks that would make collections in the districts in which they are located, and in that way city banks could make prompt returns without sending every item direct to the bank or town named in the check or collection. The writer has this idea. In a district of a radius of 75 miles a bank located at a given point could make arrangements with all of the banks in its district to collect at par all checks and collections in the cities and towns in the district. The city banks could then send their collections and checks on all the places in that district to the specified bank and this bank would make the collections and remit at their advertised rate.

For the explanation of the above the writer has prepared the following descriptive diagram and designs of record books, etc.:



The bank at A has made arrangements with all of the banks in its district to collect on all the towns as are lettered above at par by opening an account with the banks in the district. The city banks having collections on any bank or town in the district sends them to the bank at A. A then sends the collection direct to the town on which it is drawn and takes credit with it at the bank there. If there is no bank in the town then have the person send the money to the bank at A on whom the collection is drawn. Upon receiving the advise of payment the bank at A remits, deducting its advertised rate for collection at the end of the month, or oftener the bank at A writes to its

correspondents in the district to send in the balance due it. They remit in convenient exchange. A sends this draft to the city bank and takes credit for it.

The bank at A first takes the following record of the check :

DATE.	NO.	MAKER.	WHERE DRAWN.	ENDORSER.	ON WHOM DRAWN.	WHERE PAYABLE.	TO WHOM SENT.	AMOUNT.	ACKNOWLEDGED.	REMARKS.
Oct. 1	500	John Black...	Charleston, Ill...	1st Chicago.	1st Nat'l.	Charleston.	1st Charleston	\$50	Oct. 12	(Remitted for.)

The bank at A then sends the following letter to the bank at E, enclosing the check :

SECOND NATIONAL BANK.

A....., 1886.

To the Cashier.

I enclose for credit the following items.

Yours respectfully,

....., Cashier.

Check on yourselves.....

\$50

The bank at E sends the advise saying the check has been credited to A's account.

A then draws a draft on Chicago to the order of the bank from which the check was received, less the exchange, enclosing the draft in the following letter of which it takes a copy. It then charges the bank at E with the check :

SECOND NATIONAL BANK.

At A,....., 1886.

W. C. Oakley, Esq., Cashier,
Chicago.

Dear Sir:

Your favor of the 12th inst. is received, with inclosure as stated.

I inclose my Draft on First National Bank, Chicago,	\$49	90
Exchange,		10
Cost of Collection,		
In payment of Check on	50	
First National Bank Charleston,	\$50	
Yours truly,		Cashier.

The bank at A receives a check from Chicago on the First National Bank at E and acknowledges receipt of the check as follows:

SECOND NATIONAL BANK.

A,....., 1886.

Dear Sir:

In reply to your favor of we advise as below.

Yours respectfully,
Cashier.

CREDITED.	CREDITED SUBJECT TO PAYMENT.	ENTERED FOR COLLECTION.
		Check on E, 50 Dollars.

The checks received during the month on the towns in the district are charged up when paid, or if returned unpaid they are accounted for in the column of "Remarks" in the record book, as kept by the bank at A. At the end of the month the bank at A receives the balances due it from the banks throughout the district. If the other banks in the district receive checks on A and send them to A for credit and at the end of the month the balance is in their favor, then A sends a draft to them to balance accounts.

In this way collections and checks in designated districts could be collected more readily by city banks and at a much more reasonable cost than the way they are collected at the present time.

The writer withholds a description of the way the books were to be kept by the bank at A for the accounts of the banks throughout the district, as no two banks keep their "General Books" the same or alike.

In regard to the shifting of funds from one city to another, the city banks with us never charge us anything for sending in any amount to any bank we designate.

J. B. MACKAY late President of the First National Bank of Abingdon, Ills., has just started the Citizens' Bank at Hutchinson, Kansas. He writes under date of July 5th: "Have been in business here just one week, and knowing that if I expect to succeed I must be a reader of your invaluable JOURNAL OF BANKING, I enclose draft \$5 to pay for same for one year." As a rule, bankers appreciate a good thing.

THE BANKERS' REFERENCE BOOK.

SOME QUESTIONS ANSWERED.

The sixth volume of this publication is now ready for issue, having been carefully corrected and proved up to July 16th of this year. We have received the following letter making some very reasonable and pertinent inquiries as to the practical value of the book to banks, bankers, and others, and are glad of the opportunity of publishing the letter and our answer to the same.

Messrs. Bradford Rhodes & Co., New York. CENTRAL NATIONAL BANK, }
PHILADELPHIA, July 28, 1887. }
GENTLEMEN:—We notice your postal card, dated July 27, concerning the *Bankers' Reference Book*, Vol. VI., professing to give among other information, the Credit Rating of banks and bankers.

We should be glad to know how you can give a Rating for a bank beyond its published statement. I speak more particularly of National banks. For instance, was there anything in the methods of business, habits of officers, or tendencies to speculation on the part of the Fidelity National of Cincinnati, that were possessed by you that would have been of advantage to your subscribers?

Do you, in connection with your volume, propose to furnish your subscribers with reliable information apart from the published reference?

Any information will be thankfully received, as we at present subscribe to your valuable publication, RHODES' JOURNAL OF BANKING, and, if satisfied as to the results, would be glad to take your *Bankers' Reference Book* also.

Very truly,

T. L. DEBOW, Assistant Cashier.

Our answer to the above was as follows:—

DEAR SIR: We are in receipt of your letter of the 28th instant., and note the pertinent inquiries contained therein in regard to the practical value of the *Bankers' Reference Book* published by us. You ask how we can give a Rating for a bank beyond its published statement, more particularly a National bank, and whether there was anything in the methods of business, habits of officers or tendencies of speculation on the part of the Fidelity National of Cincinnati, that were in our possession that would have been of advantage to our subscribers to know. You also ask whether we furnish our subscribers with reliable information apart from what appears in the regular publication. Your inquiries describe the essential points on which is based the real value of a *Reference Book* and the reports supplementing it.

1st, Information outside the regular published reports constantly obtained, and 2d, prompt transmission of the same to subscribers.

Our system of Credit Rating is the result of the consideration of two principal kinds of information: *First*, the reports published by authority, which are of course obtained with comparative ease, and serve as a foundation on which to base further inquiry, and *Second*, the information obtained by inquiries conducted by ourselves which is kept up to as late a date as possible, and covers the points mentioned in your letter. From these sources we make up the final result, taking into consideration the present condition of the bank, the usual proportion of cash to liabilities, the availability of its assets, the profits under its present management, and the character of its officers as to fitness, outside enterprises and speculations, conservatism in business methods, general reputation, etc. We believe that we are in better condition to warn our subscribers of business dangers which they may incur in dealing with incorporated banks, banking firms, etc., than any Commercial agency in the country, because we confine our investigations to this one branch of business in which years of dealing with banks have given us great experience. The book includes all classes of banks as well as individuals, companies, etc., doing any sort of banking, investment or collection business. Inquiry as to general financial responsibility has assumed such vast proportions that we do not believe an accurate book of reference comprising all branches of

business can be prepared or kept up. We confine ourselves to this most important portion of the field, and believe from the progress we have already made and the patronage we receive, that within it we shall be able to satisfy the requirements of the most exacting subscriber.

We are glad you mentioned the case of the Fidelity National Bank. We were well aware of the character and previous history of the men who caused the failure, and stood ready to answer any inquiries made in regard to them by our subscribers, and are ready to do so in regard to any bank officers in the country. We do not profess to do more than furnish information, those who receive it must draw their own conclusions and act accordingly.

We propose to furnish special reports without extra charge to subscribers for the *Reference Book*, on request (*i. e.* a reasonable number—not over two a week is the rule), in regard to any institution or its officers, and when we receive information of suspicious circumstances connected with any bank to forward it to those who we may think it will chiefly interest without special request. We have devised a plan which will enable us to do this without the risk of exposure of names to any but the recipients. In our correspondence, banks are indicated by the numbers opposite their names in the *Reference Book*. Our sources of information also use these numbers, and our whole business is conducted with the object of warning without creating unnecessary alarm or distrust. We are constantly improving our system of outside information. As a new feature we are seeking to induce our subscribers to let us know confidentially any knowledge they may have gained in course of business as to weakness, bad management, losses, character and habits of officers, of banks, etc. Many subscribers already do this, sending in promptly—sometimes by telegraph—any important information which comes to their knowledge. We pay the cost of transmission as well as any other expense incurred by the sender. We think that this feature properly managed ought to result, in connection with our other facilities, in building up a mutually protective system among banks better than any as yet realized. In all our business of procuring and furnishing matter of value and interest to banks and bankers we have endeavored to reach a high standard of practical excellence. We have been to much expense in building up the *Bankers' Reference Book* and the system of reports supplementing it, and hope to much increase the success we have already obtained in this line.

Respectfully, BRADFORD RHODES & Co.

THE BANKERS' DIRECTORY AND COLLECTION GUIDE.

In view of the great number of banks recently organized as well as the many changes in officers, capital, correspondents, etc., which have occurred since the first of July, we have decided to bring the corrections and additions on the new *BANKERS' DIRECTORY* up to date and have it ready for delivery the last week of this month—August. It will be called the *Mid-Year* issue.

The Comptroller of the Currency has called for a report of condition of the National banks at the close of business on August 1st, and the new *DIRECTORY* will contain these figures—capital and surplus—as well as all changes in officers up to near the middle of the month. On August 27th, last year, a call for report of condition was issued, but with that exception a report of condition after July 1st, or in August, has never been called for since 1868, and there is consequently no official knowledge of the National banks at this season.

Some idea of the number of new banks recently organized—most of them since July 1st—and the changes in officers, etc., may be obtained by referring to the list of "Bank Changes" in this issue of the *JOURNAL*—see page 881. All these, and many more, will be incorporated into the new *DIRECTORY*, which will be as regards correctness and in other leading features the most valuable work of its class ever issued.

None of the list books issued in July have any of the corrections referred to above; their revision and additions being closed early in June, such publications are necessarily imperfect and of little value. Bankers and others who require a *Directory* want one that is fresh and reliable.

Handsomely bound in red cloth. Price, \$2 a copy.

Notes and Comments on
BANKING PRACTICE.

SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

Tracing Items.—Banks that keep a very elaborate set of books have little difficulty in tracing items all through the work ; but, where labor saving devices are employed, it is sometimes not so easy to trace a check or draft with certainty. Customers are at times surprised that a bank cannot give them detailed information in regard to every item which they may have deposited on a certain day. Such inquirers seem to expect a bank to keep a record of both sides of the check or draft, including dates, signatures, endorsements, and all other particulars. Of course, there is no reason why a bank should keep a record of all these particulars. If customers desire such records preserved, they should make them themselves. Most banks keep a record of the last endorser of a check, which is, practically, a record of the depositor who put it in the bank ; but, further than this, it is not at all necessary to go. It is not often that a check is to be looked up, and, when such is the case, a little ingenuity will be sufficient to bridge over any breaks in the record ; while the time and labor saved by omitting specific details on the bank books would more than compensate for any inconvenience which may arise from lack of specific entries.

Accounts with Estates.—As in the case of accounts with corporations, so in accounts with estates, great care should be taken to open the account under the proper title, for example, the entry should not be "A. B. Trustee" or "Administrator" but "Estate of C. D., A. B. Administrator" or "Trust estate of C. D., A. B. Trustee." This arrangement has a double advantage of indicating clearly and exactly what the account is, and allowing the substitution of new administrators or trustees without altering the heading on the ledger, or shifting the account from one ledger to another. As has been pointed out in the JOURNAL, confusion sometimes arises where accounts have been opened in the name of certain persons as trustees or administrators without any specification of the trust or the estate administered on.

Transferring Bank Shares.—A curious suit in regard to transferring bank shares, which grew out of the negligence of the Cashier, once came within the writer's knowledge. It seems that when the bank was first organized, the certificates of stock were made out on rather inferior paper, and not in very handsome form. After the bank was fairly on its feet, they thought it would be more becoming to the dignity of the institution to have the certificates engraved in better style on paper of superfine quality. The work was accordingly done to the satisfaction of all concerned, the old certificates of stock called in, and new certificates, on handsome blanks, duly issued. But it seems that one old stockholder, not perhaps the *beau ideal* of a man of honor, somehow or other, got the new certificate and never surrendered the old one. Bye and bye the old certificate passed into the hands of that innocent third party who always occupies so strong a position in the Courts. This latter personage being a "holder for value without notice" could not be made to understand that the old certificate which he had bought and paid for was really of no account whatever and ought to have been surrendered at the time the new one was issued. Notwithstanding the most elaborate explanation

of how it came to pass, he could not be brought to see it exactly that way; to the chagrin of the Cashier, he instituted a suit to recover the value of the stock, and, to the best of the writer's recollection, the verdict went in his favor. This little instance serves to show the necessity of the greatest care in the issuing of stock certificates.

It is very difficult for the bank to explain away a certificate of stock duly signed, sealed and delivered, as the case above cited shows. On no account should a new certificate of stock be issued until the old certificate is duly surrendered, even if the Cashier does run the risk of being accused of undue fondness for red tape. Nor is it a very good practice for an officer to sign in blank; for cases have arisen where a President, for example, has been in the habit of signing certificates ahead of requirements, and the Cashier has wrongfully signed and issued certificates without the President's knowledge.

Another Form of Ledger Ruling.—The following plan for Ledger ruling has been sent to us by a correspondent from Jacksonville, Florida. There are two sets of columns to each page, and of these sets the first lines are for checks, the next deposits; then a column for the journal page, and lastly the daily balance, as seen in example below:

1887.		JNO. SMITH.									
May	1					100 00	1			100 00	
	2			50 00		175 00	3			225 00	
	3			29 50			4			195 50	
	5			75 00		230 00	6			350 50	
	6			100 00			7			250 50	
	7			550 00		400 00	9			100 50	
	8			125 00			10	*		24 50	
	9					1 100 00	11			1 075 50	
	10					1 150 75	12			2 226 25	
	12			1 500 00			15			726 25	

* Overdraft.

We will suppose Jno. Smith opens an account by depositing \$100. We enter that in the deposit column, and also in the balance column. Next day \$175 is deposited and a check is paid for \$50. Make these entries and we find a net increase in the balance of \$125, and adding this to the balance of the day before we have \$225 as the balance at the close of the day. On the 7th there is a balance of \$100.50; on the 8th checks come in amounting to \$125, which being paid "overdraw" the account \$24.50, and that *fact and amount* are indicated in the balance column by using *red ink*. On the 9th \$1,100 being deposited, after deducting the "overdraft," there remains a balance of \$1,075.50. I think no further explanation is needed and that the work shows for itself. We carry these *daily balances* after posting to a balance book, putting the balances in one set of column and the overdrafts in another.

Forms of Checks.—On several occasions the JOURNAL has laid before its readers articles and suggestions in reference to the proper form of bank checks, and while there may very properly be a difference of opinion as to what form is really the best, yet there are certain features which are on a great many checks which cannot be too strongly condemned in any form. For example, there is no necessity for vignettes, advertisements, ornamental type, or any one of the various graces and beauties which engravers, design or depositors invent. Very small checks and very large checks are equally out of place and unnecessary, except that the latter may be excused in special cases, as for example, the case of corporations, where several directors have to sign. The main point, as was suggested in a recent issue of the JOURNAL, is to secure uniformity of usage, and while perhaps there may be a difference of opinion about the corner in which the number or amount should be put, still the more general way seems to be to put the number in the upper left-hand corner, and the amount in the lower left-hand corner. Placing the amount in the upper

corner has considerable advantages in calling off checks and notes, and would perhaps be better than the other way; still the main point is to secure uniformity, and such variations as putting the amount or number in the middle of the instrument or on the side; and putting the name of the drawee bank in the lower left-hand corner, or the name of the State on the end of the check instead of before the date as is usually the case should not be admitted. There may be certain advantages in putting the name of the State on the end of the check; but the custom has become so universal of having the name of the place immediately preceding the date that it does not seem advisable to change for what is at best a very slight and trifling improvement.

Paying Coupons.—The coupons are probably the most annoying bit of commercial papers that bank clerks are called upon to handle. When they very first invented, the genius who conceived the happy idea of making them in such small proportions should have been compelled to handle a great many himself, (but not his own), as a reward for his ingenuity. There are very few city banks who have not had an experience in the way of losing them, and have been put to considerable loss, and sometimes expense before they have been reimbursed. It is a very good plan to have envelopes printed especially for coupon purposes, and supply them to customers. In a former issue of the JOURNAL two or three forms were shown for this purpose. Here is a form which can be used by the paying teller when cashing the coupons over the counter. Different kinds of coupons are placed in separate envelopes and the person presenting the same for payment is compelled to write his name on the envelope so that if a coupon turns out to be fraudulent or questionable in any respect he can be held responsible for it. It may seem a little troublesome at first; but after customers get into the habit of doing it in that way they recognize the propriety of the system and readily co-operate in it.

Coupons Cashied by National Reserve Bank, New York, for

 1887.

50	State of Missouri.....	\$0.00	1500
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Force of Character.—It is often a matter of wonder how some men, without any advantages whatever, and in spite of innumerable obstacles, manage not only to succeed, but to obtain a very high degree of prosperity. While, on the other hand, men who have begun their careers with every advantage, and seemingly with assured prospects, yet fail even to obtain a moderate degree of success. Life, it is true, is too full of ship-wrecks for us to predict success for every gallant barque "that we see from the beach when the morning is shining," but surely one would think that the craft that sets sail from port well built, well manned and well provisioned would have better chances of success than that which is illfurnished in all these particulars. Yet it often happens that the latter comes safe to its haven, while the former suffers shipwreck, or, it may be, falls into unfriendly hands. And so it is with men. Every one can recall instances of signal success in mercantile life achieved by men who could not so much as write their names, and who lacked the merest rudiments of education. Men have built up a large and flourishing business, who could not, with correctness, work the simplest problem in interest or percentage. Why such men should succeed, and others, far better equipped for the struggle, should fail is an interesting enquiry. It is difficult, of course, to determine with real accuracy the causes of success or failure in any man's career. Probably there are few successful merchants or bankers who cannot recall more than one instance where a trifling error would have entirely changed the course of their fortunes. Only persons who have known men of this sort very intimately could tell of those special times in the seemingly successful career where the chances between success and failure were very evenly balanced. If, however, one recalls to mind men, who have been successful in spite of serious disadvantages, it will be perceived that they have,

almost without exception, one striking characteristic in common, and that is, strong force of character, comprising first, the ability to make up their own minds, and to know definitely what they want to do; and secondly, strong will to carry it through,

“—a strong man:

For where he fixed his heart he set his hand
To do the thing he willed, and bore it through.”

Strong character shows itself in various ways; in one, it has the form of a quiet determined persistence; in another, an overbearing arrogant manner; in another, impatience at obstacles; in another, the determination to have one's own way; or it may be, a disposition to assume the leadership in whatever company one may be thrown. Men of this stamp are bound to succeed in almost any enterprise that they undertake, for these seem almost to compel the circumstances that surround them, and to shape to their own ends and advantage, difficulties and obstacles which would overwhelm less determined dispositions. But such men are, in spite of the lack of advantages, but an indication of what they would be had they been favored like ordinary men. Some contend that it is the very force of adverse circumstances that brings out the full character of such persons and had it not been that they were compelled to struggle against the tide they would not have developed themselves into anything more than average men. However that may be, it is quite certain that mere force of character will go a long way toward insuring a fair measure of success; and that, without this characteristic, very few ever manage to reach eminence in any walk of life. If we apply what has been said especially to bank officers, it may be admitted that the executive head of a large financial institution must of necessity be a man of strong will and large mental powers, otherwise he will degenerate into a mere figure head, standing in the way of better men, and recalling the familiar question, “Why cumbereth it the ground.” On the other hand, banks that have made a success and have taken a front rank, usually owe that success in a great measure to having been under the direction of an able man who knew what ought to be done, and had the strong will and force of character to carry out his plans.

Keep a Record.—Every now and then a most careful managed bank will somehow or other get involved in some matter that may bring pecuniary loss. An error, trivial in the beginning, may lead to serious consequences, bringing on a vexatious lawsuit with its attendant annoyance and expense. When anything of this sort occurs, it is always well to keep a record of the leading points as the case progresses. Of course, letters and documents, of importance are always copied in full; but it is meant that a sort of diary of the case should be kept so that at any time the matter can be passed in review before the board of Directors or the council of the bank without referring to a multitude of papers. Especially is this important with reference to exact dates of important parts of the transaction. The record should also embrace a brief synopsis of letters received and written, papers filed, and such like matters. Especially is this advantageous when the person at the other end of the line wields the pen of a ready writer, and takes a very long way to tell a very short story. If this work be done carefully and intelligently as the matter progresses it will scarcely be found necessary to refer to the original documents, and the matter can be reviewed on any occasion in a very short time. This record should be kept on loose sheets of legal cap, and when the transaction is completed, the synopsis can be filed away with the rest of the papers. It may also be suggested that it is well to keep a brief history of the bank's affairs, so that the work of the institution can be reviewed from time to time, and its general policy governed accordingly. This may seem a superfluous task in a bank where the officers retain their positions for a long time; but in banks where the directory is often changing it is just as well that the new hands who come in have an opportunity of reviewing the past management of the bank so as to get some idea how things have been generally done. The minutes of the board, of course, give all this information in considerable detail; but what is sought here is a brief summary that can be read over in a comparatively short time. After a transaction has become a year or two old, men forget about it and there is a little confusion as to dates and names which a record of this sort would readily correct.

BANKING LAW.

* Legal Decisions Affecting Bankers.

CERTIFICATE OF DEPOSIT—WHEN LOST BY PAYEE BEFORE INDORSEMENT INDEMNITY NOT NECESSARY AS A PRE-REQUISITE TO RECOVERY—A DISCUSSION OF THE LAW GOVERNING INDEMNITY IN CASES OF LOST INSTRUMENTS.

(A certificate of deposit "payable on the return of this certificate," is a negotiable promissory note, and is governed by the rules and principles applicable to that class of paper. When such a certificate has been lost by the payee before it has been indorsed by him, a bond of indemnity to the bank is not required as a condition precedent to his right of recovery at law on the lost instrument.)

On the 9th day of August, 1882, Eugene E. Brown deposited with the Citizen's National Bank of Cincinnati, the sum of \$1,145, and received from that bank a certificate of deposit signed by the proper officer of the bank in the following language;

No. 702.	CITIZENS' NATIONAL BANK. CINCINNATI, August 9, 1882. }
Eugene E. Brown has deposited in this bank eleven hundred and forty-five dollars payable to the order of himself on the return of this certificate, in current funds.	

On September 16, 1882, before Brown had indorsed the certificate, he lost it, and it was never afterwards found or recovered by him. Two days later Brown demanded payment of the certificate from the bank, but the bank refused to pay unless he would first indemnify it by bond, with good and sufficient sureties, against any loss which the bank might suffer by reason of the certificate being held or owned by some person other than himself who would seek to enforce its collection against the bank. Brown refused to tender any such indemnity, and brought an action at law against the bank to recover on the lost certificate of deposit. The District Court of Hamilton County, Ohio, rendered judgment in his favor, and the bank thereupon took a writ of error to the Supreme Court of that State.

Held: The certificate was in effect a promissory note. It possessed all the requisites of a negotiable promissory note, and as such was governed by the rules and principles applicable to that class of paper. In *Howe vs. Hartness*, 11 Ohio St. 449, it was held that a certificate of deposit, substantially the same as that under consideration, was a negotiable promissory note; and in *Miller vs. Austen*, 18 How, 218, where the amount deposited with the bank was payable only to the order of the depositor at a future day certain, upon the return of the certificate of deposit, it was recognized as the established doctrine that a promise to deliver, or to be accountable for so much money, is a good bill or note; that the sum named in the certificate issued being certain and the promise direct, every reason existed why the indorser of the paper should be held responsible to his indorsee, that could prevail in cases where the paper indorsed is in the ordinary form of a promissory note; and that as such notes the State courts generally had treated certificates of deposit payable to order. The fact that the money deposited with the bank was made payable

* All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL's Law Department as early as obtainable.

Attention is also directed to the series, "Powers of Bank Cashiers," "Law Notes and Comments" and "Replies to Law and Banking Questions," which are included in this Department.

on the return of the certificate was not such a contingency as affected the negotiable character of the instrument. (37 Ill. 187, 39 Vt. 315; 40 Vt. 377.)

In the view which we take of the case before us it becomes unnecessary to inquire whether the certificate was overdue and payable at the time of its loss, or whether a demand before the loss of the certificate was an essential prerequisite to the maturity of the instrument in order to determine whether one who should come into possession of it would be subject to the equities that might exist between the bank and the depositor, and whether the bank would be secure in paying the amount of the certificate to the depositor without exacting from him an indemnity. The certificate though negotiable, was unnegotiable when lost by the payee. It was never indorsed by him, and it becomes a subject of inquiry whether in such a case a bond of indemnity to the bank was a condition precedent to his right of recovery at law on the lost instrument.

It was said by Lord Ellenborough, in *Pierson vs. Hutchinson*, 2 Camp. 211, "whether an indemnity be sufficient or insufficient is a question of which a court of law cannot judge;" and by Lord Eldon in *Ex parte Greenway*, 6 Ves. 812, "I never could understand by what authority courts of law compelled parties to take indemnities." But the difficulties which courts of law have found in adjusting indemnities is obviated in Ohio under the Code of Civil Procedure, which settles in the same action the legal and equitable rights of the parties; altering rather the form of administering justice than impairing in any manner the rights of the parties whether before denominated legal or equitable. (1 Hand. 449.)

If a negotiable note payable to bearer, or to order and indorsed in blank, is lost before maturity, it is right that the maker upon paying its contents should be made secure against being compelled to pay the same a second time. But when the lost instrument is not payable to bearer, or is payable to order and is unindorsed by the payee, as no legal title in such a case could pass so as to vest any one with the privileges of a *bona fide* holder in the usual course of trade, no indemnity would be necessary. If one should find a note negotiable by indorsement, and forge the indorsement, the holder by this title could make no valid claim against any one because the written transfer would confer no title upon him; and if the finder should not forge the indorsement his action or demand of payment must needs be in the payee's name, and the maker might then plead any judgment already rendered against him on the note in favor of the payee, or any payment thereon made by him to the payee.

Among the exceptions as to indemnity, it is said by an approved text writer, there are some cases in which the defendant can run no risk, and in which the plaintiff may therefore proceed in a court of equity or law without giving a bond of indemnity; that is where the note is not negotiable, and where, though negotiable, it is payable to order and unindorsed, or has been specially indorsed. (Dan'l Neg. Instr. 1481.)

The reason which permits notes never negotiable to be sued under the expeditious forms of the common law in preference to the more tedious and expensive ones of chancery applies, says Parsons, in his treatise on Notes and Bills, equally well to all notes which, being negotiable, have not been negotiated. The rule as laid down by Greenleaf (Evidence, Vol. 2, Sec. 156,) is that if the bill or other negotiable security be lost, there can be no remedy upon it by law unless it was in such a state when lost that no person but the plaintiff could have acquired a right to sue thereon. But if there be no danger that the defendant will ever again be liable on the bill or note, as if the indorsement were specially restricted to the plaintiff only, or if the instrument was not indorsed, the plaintiff has been permitted to recover upon the usual secondary evidence; and Judge Story, in considering the remedy afforded in equity and approving the rule allowing a recovery on a lost note at law where it is not negotiable, states that the same rule will apply, if the note were originally negotiable, where it has not been indorsed by the payee. (Prom. Notes, Sec. 451.)

In accord with the rule holding the maker liable without indemnity where the payee has lost a negotiable note before indorsing it is the decision in

Thayer vs. King, 15 Ohio, 242. That decision was rendered in the year 1846, and it has stood approved in this State from the day of its announcement. We find no adequate ground for now disturbing it. The court holds in that case that an action might be maintained at law on a note payable to order and indorsed in blank, and lost after it became due. The reason for so holding will apply with equal force to the case under consideration. In the one case it was deemed unnecessary to invoke the chancery powers of the court for an indemnity, as a maker would be protected against a double payment of overdue lost notes by reason of their being charged with all equities existing between himself and the owner of the paper; and in the case at bar no bond of indemnity was necessary, the bank being protected against a second payment of the certificate of deposit by reason of its not having been indorsed before it was lost, whereby no *bona fide* holder could invalidate the equities between Brown and the bank. In referring to the contingency of a double recovery against a maker who has been compelled to pay lost negotiable paper, which has fallen into the hands of an innocent holder, who had received it before due, Read J. in *Thayer vs. King*, *supra* says: "If former payment or recovery would be a complete bar to any subsequent payment or recovery, the reason of the rule ceases and the objection to a recovery by the owner no longer exists. Hence, if the circumstances of the case are such that the negotiable paper can never be produced for payment a second time, or if produced would permit no right of recovery in the hands of the holder, no indemnity in such case being required to guard against a second payment, recovery may be had in a court of law. Thus, if the instrument be totally destroyed, or if it pass into the hands of the holder charged with all the equities which exist against the original holder, the action may be at law."

Our attention has been called to leading authorities in different States in confirmation of the foregoing views, all going to establish the doctrine that an action at law may be sustained without tendering an indemnity on the lost note though it be negotiable if it appear not to have been negotiated, upon giving the usual proof necessary to let in parol evidence of a written contract. (The following cases are quoted by the court to the effect that a recovery may be had at law without furnishing an indemnity on a lost note which is not negotiable, or which being negotiable, has not been negotiated: *Pintard vs. Tackington*, 10 Johns. 104; *Rowley vs. Ball*, 3 Cow. 303; *McNair vs. Gilbert*, 8 Wend. 344; *Rogers vs. Miller*, 4 Scam. 333; *Depew vs. Wheelan*, 6 Blackf. 485; *Lazell vs. Lazell*, 12 Vt. 443, *Aborn vs. Bosworth*, 1 R. I. 401; *Moore vs. Fall*, 42 Me. 450; *Branch Bank vs. Tillman*, 12 Ala. 214.)

It is manifest that the principle underlying the authorities to which we have heretofore referred is that the payee or owner in an action at law against the maker on a lost negotiable instrument need not tender to him an indemnity if the paper when lost was in such a state that the maker would not be compelled to pay the contents again to a *bona fide* holder. The rule which we think should govern in the case at the bar is in keeping with the decision in *Rolt vs. Watson*, 4 Bing. 273, a case overruled in England but not in America, and which in our judgment commends itself as an authoritative exposition of the law on the subject matter adjudicated. "The question for us," says Best C. J., "is whether the bill which the defendant in this cause has accepted be an instrument which can never rise in judgment against him? Now the jury have found expressly that the bill was undorsed, and though payable three months after date it has not been heard of from 1825 to 1827. There is no decision in which the party has been held to be responsible in respect of an outstanding bill undorsed. In all the cases in which a defendant has been held to be discharged in respect of a supposed liability on a bill, the bill has been in such a state as to be likely to be used against him." See *Long vs. Baillie*, 2 Camp. 214, n.

It is contended that the words "payable on the return of this certificate" gave the bank the right to hold the depositor to the letter of the contract, and to refuse payment until the certificate was surrendered, or until a sufficient indemnity had been offered. We do not understand that those words import a stipulation for an indemnity in case of a failure to return the certificate, or

to settle the terms upon which the payee would be entitled to his money, in the event of a loss of the instrument. Under some circumstances an indemnity might be properly required for the maker's protection, as where the instrument is payable to bearer, or to order, and indorsed at the time of its loss, while under other circumstances such an indemnity might be wholly unnecessary. The words "payable on the return of this certificate" cannot be construed to have an effect beyond what might be sufficient for the safety of the bank upon its paying this certificate. At the most, the bank should not demand indemnity when not necessary to protect itself against a second liability. A note payable to bearer requires a physical presentation of the instrument before payment as much as a certificate of deposit "payable on its return." By the literal terms of the note there must be a bearer of it before payment can be exacted. And yet in the light of *Thayer vs. King*, *supra*, it will not be claimed that a note payable to bearer and lost after it becomes due, cannot be collected without first producing the note or tendering an indemnity. In every promissory note there is an implied undertaking by the payee or holder to return it to the maker on payment of the money; and an express undertaking to return it could have no greater force nor change or modify the legal effect of the instrument. As expressed by Peck J. in *Smilie vs. Stevens*, 39 Vt. 115, "the return of the instrument is an act to be done with the instrument itself, contemporaneous with the payment, and is no more than would be the implied duty of the holder of a negotiable note or bill, in the absence of such stipulation, as it is the duty of the holder to deliver up a negotiable promissory note or bill, on payment of it by the maker, as a voucher for his security, or show a sufficient excuse for not doing so." An inability to return the certificate by reason of its loss cannot operate as a payment or satisfaction. The maker is not thereby discharged; but the question arises as to what if any conditions should be imposed upon the loser before he can recover of the maker. Having failed to return the certificate, though required to tender an indemnity in cases where the maker would not be safe in paying without such return, he should not be required to go further, and indemnify when the certificate was not negotiated at the time of its loss, and its non-delivery to the maker would not subject him to a second payment.

It is assigned as error that the court below allowed interest on the certificate of deposit from the 18th day of September, 1882. On that day Brown requested payment and the bank refused. It was incumbent upon him to produce and surrender the certificate, or give an adequate reason for his inability to do so. Such a reason was furnished in the loss of the certificate. As the bank, notwithstanding, deemed it advisable to withhold payment, the certificate should bear interest from the date the bank declined to pay.

Judgment affirmed. (Spear and Minshall, J. J. dissent.)

Citizen's National Bank vs. Brown, Supreme Court of Ohio, March 22, 1887.

FORGERY OF CHECK—SUFFICIENCY OF INDICTMENT.

The defendant Vincent was indicted and convicted in the St. Louis criminal Court, under Section 1388 of the Revised Statutes of Missouri, for having in his possession a forged check, knowing the same to be forged, with intent to utter and pass the same as true and genuine. The instrument set out in the indictment was as follows:

No. 56,094.

UNION NATIONAL BANK,
NEW ORLEANS, February 23, 1884. }

The National Park Bank, New York, pay to the order of George A. Vincent,
sixty-five hundred dollars. (\$6,500.) S. CHALARON, Cashier.

Among the matters urged for a reversal of the judgment before the Supreme Court of Missouri, it was contended on behalf of the defendant that the instrument above set forth was a draft or bill of exchange, and not a check, as alleged in the indictment. On this point the Court said: "It is an order drawn upon a bank for the payment of a sum certain to a named person, and is payable instantly on demand. In legal effect it purports to be drawn upon the funds

of the maker, in the bank. It is, therefore, according to the definition or description given by Mr. Daniel, a check. (Daniel Neg. Inst., Sec. 1566.) Had it been drawn by an individual upon a bank, and not by one bank upon another, there could be no doubt but what it would be properly designated a check. But it is none the less a check because drawn by a bank. (Morse, Banks, 2 Ed., 164.) Such instruments it is believed are well known as banker's checks."

It was also contended on behalf of the defendant that the indictment did not allege that the defendant had indorsed the check, and was consequently insufficient. On this point the Court holds: "It is true the indictment does not allege that the defendant had indorsed the check nor was it necessary that it should have so stated. The Statute declares, so far as applicable to this case, that every person who shall have in his possession any such falsely made, altered or forged check, knowing the same to be falsely made, altered or forged, with intent to utter or pass the same as true, or to cause the same to be uttered or passed with intent to defraud, shall, etc. The offense under this Statute was clearly made out, without the allegations that defendant had indorsed the check, nor was it necessary to make proof of that fact. Proof that it had been indorsed by the defendant would be strong evidence tending to show an intent to pass or utter, and to defraud; but that is not the only means by which such proof can be made."

Judgment affirmed.

State vs. Vincent, Supreme Court of Missouri, May 16, 1887.

PROMISSORY NOTE—INDORSEMENT OF GUARANTY OF PAYMENT PASSES TITLE.

Suit against the maker on the following note with guaranty appended.

\$150.

GRAND RAPIDS, Mich., February 25, 1882.

Six months after date, I promise to pay to the order of R. H. Pelton, of Tallmadge, Ottawa Co., one hundred and fifty dollars, at Savings Bank in Grand Rapids, Mich., value received with interest at eight per cent. per annum, payable semi-annually.

PALMER CHURCH.

(Indorsed on the back was the following:)

"For value received I guaranty the payment, waive presentation and demand of payment at maturity, and will pay all costs of collection with annual or *pro rata* interest at ten per cent. on this note until collected. ROLLIN H. PELTON."

The maker being sued by Phelps, to whom the note had been transferred, claimed that the above indorsement of guaranty did not pass the title to the plaintiff and that he could not recover.

Held. This claim is not well founded. The indorsement was made by the party to whose order it was payable. It is not necessary that the indorsement itself should be negotiable in order to enable the original and first indorsee to sue the maker. Whether the guaranty of payment was or was not negotiable, it was upon its face intended to be operative to some holder; and it was held in *Thomas vs. Dodge*, 8 Mich., 51, where the guaranty was one of collection merely, that no name need be mentioned in it, but that it becomes operative in favor of the party to whom it was delivered. Since the Statutes have made both guaranties of collection and guaranties of payment negotiable, there is still less reason for holding otherwise. An indorsement of guaranty in blank is a complete act; and if made by a payee or other party holding title, passes the title with the obligation.

Phelps vs. Church, Supreme Court of Michigan, February 15, 1887.

PROMISSORY NOTE—GUARANTY OF COLLECTION—ACTION AGAINST GUARANTOR.

C. executed a promissory note to plaintiffs in payment for certain machinery. Before delivery thereof to plaintiffs, defendant indorsed on the back thereof "I hereby guarantee the collection of the within note, waiving demand, notice and protest. Peter Thompson." The note being unpaid at maturity, plaintiffs brought this action against defendant without having

attempted to enforce payment against the maker by legal process. On the trial the court found that the maker, C, was not proved to have been insolvent so as to render such process fruitless, and judgment was rendered for defendant. On appeal.

Held, The plaintiffs never having attempted to collect this note from the maker by due course of law, it was incumbent on them, in order to recover from the defendant (who guaranteed collection) to prove that the maker was at the maturity of the note and still continued so utterly insolvent that an action against him would be fruitless. The evidence on this point supports the finding of the court that the maker had not been from the maturity of the note up to the commencement of this action so utterly insolvent that an action against him on the note would have been fruitless if prosecuted with due and reasonable diligence, and the judgment must therefore be affirmed.

D. M. Osborne & Co. vs. Thompson, Supreme Court of Minnesota, May 5, 1887.

PROMISSORY NOTE—NON PAYMENT—AUTHORIZATION TO CONFESS JUDGMENT.

(An authorization contained in the body of a promissory note that in case of non-payment "I hereby authorize any licensed attorney at law to appear for me in court and to accept service, waive process, and confess judgment in favor of the legal holder of said note against me for the amount of said note, and interest, with ten per cent. attorney's fees additional," is binding only on the maker and does not affect the indorsers.)

Suit upon the following instrument :

GAINESVILLE, Texas, September, 1, 1883.

Nine months after date I promise to pay to the order of myself twelve thousand five hundred dollars for value received payable at the office of the Gainesville National Bank, Gainesville Texas, with interest from maturity until paid at the rate of twelve per cent. per annum. *In case of the non-payment of the above note at maturity, I hereby authorize any licensed attorney at law to appear for me in court and to accept service, waive process, and confess judgment in favor of the legal holder of said note against me for the amount of said note, and interest, with ten per cent. attorney's fees additional.*

(Signed) W. H. WILLIAMS.

(Indorsed) W. H. Williams; H. R. Washington; Jno. H. Stone; G. W. Barefoot; George J. Hall.

(Further indorsed) Pay Gainesville National Bank, or order, for collection, account of Merchants National Bank, Kansas City, Mo. O. P. Dickinson, Cashier."

On April 20, 1885, the note having been dishonored, suit was filed by the Merchants' National Bank against the maker and all the indorsers of the note, and on the same day an attorney at law appeared for the defendants, under the authority supposed to have been given in the note, accepted service, waived process, and confessed judgment against all the defendants for the full amount then due upon said note and ten per cent. attorney's fees additional, and judgment was rendered accordingly. A motion for a new trial made by the defendants was overruled, and they appealed the case to the Supreme Court of Texas.

Held: Upon the face of the note, no power is given to confess judgment against any one except the maker. We need not inquire as to whether this power would embrace others who signed the note before delivery for the legal presumption is that the present indorsers did not so sign. Treating these parties as ordinary indorsers it is very clear that they have not authorized a confession of judgment against themselves. The language of the power confines the waiver and confession to the maker and it must be strictly construed in a summary proceeding like the present. The indorser undertakes that the maker shall perform any engagement contained in the note. He contracts that the maker shall pay the principal, interest and attorney's fees at the time and place stated in the note; but this agreement is coupled with a condition that the note shall be protested and notice given him or that suit shall be brought against the maker within a prescribed time. The law dispenses with these conditions under certain circumstances, none of which are shown

to exist in the present case; and the indorser can waive them, but he must do so expressly and they cannot be waived for him by the maker. His obligation is that the maker shall perform the contract evidenced by the note. He gives his indorsee no right to take a judgment against him by confession by merely becoming responsible for the default of another who has authorized the summary proceeding and judgment against himself. To hold this would be to hold the indorser bound in the same way as if he was a signer of the note; whereas we have seen that his rights and obligations are different from those of the maker in many important respects. The court erred in allowing judgment to be rendered against the parties who indorsed subsequent to the maker, and this necessarily reverses the judgment as to all the defendants.

Williams and o'rs vs. The Merchants' National Bank of Kansas City, Supreme Court of Texas, April 12, 1887.

PROMISSORY NOTE—CHARACTER OF LIABILITY ASSUMED BY PARTY PUTTING HIS NAME ON BACK THEREOF BEFORE INDORSEMENT OF PAYEE.

Action on the following promissory note by the payees against Philip Liszman, a party placing his name on the back thereof before the indorsement of the payees.

CARLISLE, Pa., Feb. 25, 1884.

Twelve months after date, I promise to pay to the order of Cossuth, Marx & Co., at the Carlisle Deposit Bank, four hundred and fifty and 50-100 dollars without defalcation, for value received. (Credit the drawer.) With interest.

GEORGE H. LISZMAN.

(Indorsed on the back) "Philip Liszman; Cossuth, Marx & Co."

On the trial plaintiffs offered in evidence this note and the following letter:

"CARLISLE, Pa., February 7, 1885.

"Cossuth, Marx & Co. Gentlemen: I would like very much to renew my note due this month as surety of my son George. The times are so hard that it is impossible to raise money, and hoping and believing that the coming season will brighten matters up, I would like to renew the note for a year, paying interest thereon at the rate of six per cent. * * * Hoping for an early reply, I am,

Very truly yours, PHILIP LISZMAN."

Defendant denied that any such specific promise to pay, or that such identity of note and letter, was established as to take the case out of the Statute of Frauds. Verdict and judgment were given for plaintiff, and defendant appealed.

Held, It was well said in *Eilbert vs. Finkbeiner*, 68 Pa. St., 243, that "when a man puts his name on the back of a negotiable paper before the payee has indorsed it, he means to pledge in some shape his responsibility for the payment thereof." This is the reasonable conclusion which every business man will draw from such an act. The particular responsibility which the defendant below had assumed by such an irregular indorsement is clearly stated by him in writing to be that of "surety" for the maker.

Judgment affirmed.

Liszman vs. Marx, Supreme Court of Pennsylvania, May 16, 1887.

SIGHT DRAFT—AUTHORITY TO DRAW; WHEN BINDING AS ACCEPTANCE—DRAFT AS ASSIGNMENT OF FUND.

The defendants Woody and Currie on March 19, 1885, at Wilmington, addressed to their co-defendant the following letter:

"C. M. Byrd, Esq., Bunn's River. N. C.

"DEAR SIR: Enclosed find account sales raft timber. We got all we could for your timber and concluded it wasn't worth while to hold any longer. If you have not drawn a \$50 draft you can draw for the net proceeds \$223 3-100 at sight. If you have drawn \$50, draw on us for \$173 3-100. Timber still dull and low, \$2 to \$10.

Yours, etc., WOODY and CURRIE.

Byrd showed this letter to plaintiff who upon the faith thereof discounted two drafts drawn against Woody and Currie by Byrd, one for \$50.50, and the

other for \$172.58, both drafts being substantially similar, except that the draft for the smaller amount was drawn and dated a day or two previous to the other; a copy of the larger draft being as follows:

\$172.58.

FAYETTEVILLE, N. C., April 4th.

At sight pay to the order of R. M. Nimocks one hundred and seventy-two 58-100 dollars balance on timber sales, value received, and charge the same to account of

C. M. BYRD.

To Messrs. Woody and Currie, Wilmington, N. C.

Plaintiff indorsed this draft to the Fayetteville National Bank, by whom it was presented and went to protest for non acceptance, and thereupon the plaintiff took it up and brought suit on May 27, 1885. After its dishonor, the drawees paid to the plaintiff \$72.08 and refused to pay more, saying that a mistake of \$100 had been made in Byrd's account when the letter was written which had since been discovered. Byrd interposed no defense to the suit. The other defendants (the drawees) contended that not being parties to the draft they were not liable thereon; that the letter not being intended as a letter of credit, but a simple letter from a commission merchant to his customer as to the state of his account with them, the plaintiff had no right to treat it as a contract or the basis of a contract with him; and that plaintiff being a stranger to the letter could take no advantage of any promise therein to Byrd express or implied, and that consequently plaintiff was not entitled to recover.

Held: (Omitting a question of jurisdiction). The main question is whether the defendants incurred responsibility to the plaintiff who accepted the draft of Byrd upon the assurance contained in the letter shown him and on which he relied, of prompt payment on its presentation, there being money then in their hands, upon their own representation, sufficient for the purpose. It must be admitted that there is some diversity in the rulings in England and in this country as to whether a promise made in writing to accept and pay a draft for a specified amount yet to be drawn, and communicated to one who on the faith of such promise becomes the payee of it when drawn, for value, is an acceptance in law so that an action upon it can be maintained by the latter.

In the case of the Bank of Ireland *vs.* Archer, 11 Mees. & W., 883, it is decided that such a result does not follow and there are decisions in some of the State courts to the same effect. But Chief Justice Marshall in the well-considered and elaborate opinion in Coolidge *vs.* Payson, 2 Wheat. 66, 75, speaking in reference to the distinction between the cases of a bill drawn before and a bill drawn after such promise, remarks: "The Court can perceive no substantial reason for this distinction. The prevailing inducement for considering a promise to accept as an acceptance is that credit is thereby given to the bill. Now this credit is given as entirely by a letter written before the date of the bill as by one written afterwards." The general rule is then declared in these words: "Upon a review of the cases which are reported, the Court is of the opinion that a letter written within a reasonable time before or after the date of a bill of exchange, describing it in terms not to be mistaken and promising to accept it is, if shown to the person who afterwards takes the bill on the credit of the letter, a virtual acceptance binding the person who makes the promise." The same doctrine is laid down in Townsley *vs.* Sumrall, 2 Pet., 170, 185, by Justice Story, and it is said to prevail when there are no funds of the drawer in the drawee's hands; and the action may be brought says Nelson J. in Casel *vs.* Dows, 1 Blatchf., 335, by any one who makes advances on the bill upon such assurance of payment. To the same effect are 1 Dan'l Neg. Instr., Sec. 559-561, and 1 Edw. Bills, Sec. 567, and following; 49 Me., 229; 42 Pa. St., 9.

We are referred, however, to Section 562 in Mr. Daniel's first volume, who says: "It seems applicable (the rule) to the cases of bills payable on demand or at a fixed time after date, and not to bills payable at or after sight; for in order to constitute acceptance in the latter, a presentment is indispensable, since the time the bill is to run cannot otherwise be ascertained." This may be true in a strict sense. An actual presentment and acceptance being necessary to determine the time of payment, as in a sight draft, days of

grace are allowed; and the presentation in this case has been made and not only acceptance refused, but liability denied altogether. The present draft is in precise accord with the direction in the letter, and the plaintiff has advanced his money upon the assurance of its being met, and the governing general rule is that the drawee thereby incurs the obligations of an acceptor; and we see no reason why it should not be so in any form of a draft made in pursuance of the terms of the promise, though in exceptional cases, an actual presentment may be necessary to fix the time of payment and authorize the action upon it as an acceptance.

But if a recovery be obstructed upon this ground, it may be effected upon the basis of an assignment of the fund in the drawee's hands. It is a transfer of the whole, not of a part, made known to the defendants before any other disposition is made of it, or any change taken place unfavorable to their liability.

The point is expressly decided in *Wheatley vs. Strobe*, 12 Cal., 92, the opinion being delivered by Justice Field, now of the Supreme Court of the United States, in which he says: "The order though not available against Strobe, for want of acceptance operated as an equitable assignment of the demand of Wheatley to Howell. It was given for an antecedent debt and for the full amount of the demand against Strobe. The consideration was valuable, and there was no splitting of the amount due into distinct and different causes of action, and in such cases it is well settled that an order, whether accepted or not, operates as an assignment of the debt or fund against which it is drawn."

Following this ruling, Mr. Daniel says that "it seems to be settled by the authorities that if drawn for the whole amount it (the draft) operates as an equitable assignment which will take precedence of any subsequent lien or charge upon them, and that after notice to the drawee will bind him." (Sec. 431.)

As an equitable assignee, then, the action can be maintained upon an implied contract to pay.

Nimocks vs. Woody, Supreme Court of North Carolina, May 9, 1887.

PROMISSORY NOTE—POWER OF ATTORNEY TO CONFESS JUDGMENT—OMISSION TO FILL BLANK AS TO PARTY AGAINST WHOM JUDGMENT MAY BE CONFERRED RENDERS POWER INVALID.

Suit was brought upon a note made payable to the Bank of Commerce and signed by all the defendants except L. S. Williams who wrote his name on the back of the note before delivery. The note concluded in the following words:

"In case of the non-payment of the above note at maturity, we hereby authorize any licensed attorney at law to appear for us in Court, and to accept service, waive process, and confess judgment in favor of the legal holder of said note against _____ for the amount of said note and interest, with ten per cent. attorney's fees additional."

Acting under the authority supposed to be conferred by this language an attorney at law appeared in the suit, accepted service, waived process, and confessed judgment against all the signers and the indorser of said note, in favor of the Bank of Commerce for the amount of the principal and interest due thereon, as well as for ten per cent. attorney's fees. Judgment was rendered accordingly and the defendants appealed the case to the Supreme Court of Texas.

Held, It is very clear that the power contained in the note is incomplete. The blank must be filled in order to authorize the attorney to confess judgment against any particular person or persons. This blank may be filled with the names of all the parties bound by the note, or with the word "us" which would have the same effect, or it might be filled with the names of one or more of the parties. The authority of the attorney would be different in one case from what it would be in the other. The attorney did confess the judgment against all the parties bound by the note, and the Court in allowing him to do so construed the power as if the blank were to be filled with a word or words descriptive of all the parties. If these words were absolutely necessary to give the power any effect and none other could be supplied consistent with the language of the instrument, there might be some reason for the construction

given by the Court. But the makers of the note could certainly authorize the attorney to confess judgment against one or more of themselves. If so, words calculated to give the power this effect might be inserted in the blank.

As it was not absolutely necessary to construe the note so as to authorize a confession of judgment against all the makers, must it be so construed if such was the reasonable intendment of the parties? Without pausing to consider what would be the rule in the case of an ordinary power of attorney, it is sufficient to say that the instrument under discussion has nothing in it which entitles it to any presumption in its favor. The remedy given in the note for its enforcement is harsh and stringent, and while it was permissible, at the time it was made, for a party to thus submit himself to the tender mercies of a creditor, yet it must clearly appear from his own words that such was his intention. The law will not step in and supply words or indulge presumptions for the purpose of making such a contract for him. The language of the instrument will be strictly construed in favor of the makers, and the creditor allowed no benefit from it further than he has bargained for in express terms. (*Grubbs vs. Blum*, 62 Tex. 426; *Strasburger vs. Heidenheimer*, 63 Tex. 5.)

The contract in question does not in terms authorize a confession of judgment against all the makers of the note, or any specified portion of them, and the Court erred in allowing judgment to be taken against them in manner as stated.

Judgment reversed.

Morris and o'rs vs. Bank of Commerce, Supreme Court of Texas, April 8, 1887.

NOTICE TO INDORSER OF PROMISSORY NOTE—SUFFICIENCY OF DIRECTION.

Plaintiff sued defendant on a promissory note made by one Charles W. Hunt payable to the order of plaintiff, and upon the back of which the defendant had indorsed his name in blank at the notes inception. The note was dishonored and defendant claimed that he was not liable, not having received notice of its dishonor. A notice had been duly deposited in the post-office of the town where the defendant resided addressed to him at such town, but it did not reach him, having fallen into the hands of another party of the same name. The question for determination was whether the notice so given was sufficient to hold defendant liable upon the note.

Held, By St. 1874, Ch. 404 (Laws of Mass.), the defendant was entitled to notice the same as an indorser. By St. 1871, Ch. 239, it is provided that whenever a party to a negotiable instrument is entitled to notice of non payment or non acceptance, and the instrument is payable in any city or town where such party has his residence or place of business, "such notice may be given by depositing the same with the postage thereon prepaid in any post-office in said city or town sufficiently directed to the residence or place of business of the party for the usual course of mail, within the limits of said city or town, and for the usual course of delivery by postal carriers." The notice in this case was duly deposited in the post-office in Natick directed to "Mr. William H. Chamberlin, Natick, Mass." The only question is whether it was sufficiently directed. The statute makes the deposit in the post-office notice to the party, but it contemplates two modes of its delivery to him—at the post-office where it is deposited, and by a letter carrier—and requires that it shall be sufficiently directed to his residence, or place of business, for both modes. The provision is general and is intended to cover and to be applied to all kinds of places and all sorts of circumstances—to the large city where the streets are numbered and there are postal carriers, and where some persons receive their letters exclusively at the post-office and others exclusively by carriers, at their residences or places of business; and to small towns where street numbers and letter carriers are unknown, and where everybody goes to the post-office. In the case at bar the defendant lived in a village in Natick, in which the post-office was located, and he lived on a street, but there is no evidence that the houses on it were numbered, and there was no postal delivery. He received his letters at the Natick post-office and he had no other residence known to the post-office, than Natick, and an address to him there was, in effect, an address to him at the Natick post-office. It insured that the letter would be there for

delivery to him, and to that end any description of the house he lived in would be superfluous. There could be no more sufficient direction to his residence to insure the delivery of the notice. Was it insufficient in not providing against its delivery to another person of the same name? We think clearly not. The place was not so populous and the name of the defendant so common as to call for any further identification of him by describing his personal appearance, or his occupation, or the house in which he lived. (*True vs. Collins*, 8 Allen, 488.)

The facts that the defendant did not receive the notice, and that another person of the same name lived in the town who did receive it, are immaterial. If the direction was sufficient, the defendant is affected by the notice and it would make no difference if another person of the same name who lived in the same town, or the same street, or the same house, received it. If the defendant had desired a more particular direction than his residence and post-office address, he should have added it to his name when he signed the note.

Judgment for plaintiff.

Morse vs. Chamberlin, Supreme Judicial Court of Massachusetts, Middlesex May 7, 1887.

ABSTRACT OF CASES.

PERSONAL LIABILITY OF ADMINISTRATOR ON NOTE.

A note given by an administrator, although worded as the promise of the estate, binds the administrator only.

White vs. Thompson, Adm'r; Supreme Judicial Court of Maine, March 1, 1887.

PROMISSORY NOTE—PROOF AS TO GENUINENESS OF PAYEE'S SIGNATURE.

When a plaintiff as indorsee, sues the maker of a promissory note, proof of the admission of such maker that he knew that the plaintiff had cashed such note for the payee of it, will not amount to proof of the genuineness of the signature indorsed upon it purporting to be the signature of such payee.

Beckley vs. Evans, Court of Errors and Appeals of New Jersey, March Term, 1887.

ANTECEDENT DEBT NOT A SUFFICIENT CONSIDERATION TO CONSTITUTE PARTY A BONA FIDE PURCHASER FOR VALUE.

It is settled in this State that one who buys at a voluntary sale from his debtor, and pays no money, but credits the amount of the consideration upon a pre-existing debt, is not a *bona fide* purchaser for value. (Citing *McKaney vs. Thorp*, 61 Tex., 648.)

Overstreet vs. Manning, Supreme Court of Texas, April 19, 1887.

SAVINGS BANK—LIABILITY OF MANAGERS.

The managers of a savings bank may be charged with liability if they participate in prohibited acts which lead to loss complained of, or if they in any way promote them, or if they neglect to bestow in their conduct of the affairs of the bank that measure of care which the law exacts of them, and in consequence thereof their associates are not restrained, or are enabled to do those acts which prove disastrous to the institution.

Dodd vs. Wilkinson, Court of Errors, etc., New Jersey, March Term, 1887.

PROMISSORY NOTE—ASSIGNMENT AFTER MATURITY—WHAT EQUITIES MAY BE SET UP.

The promissory note on which the action was brought was indorsed to the plaintiff after maturity.

Held, This entitled defendant to set up as against it any defense which he could have interposed against the assignor and which existed at the time of, or before notice of the assignment. The institution of the action was notice of the assignment of the note, and yet defendant seeks to set up as against

plaintiff a defense or counterclaim which according to his sworn statement "has arisen since the commencement of this action and since the former answer of the defendant was filed." This he cannot be permitted to do.

Wood vs. Brush, Supreme Court of California, April 20, 1887.

NEGOTIABLE INSTRUMENT—TITLE TO AS BETWEEN PAYEE OF UNINDORSED NOTE AND STRANGER HAVING POSSESSION.

As between the payee of a promissory note, payable to order and not indorsed, and a stranger having possession thereof, the payee named in the note is *prima facie* the owner of the same. The mere possession of a note payable to order, and not indorsed, cannot avail the holder thereof in an action against him by a payee who is the legal owner. (The case of Eggan vs. Briggs, 23 Kan., 710, holding that "possession of a note—where it does not appear upon the note who the owner thereof is—is *prima facie* evidence of ownership; but it may be shown by evidence that the person in possession is not the owner of the note," distinguished and fully approved.)

Durein vs. Moeser, Supreme Court of Kansas, May 6, 1887.

NEGOTIABLE INSTRUMENT—ANTECEDENT DEBT A SUFFICIENT CONSIDERATION.

For many years, the principle that an antecedent debt might constitute good and sufficient consideration for a new contract was denied, and there is yet conflict on the subject among the cases; but notwithstanding the contrary position of New York, Maine, and other States, the decided weight of authority now supports the doctrine that such consideration is amply sufficient in connection with negotiable instruments. (1 Dan'l Neg. Instr. Sec. 184; Swift vs. Tyson, 16 Pet., 1; 3 Kent Com., 80; Roberts vs. Hall, 37 Conn., 205; Pars. N. & B., 257. For additional cases see Note found on page 273, 9 Amer. Dec.)

This court has held "that one who takes *property* in payment or security of a pre-existing debt is to be regarded as a purchaser for valuable consideration." (Knox vs. McFarren, 4 Colo., 586; McMurtrie vs. Riddle, 9 Colo., —.)

Merchants Bank vs. McClelland, Supreme Court of Colorado, March 25, 1887.

NEGOTIABLE INSTRUMENT—FRAUD OR ILLEGALITY OF CONSIDERATION CAN NOT BE SET UP AS A DEFENSE IN THE HANDS OF A BONA FIDE HOLDER FOR VALUE.

If there is nothing upon the face of a negotiable instrument, or in the written indorsement or assignment, to notify the assignee that the instrument was originally given upon an illegal consideration, (gambling debts excepted) or obtained through fraud, the assignee who pays value therefor and takes the same in good faith before maturity, may recover as against the maker. This is true even though such assignee be in possession of facts or circumstances sufficient to arouse suspicion in the mind of a person of ordinary prudence; and though he is guilty of negligence in not first following up such information for the purpose of discovering the fraud or illegality to which the suspicious circumstances may seem to point. The latter part of this rule is not wholly unquestioned. Such able courts as that of Massachusetts deny its correctness; but we think it is supported by the better reason as well as the great preponderance of authority. It is founded upon commercial necessity. The untrammelled circulation of these instruments is a matter of supreme importance in the vast field of mercantile transactions. Drafts, bills of exchange and other negotiable instruments take the place of money, and circulate almost as freely. To hold that each assignee must, before accepting them, inquire into each and every suspicious circumstance bearing upon the original execution, or pointing to possible defenses in a suit between the original parties, would produce serious inconvenience to the commercial world. Even as to instruments given for gambling debts the courts submit to the statutory command with extreme reluctance. (See the following cases and others referred to therein: Swift vs. Smith, 102 U. S., 442; Hotchkiss vs.

National Banks, 21 Wall., 354; Murray *vs.* Lardner, 2 Wall., 110; Brown *vs.* Spofford, 95 U. S., 474; Welch *vs.* Sage, 47 N. Y., 143.)

Merchants Bank vs. McClelland, Supreme Court of Colorado, March 26, 1887.

POWERS OF BANK CASHIERS.

Continued from page 700, July number of the JOURNAL.

XIX. Liability of the bank for acts of the Cashier.—In *Foster vs. the Essex Bank*, 17 Mass., 479, the question of the liability of the bank for the fraud of its Cashier with reference to property specially deposited is fully discussed. A large quantity of gold doubloons, the property of the plaintiff's testator, was left with the bank as a special deposit, and was kept in the vault in the same manner and with the same care as other special deposits, and as the specie of the bank. The Cashier and chief clerk of the bank, who had hitherto always sustained fair reputations, absconded with over \$32,000 of this deposit, as well as with other funds belonging to the bank. In discussing the question of the liability of the bank, the Court states that the question is whether there was gross negligence, and that fact may appear by suffering goods to be stolen, as well as if they were taken away by fraud. Fraud on property deposited, committed by the depository, or his servants acting under his authority, express or implied, relative to the subject matter of the fraud, is equivalent to gross negligence, and renders the depository liable. In this case, no fraud was directly imputed to the bank, it being found that the directors were wholly ignorant of the transactions of the Cashier and Chief Clerk in this respect, and the point for consideration was narrowed to whether the bank, as bailee, was answerable in law for the depredations committed on the testator's property by two of its officers. After a thorough consideration of this question, and minute examination of the authorities, the general rule is deduced that to make the master liable for any act of fraud or negligence done by his servant, the act must be done in the course of his employment; and that if he steps out of it to do a wrong, either fraudulently or feloniously, towards another, the master is no more answerable than any stranger. The cases of innholders, common carriers, and perhaps ship-masters or seamen, when goods are embezzled, are exceptions to the general rule, founded on public policy. The inquiry is then made whether when the gold was taken from the cask, the Cashier and Clerk acted in the course of their official employment. In considering this question, it is stated that their master, the bank, had no right to meddle with the cask or open it, and so could not lawfully communicate any authority, and did not in fact, give any, nor did the bank in any manner assent to, or have any knowledge of it; that it was no more within the duty of the Cashier, than of any other officer or person, to know the contents or to take any account of them. If the Cashier had any official duty to perform, relating to the subject, it was merely to close the doors of the vault, when banking hours were over. The conclusion is therefore reached that the Cashier when he committed the villany, was not acting within the scope of his employment, and the bank was no more answerable for this act of his, than it would be if he had stolen the pocket-book of any person who might have laid it upon the desk while he was transacting some business at the office. For what acts of a Cashier or Clerk the bank would be answerable, the Court says, any which pertain to their official duty; for correct entries in their books, and for a proper account of general deposits; so that if by any mistake, or by fraud, in these particulars, any person be injured, he would have a remedy. If they should rob the vault of the property of the bank, the company would necessarily lose; and if the bank has become debtor to those who have deposited otherwise than specially, its debts will not be diminished by the fraud; so that in this form it is answerable to depositors; and for the correct conduct of all its servants, in their proper sphere of duty, it is answerable. But it is not answerable for special deposits, stolen by one of its officers, any more than if stolen by a stranger; or any more than the owner of a warehouse would be, who permitted his friend to deposit a bale of goods there for safe-keeping, and the goods should be stolen by one of his clerks or servants. The Court states that the undertaking of banking

corporations, with respect to their officers, is that they should be skilful and faithful in their employments; they do not warrant their general honesty and uprightness.

In *Fishkill Savings Institute vs. Bostwick, Receiver*, 19 Hun., 354, the Cashier of the bank of which defendant was Receiver embezzled certain United States bonds belonging to the plaintiff and pledged them as security for moneys which he borrowed for said bank. Plaintiff sued the Receiver in an action of trover for the conversion of its bonds. The Court holds that a corporation is liable for the torts of its officers and agents, committed while acting within the scope of their employment, or while engaged in performing the duties devolved upon them thereby. It states that the law governing the relation of master and servant applies as well to corporations as to individuals, and circumstances that would render a natural person liable for the tort of an agent, imposes the same liability when the principal is a corporation. The Court says that while these principles are well settled and very familiar, difficulty in applying them sometimes arises from an uncertainty whether the act of the agent is within the scope of his employment. In order to bind a principal for a criminal act of his servant, there must be evidence of authority to do the particular act. The authority will not be inferred from the existence of any general power which is not comprehensive enough to embrace the specific act. On the contrary, the principal is entitled to the presumption in favor of innocence, as a shield against liability for crimes committed by his agent. But the principal may ratify the criminal act of his agent, and such ratification is equivalent to a prior command. The Court holds that the embezzlement by the Cashier in this case certainly was not within his express or implied authority; and if the case stopped here, no liability could be cast upon the bank. But the bank received the money borrowed by means of the pledge of the bonds, and still retained such moneys, and it is held that such acts must operate as a ratification of the Cashier's embezzlement; that while it was true that no one connected with the bank, except the Cashier, had any knowledge that the money so received had been obtained by means of a pledge of the plaintiff's bonds, still the receiving of the money was strictly within the scope of the Cashier's employment, and his knowledge would be imputed to the bank under the settled rule that notice to the agent is notice to the principal, if the agent comes to the knowledge of the fact while he is acting for the principal in the course of the transaction which becomes the subject of the suit. Judgment was therefore given against the bank.

An interesting case of fraud on the part of bank employees is that of *Atlantic Bank vs. Merchant's Bank*, 10 Gray, 582. Hooper, who was the Paying-Teller of the Merchant's Bank was a defaulter to a large amount. He was the principal Teller, and had the immediate charge and custody of the cash funds within the bank, and other officers who were necessarily entrusted with cash, accounted to him daily. It was the practice of the directors to examine and count the Teller's cash occasionally, ordinarily as often as once a quarter, the purpose being to ascertain whether any cash had been withdrawn. The Teller having no occasion and no authority to pay or receive money outside of the bank, if there was a deficiency it must be attributed to fraud or mistake, and this examination would afford one means of detecting either. On Monday, the 26th of March, shortly before the close of bank hours, the President gave notice to Hooper that he and a committee of the directors would attend that afternoon to examine and count the cash. The object of giving this notice was that he might be there with his keys, ready to produce the cash as called for. Short as the time was, it gave Hooper an opportunity to carry into effect a fraudulent scheme, previously arranged, by which he was to obtain a sum of money to place with his own, whilst being counted, and thus be able to conceal from the directors knowledge of his defalcation. A conspiracy had been deliberately entered into between Hooper, defaulting Teller of the Merchant's Bank, Ward, a Teller of the Atlantic Bank, and Peabody, a broker, to this effect; that Peabody should draw a check on the Merchant's Bank, where he had no funds, for \$25,000; that Hooper should certify it to be

"good"; that thereupon Peabody should take it to Ward at the Atlantic Bank, receive \$25,000 of the Bills of the Atlantic Bank, or other cash funds, take them back and deliver them to Hooper, to be placed with his own cash funds, and be counted with them as his own; and after they had been so used Hooper was to deliver back the like amount of \$25,000 to Peabody, to be delivered to Ward, and replaced with the funds of the Atlantic Bank. This conspiracy up to the delivery of the \$25,000 to Hooper was carried out, and the cash was counted and found to be correct. After it was counted the whole amount was returned to Hooper, who put it into his trunks and locked them and returned them to their usual places in the bank. Hooper shortly thereafter committed suicide without returning the money to Peabody or Ward. The facts being disclosed, the Atlantic Bank brought suit against the Merchant's Bank to recover the \$25,000 as money had and received to plaintiff's use. The defendants claimed that they never received the money and did not owe it, or any part of it to plaintiffs. The Court held that this money was the property of plaintiffs when it left their bank, and the guilty agents, including Hooper, with full knowledge of the fraud could acquire no title to it as against the plaintiffs, that Hooper could therefore give no title to the bank, as of right, nor could the bank hold the bills as negotiable securities transferable by delivery, taken for a good consideration and in the ordinary course of business, nor as money, without some consideration paid. That it appeared therefore to be the ordinary case where one party had received money, the property of another, which rightfully, equitably and in good conscience he could not hold, and the plaintiff was adjudged entitled to recover.

LAW NOTES AND COMMENTS.

POWERS TO CONFESS JUDGMENT INSERTED IN PROMISSORY NOTES.—The following blank form of clause added to an ordinary promissory note, authorizing a confession of judgment on non-payment, seem to be in vogue in Texas:

"In case of non-payment of the above note at maturity—hereby authorize any licensed attorney at law to appear for—In Court, and to accept service, waive process, and confess judgment in favor of the legal holder of said note against ——— for the amount of said note, and interest, with ten per cent. attorney's fees additional."

In case of any slip up in the payment of a note, this imposes a pretty severe penalty upon the debtor, as it enables the creditor to at once enter judgment for the amount of the note, interest, and ten per cent. attorney's fees, and unless his proceedings are stayed by an appeal, immediately seize the debtor's property under execution. Two cases involving the construction of such a clause are reported in this issue, and afford an example of how strictly the Courts will construe an instrument against a party seeking its enforcement, where its terms are harsh and exacting.

In one of the cases (*Williams vs. The Merchants' National Bank of Kansas City*), the blanks in such clause in a promissory note had been filled up with the words here italicized, so as to read: "*I hereby authorize any licensed attorney at law to appear for me * * * and confess judgment * * * against me,*" etc. This note, after its execution by the maker passed through the hands of several indorsers, and upon its non-payment an attorney at law appeared and confessed judgment against the maker and all the indorsers, in favor of the holder, under the authority supposed to be conferred as above. The lower Court refused to disturb this judgment but on appeal to the Supreme Court of Texas that tribunal held that the authorization applied to the maker only and did not bind the indorsers.

In the other case the first two blank spaces in such a clause in a promissory note had been filled up, but the third one had not, so that it read: "*We hereby authorize any licensed attorney at law to appear for us * * * and confess judgment * * * against ——— for the amount,*" etc. This note was signed by several parties as makers, and one party wrote his name on the back

before delivery, and on non-payment judgment was confessed against them all. The Supreme Court of Texas also reversed this judgment on the ground that the contract did not in terms authorize a confession of judgment against all the makers of the note, or any specified portion of them, and that consequently the power contained in the note was incomplete and judgment could not be entered against any. The Court states in this latter case that "without pausing to consider what would be the rule in the case of an ordinary power of attorney, it is sufficient to say that the instrument under discussion has nothing in it which entitles it to any presumption in its favor," and that "the language of the instrument will be strictly construed in favor of the makers, and the creditor allowed no benefit from it further than he has bargained for in express terms."

NEGOTIABILITY OF CERTIFICATION MADE UNDER THE EXCHANGE SYSTEM OF THE ROCHESTER BANKS.—By the system of exchanges established among the banks in the City of Rochester, commercial paper held by either of these banks payable at any of the others, on being presented at maturity at the bank where payable, instead of being paid on presentation, is marked "certified" by the Teller of the bank at which it is payable and then returned to the bank presenting it for the purpose of being held as an item of credit to such bank in its exchange account for the day with the certifying bank, and being off-set against any similar credit in favor of that bank against the other which might arise during the same day for paper presented at and certified by it. On the following day these exchange accounts are compared and the balance only is paid by the debtor bank to the other. Under this system the purpose of certification is not to furnish the bank receiving it a negotiable instrument which might be put in circulation, but simply to furnish it with a voucher or memorandum to be used as a credit on the settlement, the next day, of its exchange account with the certifying bank.

An interesting case wherein a draft certified under this system was diverted from the purpose for which it was intended and sought to be negotiated has recently been decided by the New York Court of Appeals. (Flour City National Bank vs. Traders' National Bank, May 10, 1887.) The Flour City National Bank of Rochester certified a draft drawn on it and held by the City Bank of Rochester for the purpose of its being used the next day as an item of credit in balancing the accounts between the two banks. The City Bank after deducting this draft would still have been in debt to the certifying bank in the balance of the day's account, but instead of keeping it as an offset as it rightfully should have done, the City Bank transferred it on the same day that it was certified to the Traders' National Bank in part settlement of a balance of account due the latter bank and that night closed its doors, being largely in debt to the Flour City Bank. The Traders' Bank was also largely indebted to the Flour City Bank and sought to off-set the amount of the draft in its account with that bank, claiming that the certification was negotiable and that it had a right to do this. The Flour City Bank refused to allow the draft as an off-set but the Traders' National Bank withheld the amount from the balance of account which it paid, and the Flour City Bank thereupon brought suit to recover the amount of the draft. On the first trial of the action the Special Term held that the certification in question was not negotiable and rendered judgment for the Flour City Bank. The Traders' Bank thereupon took an appeal to the General Term of the Supreme Court, which reversed the judgment of the Special Term and ordered a new trial holding that the certification was negotiable. On the second trial, the Court at Special Term conforming to the decision at General Term, rendered judgment for the Traders' Bank, which judgment being affirmed by the General Term, the plaintiff appealed the case to the Court of Appeals. That Court reverses the judgments of the General and Special Terms, holding that whatever might have been the rights of an innocent party taking the certified draft in ignorance of the purpose for which the certification was made and of the Flour City Bank to apply it on a pending account, in the face of the facts found the Traders' National Bank in taking this paper from a failing bank, did not become a holder in

good faith, but that it purchased what it knew to be a mere voucher for an item in an account to be settled, and necessarily took it subject to the general result of the settlement of that account. The Court say that in this view it is unnecessary to pass upon the question of whether the certification was negotiable as against the bank, and this question, therefore, remains undecided by the Court of Appeals, which is the Court of last resort. The Court says: "If paper certified under these circumstances should be used by the bank receiving it as negotiable paper, and passed off as such to any one who would receive it, it is evident that the exchange system could not subsist," and it would thus seem loth to render any decision whereby the effectiveness of such a system might be impaired.

LETTERS AUTHORIZING DRAFTS WHEN BINDING AS ACCEPTANCES.—In the case of *Nimocks vs. Woody*, reported in this number the Supreme Court of North Carolina following *Coolidge vs. Payson*, (2 Wheat. 66,) hold the general rule to be that "a letter written within a reasonable time before or after the date of a bill of exchange describing it in terms not to be mistaken and promising to accept it is, if shown to the person who afterwards takes the bill on the credit of the letter a virtual acceptance, binding the person who makes the promise." In that case the defendants had written a letter authorizing their correspondent to draw on them at sight for a specified amount and the plaintiff had cashed the draft on the faith of this letter. Plaintiff claimed that the letter made them liable as acceptors under the rule just quoted, but defendants contended that while this rule applied "to the cases of bills payable on demand or at a fixed time after date" it did not apply to "bills payable at or after sight, for in order to constitute acceptance in the latter a presentment is indispensable, since the time the bill is to run cannot otherwise be entertained." (Citing *Daniel Neg. Instr. Sec. 562.*) The Court holds that while this may be true in a strict sense, there is no reason why this general rule should not apply "in any form of draft made in pursuance of the terms of the promise, though in exceptional cases an actual presentment may be necessary to fix the time of payment and authorize action upon it as an acceptance." The Court, however, does not regard the question as free from doubt, for it proceeds to hold that "if a recovery should be obstructed upon this ground" the draft, being for the whole amount of the fund in the hands of the defendants, operated as an equitable assignment to the plaintiff, and he could recover on an implied contract to pay.

The difficulty of applying this rule to drafts payable at or after sight is recognized by Judge Story in the case of *Wildes vs. Savage*, 1 Story, 22, in which he says: "Where bills are drawn payable at so many days after sight, it is impracticable to apply the doctrine, for there remains a future act to be done—the presentment and sight of the bill—before the period for which it is to run and at which it is to become payable can commence, whether it be accepted or be dishonored. If it is said that the acceptance is treated as made where the bill is actually presented for acceptance and it is dishonored by the drawee, it is plain that we set up a prior intent or promise against the fact. Upon what ground can a Court say when a party promises to do an act *in futuro*, such for example as to accept a bill when it is drawn and presented to him at a future time that his promise overcomes his act at that time? My judgment is that the doctrine of a virtual acceptance of a non-existing bill, by a prior promise to accept it when drawn, has no application to a bill drawn payable at some fixed period after sight, for it then amounts to no more than a promise to do a future act. I have looked into the authorities and I do not find in any one of them that the bill drawn, and to which the doctrine was applied, was drawn at or after sight."

The Maryland Court of Appeals in *Brown vs. Ambler* (decided January, 1887,) consider this same question and after quoting the views of Judge Story with approval, hold that a letter written authorizing a draft at sight, and promising to accept it, could not be held as a virtual acceptance of the draft. The Court however holds that all persons who should *bona fide* take a bill of exchange at sight on the faith of a letter promising to accept it would have

ample remedy by an action for the breach of the promise to accept, so that the difference between the two cases would be of no practical importance in its bearing on their rights.

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 on another page.

Editor Rhodes' Journal of Banking:

GRAND ISLAND, Neb., June 25, 1887.

An Indiana merchant draws a draft on a New York bank payable to the order of "S. Jones, Treasurer." Jones lives in Ohio and is Treasurer of the "Jones Mfg Comp'y," an Ohio corporation. Jones for value received indorses and delivers the draft to Smith, another resident of Ohio. Smith indorses and remits the draft to a Pittsburgh bank for his credit, and the Pittsburgh bank, in turn, indorses and remits the draft to its New York correspondents.

In his indorsement to Smith, Jones omits the word "Treasurer," signing his name simply "S. Jones." The bank drawn on refuses payment on account of the defect in Jones' indorsement, and the Pittsburgh bank's New York correspondent returns the draft without protest.

Are the drawers and indorsers released by the failure to protest?

What difference would it have made with regard to the necessity for protest if the draft had been made payable to the "Jones Mfg Comp'y" instead of to "S. Jones, Treasurer."

L.

Answer.—The indorsement by Jones was imperfect and the drawee bank was in the right in refusing to pay the same. No draft is payable unless properly indorsed, and as there could be no proper presentation for payment without proper indorsements, there was no reason for any protest. The draft should simply have been returned to have the indorsement completed through the various parties by whom it had come to the Pittsburgh bank. If it had been made payable to the Jones Manufacturing Company, the indorsement S. Jones alone would have been as defective as it was on draft drawn to order of "S. Jones, Treasurer."

Editor Rhodes' Journal of Banking:

ELIZABETHTOWN, Pa., June 27, 1887.

Mr. B., who is not a customer at a bank, comes to a bank with a note and desires to have it discounted. The officers of the bank grant it. Which is the better plan, to pay Mr. B. the proceeds of the note without taking his check, or is it better to demand his check for amount paid him?

INQUIRER.

Answer.—It would seem to be entirely a matter of convenience. Some banks credit the proceeds of the discount to the person who procures it and then require him to draw it out by check on the ground that no cash is drawn out except by check, and it makes the keeping of accounts a matter of more uniformity, but there seems to be no legal or important reason why one plan should have any preference over the other.

Editor Rhodes' Journal of Banking:

BOWLING GREEN, Mo., July 18, 1887.

A B and C execute a note to D, bearing 6 per cent. interest payable one year after date. After maturity A, the maker, indorses on the back "to bear 8 per cent. interest from maturity." Does this affect the validity of the note so far as B and C are concerned? Does it release them?

CASHIER.

Answer.—There may be two views taken of this matter. First, that the action of A has the effect of a new contract between the holder and A, by which, in consideration of 8 per cent. interest from maturity, the holder agrees to look to A for the payment of the amount due, and this view would release the other makers, inasmuch as the contract was made without reference to them and without calling on them for payment. Second, it may be held that what A placed on the back of the note without consulting his co-makers was of no effect whatever, perfectly null and void, leaving the note just as it was

before, and according to this view, the holder has the same remedy as he had before against all the parties to the note. We incline to the first view, that the sureties are release.

Editor Rhodes' Journal of Banking:

SALINA, Kas, June 23, 1887.

John Smith holds a draft on the National Park Bank for \$600 in his own favor. He endorses the draft and loses it. Notices are sent out by Smith and the bank of issue warning banks not to cash the draft; but a bank not receiving this notice does cash the draft; but when sent to New York for payment it is returned protested. Is there no recourse on the drawer or drawee?

CASHIER.

Answer.—The bank cashing the draft can recover of the drawee or drawer upon showing that it cashed the draft without having had notice that it had been lost. If a check be lost by the lawful owner, and subsequently come into the hands of a *bona fide* holder for value and without notice, he will be entitled to receive the amount from the drawee. If they refuse to pay him because of instructions given them by the drawer, the holder may recover the amount from the drawer. The draft mentioned seems to have virtually been a check drawn by one bank upon another, and would come under the same rule. The length of time the check had been drawn before it was cashed might make some difference; but a longer time would doubtless be allowed in the case of a bank check on a distant correspondent than in that of a local check.

Editor Rhodes' Journal of Banking:

VICTORIA, Tex., June 21, 1887.

DEAR SIR:—On the 16th of June we sold one of our customers a draft on New York, which he sent to a Cincinnati house in payment of an invoice. The Cincinnati house advised credit June 20th, and deposited said New York exchange with the Fidelity Bank of Cincinnati for credit in account. On to-day (the 21st inst.) the Fidelity Bank closed its doors, and the Cincinnati house wires its friend here to have us stop the payment of the New York draft to save them from that much loss. Have we a right to stop payment?

And if we stop payment what liability do we assume thereby? Also, could the Cincinnati house stop payment of their own accord by wiring to the New York bankers on whom the draft is drawn?

TEXAN.

Answer.—When the Cincinnati house deposited the check with the Fidelity National Bank for *credit in account*, that check became the property of the bank, and the Cincinnati house, or your firm, have no claim whatever upon it and no right to stop payment. If you should order your correspondent on whom it was drawn not to pay it, the Receiver would sue on it and recover, with such damages as he could show had been incurred by your action in stopping the payment. The Cincinnati firm have no more right to that particular check than any other creditor of the bank, and as far as your customer is concerned they are paid.

Editor Rhodes' Journal of Banking:

LAWRENCE, Mass., June 23, 1887.

A check on the Bank of A. is cashed by the Bank of X. and collected through several other banks. At the end of the month the Bank of A. returns the check to the supposed signer, and it is pronounced by him a forgery. Can it be returned to the Bank of X., or does the Bank of A. lose it?

M.

Answer.—The general rule both in England and America is that the banker is bound to know the signature of its customer. But this rule has been very much qualified by many decisions. One point of qualification has been that of negligence. Inasmuch as the reason why the drawee bank is held to bear the loss, is because it has been negligent in failing to recognize the difference between the forged and the genuine signature of its customer, it follows that if the payee, holder or presenter of the forged paper has been guilty of negligence, prior to that of the drawee bank, or if he has by his act or failure to act contributed to induce the subsequent negligence of the drawee bank, then he may be held to pay the loss. If a custom of inquiring as to the genuineness of signatures on the part of those to whom checks on other banks are presented is shown to exist, failure to observe this custom has

been held to constitute negligence on part of payee or holder. In *Massachusetts, in National Bank of North America vs. Banks* (106 Mass., 441), it was held that "in the absence of actual fault or neglect on the part of the drawee, his constructive fault in not knowing the signature of its customer and detecting the forgery, will not preclude his recovery from one who has received the money with knowledge of the forgery, or who took the check, under circumstances of suspicion, without proper precautions, or whose conduct has been such as to mislead the drawee, or to induce him to pay the check without the usual scrutiny or other precaution against mistake or fraud." An indorsement by the payee or holder was held to throw drawee bank off guard, so as to induce payment without usual scrutiny, etc. In other States, the tendency of the decisions is to hold more to the liability of the drawee bank, and neither evidence of custom of payee or holder examining signatures, nor negligence on their part excuse the drawee bank. In other words, if the latter chooses to pay the check without usual inspection, it does so at its own risk. The period which has elapsed between the paying of the check and the discovery of the forgery is also an important point. The general rule is that if this is sufficient to cause the holder or payee to loose his remedy against those from whom he got the check, it would fix negligence on the drawee bank and deprive it of any remedy it might otherwise have against the payee or holder.

In the case cited in the question the circumstances would therefore control, in case of controversy, to fix the loss on one or the other of the parties, and these could only be fully brought out in Court.

Editor Rhodes' Journal of Banking:

WICHITA, Kans., June 9, 1887.

SIR:—Would a promissory note, drawn as follows, bear interest, and at what rate:

<p>Four months after date we promise to pay to the order of Joseph Brown one thousand dollars (\$1,000) at the First National Bank, Anthony, Kans. Value received.</p>	<p>TOPEKA, Kans., March 4, 1887. (Signed) JOHN DAVIS, HENRY SMITH.</p>
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Please answer and greatly oblige

A. JOES, Vice-Pres.

Answer.—The peculiarity of this note is that it specifies nothing as to interest, and where a note is drawn in this way the presumption is that it was intended to bear interest at the legal rate, unless it can be proved that it was understood between the drawers and the holder of the note that it was not to bear interest. There being no proof to this effect, it would carry interest from its date the same as if the words "with interest" or "with use" had been written on the note. As to the rate where no rate is specified, it is understood to be the legal rate in the State where the note was made. In Kansas the legal rate is 7 per cent., though 12 per cent. may be agreed upon. If there is no testimony to prove an agreement as to rate of interest, then the note would draw 7 per cent.

Such a note, therefore, being the only evidence produced, would bear interest, and this interest would be at the rate of 7 per cent.

Editor Rhodes' Journal of Banking:

DOVER PLAINS, N. Y., July 20, 1887.

SIR:—In the case of a note drawn as follows:

<p>\$100. One year after date we promise to pay to John Doe or order, one hundred dollars, value received.</p>	<p>DOVER PLAINS, N. Y., July 15, 1886. C. D. and A. B</p>
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it being a question whether C. D. or A. B. signed first, their signatures appearing one after another on the same line, and C. D. having died since the note was drawn, can the estate of C. D. be held?

R. P. KETCHAM, Cashier.

Answer.—The note is a joint note, and it makes no difference which signed first. They are both makers of the note, and each is equally responsible for it if not paid by the other. The estate can be held and action should be brought against it. The bank has the right to collect from either, but it would probably be well to bring separate actions against the estate and the other maker.

BANKING LAWS OF MINNESOTA.

PASSED BY THE LAST LEGISLATURE.

We have received from the Hon. Henry M. Knox, Superintendent of Banks and Public Examiner for the State of Minnesota, a circular giving the laws relative to banking passed by the last Legislature, and also forms and instructions for the organization of new banks.

Chapter 183, Laws 1887. An Act transferring certain duties now performed by the State Auditor to the Public Examiner. Approved March 2, 1887.

SECTION 1.—That all duties now required to be performed by, and all responsibilities now imposed upon, the Auditor of this State, under the laws regulating the business of banking, shall hereafter be performed by the Public Examiner, under the title *ex-officio* of Superintendent of Banks, and all reports and documents now on file in the State Auditor's office pertaining to banks now in existence are hereby transferred to the custody of the Public Examiner.

SECTION 2.—This Act shall take effect and be in force from and after the passage.

Chapter 39, Laws 1887. An Act to amend section forty-three of chapter thirty-three of General Statutes, 1878, relating to banks and banking. Approved March 7, 1887.

SECTION 1.—That section forty-three (43) of chapter thirty-three (33) of the General Statutes 1878 is hereby amended so as to read as follows, viz.:

SECTION 43.—No person or persons who are now or shall hereafter become engaged in the business of Banking in this State, not subject to the supervision of and not required to report to any officer elected or appointed by the State, shall make use of any office sign at the place where such business is transacted having thereon any artificial or corporate name; nor shall such person or persons make use of or circulate any letter heads, bill heads, blank notes, blank receipts, certificates, circulars, or any written or printed or partly written or partly printed paper whatever having thereon any artificial or corporate name.

No bank hereafter incorporated shall adopt or use the name of any private or unincorporated bank now existing without first obtaining consent in writing from the person or persons who have done business by or under such name.

Any person or persons violating any of the provisions of this chapter not hereinbefore specially provided for shall be guilty of a misdemeanor, and on conviction thereof pay a fine of not less than fifty (50) dollars or more than five hundred (500) dollars for each and every offense, to be recovered before any Court having competent jurisdiction, and all fines and penalties so recovered shall be paid into the State Treasury.

SECTION 2.—This Act shall take effect and be in force from and after Jan. 1, 1888.

Chapter 63, Laws 1887. An Act to amend section ten of chapter thirty-three of General Statutes 1878, relating to banks and banking. Approved March 7, 1887.

SECTION 1.—That section ten (10) of chapter thirty-three (33) of General Statutes 1878 be amended by striking out the words in the fourth and fifth lines of said section, "but the aggregate of the capital stock of said association shall not be less than twenty-five thousand dollars," and inserting in their stead the words, "but the aggregate amount of the capital stock of such association shall not be less than ten thousand (10,000) dollars in any town containing a population of not exceeding one thousand (1,000) persons; and not less than fifteen thousand (15,000) dollars in towns of not exceeding fifteen hundred (1,500) population; and not less than twenty thousand (20,000) dollars in towns of not exceeding two thousand (2,000) population; and not less than twenty-five thousand (25,000) dollars in towns of more than two thousand (2,000) inhabitants, the population in all cases to be determined by the last official census."

SECTION 2.—This Act shall take effect and be in force from and after Jan. 1, 1888.

Chapter 70, Laws 1887. An Act to amend section four hundred and fifteen of chapter thirty-four of General Statutes 1878, relating to the dissolution of corporations. Approved March 7, 1887.

SECTION 1.—That section four hundred and fifteen (415) of chapter thirty-four (34) of the General Statutes 1878 be amended by adding to the same the following words:

Provided. That in case of the dissolution, under this section, of any bank incorporated under the laws of this State, a duly certified copy of the order of the Court adjudging such dissolution shall be at once transmitted by said Court to the State Auditor or other officer having power to authorize the existence of banks, and such copy of such order shall be duly filed in the office of such State officer.

SECTION 2.—This Act shall take effect and be in force from and after its passage.

The practical effect of the first Act quoted is to give to the Public Examiner under the title of Superintendent of Banks, the duties relating to banks heretofore performed by the State Auditor. The second Act given will have the tendency to force all private bankers now doing business and calling themselves by artificial or corporate names,

either to cease using such names and do their business under their proper individual or firm names, or if they wish to continue to use the corporate name to organize themselves under the State laws and become subject to the ministrations of the Public Examiner. It will probably bring most if not all of the banking capital in Minnesota, outside of the national system, under State supervision.

Instructions as to organization in addition to those to be found in the Forms and Instructions for the Organization of State Banks issued from the office of the Public Examiner in 1886, are given in Mr. Knox's circular, and suggestions as to the best way of drawing up and executing the organization certificate, and as to the time of commencing business. The new law in reference to private banks rendering it probable that many of these will organize after January 1, 1888, as State banks, instructions are given to the effect that no poor assets will be permitted to be transferred to the new institutions, and in regard to the books, building, safe and other appliances which a bank doing an orderly and permanent business is expected to have. The Superintendent directs attention to the necessity of observing certain details in the transfer of bank stock in order to relieve the transferee of the individual liability which attaches to a stockholder under the banking laws of the State, and lays down some excellent rules to guide private bankers in the determination of the value of the bills receivable banking house, and furniture and fixtures which they may desire to use in paying up the capital of any State bank they may organize to take the place of the private institution. In closing he gives cautions and suggestions on a number of points which though general in nature are none the less valuable, viz.: "Patience and careful scrutiny is better than haste to acquire at any risk of loss," and the bank should not be in too great haste to place loans when first commencing business. "A proper and wide distribution of loans is always desirable—the province of a bank is to foster and build up all branches of legitimate business in the community, *but not at its own expense.*" "All damaging losses to banks are incurred upon their 'A. 1' paper. No paper is too good to be secured." Directors should be as a rule *loaners* and not *borrowers of money*. "Speculative loans are always to be avoided and also extravagances in bank building and appliances." "If banks *expect* prompt dealing they will usually secure it." The Superintendent concludes with the quotation of that respected saw of which Hon. Hugh McCulloch was, we believe, the author:

"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"

Under the energetic and intelligent supervision of her respected Superintendent of Banks, Minnesota has one of the best systems of State banking now in operation in the United States. If the systems of all the States were as well conceived and vigilantly guarded they might furnish all the banking accommodation required even if the National banking system should hereafter fall into desuetude. The new laws above quoted will by their operation add much to the stability of banking in the State of Minnesota.

FINANCIAL MATTERS IN CHICAGO.

[From the Journal's Chicago Correspondent.]

It was stated in this correspondence a few months ago that there was quite a craze for forming new banks in Chicago. The lead was taken by the organizers of the American Exchange National, which began business in May, 1886, and which immediately won the favor of the public. Within a few months of the day it opened, the Atlas National, Park National, Lincoln National, Fort Dearborn National and a mortgage loan company were started. There were several other schemes but none of them were consummated.

It was very easy to get subscriptions to the stock of these concerns; indeed, there were more applications than could be accepted. But all this is changed. The conviction has been growing in the minds of business men that Chicago has banks enough for the present. This feeling has been confirmed by the experience of the banks in the recent wheat panic. The American Exchange was a heavy loser, and some of the other institutions were obliged to put forth their best efforts to protect themselves and their customers. If there are any new financial institutions in the near future, they will no doubt be savings banks. A law, modeled on the Savings bank law of New York, was passed by the last Legislature, and there is a strong sentiment among leading citizens in favor of starting such banks. There is, however, one serious

difficulty in the way. The constitution of Illinois forbids the formation of banks of deposit and discount (save of course National banks) except after the passage of a special Act by the Legislature which shall be approved by the people at a general election. When the Savings bank Act was passed it was not considered that a Savings bank was a bank of deposit within the meaning of this provision of the constitution. Yet there is a doubt, and naturally prudent men hesitate to go into a Savings bank enterprise so long as that doubt remains. The only way out of the difficulty is to organize a Savings bank and then make up a friendly suit which would be decided by the Supreme Court. Chicago zeal on the subject is, however, not strong enough, probably, to force an issue, and we shall therefore have to wait some time for these much needed institutions. Another difficulty is that there are not many qualified men in the city who care to act as trustees of such institutions for the small compensation that the law allows. The plain fact is that the business men of Chicago are pretty fully engaged in making money for themselves. There is not in Chicago, as there is in the East, a large body of men of leisure and ability who are more than willing to accept trusteeships with little or no compensation.

The commercial banks of the city are doing a handsome business and in most cases making money. The Chicago National has this year increased its capital stock from \$300,000 to \$500,000 and will hereafter pay dividends amounting to 8 per cent. against 6 per cent. last year, the semi-annual dividend of 4 per cent. having been paid the 1st of July. All the other banks that have heretofore been in the dividend list, have kept up their rates, and the Continental National, which passed in January, paid 3 per cent. in July. None of the banks organized last year or this have paid anything, and the stockholders of the American Exchange have submitted to an assessment. The misfortune that befell this institution was just the sort of thing that is apt to come to any well-managed bank. The Fidelity Bank of Cincinnati was one of its correspondents, and the Fidelity Bank was the institution where the men engaged in the recent Chicago wheat deal did their business. The American Exchange was involved in the losses caused by the rascalities of that deal. The American Exchange may lose \$200,000, but whether it does or not it is now in a stable condition. With admirable nerve and promptness the directors decided to levy an assessment of 30 per cent. The money was paid at once, and the bank was in a condition to face all comers and ask no favors. The stock, which during the panic days was absolutely unsalable, has since risen to 110. This is equivalent to 80 without the assessment. The stock sold as high as 123 early in the year. The stockholders therefore have a loss of \$43 a share. There is, however, no doubt that the institution will yet prove a successful one, the men, in control being excellently qualified for their work.

The banks of the city are doing the bulk of the business in securities. There have been many efforts to establish stock exchanges but they have all failed thus far. The trade is therefore conducted privately by brokers or over the counter of banking institutions. Yet the local operations in securities are increasing every year. The country has been informed of the consolidation of all the gas companies of the city under the management of the gas trust. This event has stimulated interest in gas securities. The certificates of the trust are not in great favor, and it is expected that when the big holders attempt to unload there will be a collapse.

The Chicago City Railway Company has been quietly issuing \$1,000,000 more of its 4½ per cent. debentures, making a total of \$4,000,000. The bonds will soon be secured by a first mortgage, expiring in 1902, though the company will reserve the right of redeeming them before that time if it chooses.

This bond has remained at par. Local securities generally have, however, declined, bank stocks and street railway stocks being exceptions. The pressure of high rates for money is felt in the Chicago security market almost as much as in New York. There has been a heavy demand for loans all the year even to the present time, though in ordinary seasons some relaxation is expected in July. The rates now are 6 per cent. for the best paper on first-class collateral, 7 per cent. for less desirable and 8 for small amounts. A few lots of money have recently been loaned on sharp call at 5 per cent. It is not expected that there will be much of a decline in rates before fall as the county demand for currency will begin by the middle of August and counteract any effect that may be produced by the summer quietude of miscellaneous trade.

As for the general financial prospects, it may be said that they are very encouraging. There is a much larger mercantile business than is usual in summer, and great activity

is expected in the fall. But some of the best financiers of the city say that credits are being extended imprudently in many cases, and they fear for the result if this tendency continues.

The closing of the Bucket Shops is already having a beneficial effect on the business of the Board of Trade, but it will require something more powerful than that to pull that institution out of the slough into which it has fallen. Speculative transactions in agricultural products are at a low ebb, though the reports of damage to the corn crop have given a little impulse to that cereal.

The leading stock speculators of the city are generally bears, and N. B. Ream is said to be short of more stocks than ever before in his life. The small operators prefer the bull side but they lack leadership and courage.

There have recently been some large sales of the stock of the National Bank of America, and it is reported that B. P. Moulton will soon retire from the directory.

H. C. B.

UNIFORMITY OF CHECK FORMS.

The Bankers' Club of the city of Chicago are doing a good work by taking in hand the work of inducing the banks and bankers of the United States to adopt forms of checks and drafts which shall conduce to the greatest ease in handling. At one of the meetings Mr. Frank E. Brown, Chief Clerk of the First National Bank of Chicago, made certain suggestions on this point which proved of such interest that a committee was appointed to examine into their merits and practicability. The committee reported in due time, and the report, which was unanimously adopted by the Bankers' Club, is as follows:

First—The adoption of drafts and checks which shall be uniform in so far as concerns the position of the number and amount expressed in figures.

Second—Adoption of the positions for numbers and amounts as proposed.

Third—Adoption of the suggestion that all lathe and line work, *where used as a background for the amount*, be discarded.

Fourth—Discontinuance of the use of all perforators which pit, raise or roughen that part of the check or draft upon which the amount is placed.

The first recommendation needs no argument to establish the wisdom of its acceptance, being rather in the nature of a self evident truth. The third and fourth will be as generally received when it is remembered that the claim of protection made for them is a specious one; that they simply render amounts more difficult to read, without in the slightest degree increasing the difficulty of "raising" them. This is especially true in all cases where pale inks are used.

It is only upon the second suggestion that there can be any material difference of opinion. As it is upon this clause that the vital part of the whole proposal rests, the claims for the positions chosen must be made so logically, practicably indisputable as to carry conviction to any and all objectors. It is believed that the following briefly stated reasons will answer this purpose, though, should they fail to do so, Mr. Frank E. Brown is willing to attempt the answer of any questions that may arise in their consideration. These brief reasons are:

First—The amount in figures, upon every check, should be in such position that the eye will, most surely and mechanically, note not only the figures, but also the facts that the body is properly filled out and the check signed. To this end the figures should be as near the written matter contained in the check as is consistent with other necessities.

Second—The amount should be placed where, in entering same upon any book of record, it cannot possibly be covered up by the thumb of the left hand as that hand lifts the check for inspection and entry.

Third—It should be in such position that the eye will, as nearly as possible, embrace in the same glance the amount on the check and the place in the column where it is to be entered, thus obviating the loss of time now consequent on the necessity of turning the eyes or twisting the head from a search for, and inspection of, the amount, to a search for the position upon the journal or other book of record where it is to be entered. To the change of focus that the eyes are compelled to undergo in this continuous shifting to and from objects at varying distances is no doubt due something of the languor and weariness accompanying each bank clerk's daily work.

Fourth—Finally, when the amount has been put in such position as will best facilitate "calling back," it is correctly placed.

Accompanying sketches show the form as agreed upon for checks and drafts. These sketches are not intended, however, as artistic guides in their general design, but only to mark the material points of the agreement, especially that clause which determines the position of the number and the amount expressed in figures.

Sketch of a check from Merchants National Bank, Chicago, payable to the order of Dubois, Iowa, for 188 dollars. The check features a decorative border, a small illustration of a building on the left, and the text "Consolidated National Bank" and "CHICAGO" at the bottom. The amount is written as "188" and "Dollars".

Sketch of a check from The National Bank of Chicago, payable to the order of, for 188 dollars. The check features a decorative border, the text "CHICAGO, ILL." and "188" at the top, and "The National Bank of Chicago" in a large, stylized font. The amount is written as "188" and "DOLLARS".

Sketch of a check from Tenth National Bank, Chicago, payable to the order of, for 188 dollars. The check features a decorative border, the text "TENTH NATIONAL BANK, CHICAGO" in a large, stylized font, and "CHICAGO, ILL." and "188" at the top. The amount is written as "188" and "Dollars".

To fulfill each and all of these necessities (and it is claimed that the four conditions are necessary to a perfect check) there is but one position that can be selected, viz: the extreme right centre.

As upon certain books of bank record the numbers of drafts are entered, it is well to have all numbers in such relative position to the amount as will enable the clerk making such entry to note number and amount at once and easily.

In answer to a possible objection that checks are and should be entered from the amount written in the body and that clerks will become careless and both pay and

charge from the figures under a uniform system, it can be answered that inexperienced and incompetent clerks will sometimes make grave mistakes under any circumstances, even to the paying of checks that lack a signature; that the majority of bank clerks recognize the important features of a check at once; know that it is dated, signed and filled out for some amount, and that this form proposes to make that amount easy for all clerks to find and determine. This objection, followed to its natural conclusion, might be stated thus: that the more difficult to read and intricate in form a check can be made, the greater the safety ensured to the paying bank. It is easy to carry such an idea to a ridiculous conclusion. The claim here made is diametrically opposed to such an idea. It is, that the plainer and more universal a form can be made, the more rapidly and accurately will banking, and, in fact, all commercial business be transacted.

Except for their varied differences and the greater complexity of their amounts, checks should be entered at a speed and with an accuracy approximating that of the handling of our currency. Much the same reasons that can be urged for a uniform \$5 bill can be urged for a uniform \$5 check; or for that for any other amount.

No interference is intended with the exercise of individual taste as regards the shape, size or design of any check or draft, except in so far as concerns the position of the number and the amount expressed in figures.

The following agreement, which was appended to the report of the Bankers' Club committee as above given upon this whole matter, has been signed by all the National banks, banks and bankers of Chicago:

"We the undersigned banks and bankers of the city of Chicago, do hereby express our approval of the action of the Bankers' Club as recorded above, and will adopt these suggestions and recommendations at the earliest possible moment consistent with the use of our present stock of checks and drafts on hand. We will also use our influence to secure the adoption of this form by each of our customers, city and country, and will mail to each of the latter such circular bearing upon this subject as may be prepared and printed under the power granted by the Bankers' Club to their committee, Messrs. Blair, Street and Hoyt."

The following endorsement of the plan has been signed by the twenty-one leading engravers, lithographers and printers of that city. It should here be stated that the number of signatures might have been indefinitely extended if it had been deemed necessary, as there were no refusals to sign:

"We the undersigned engravers, lithographers and printers of Chicago, having carefully examined the accompanying cuts and argument proposing a certain uniformity in bank checks, as to the location of the number and amount as expressed in figures, do most heartily endorse the principles involved in the same.

"We declare the idea perfectly practicable in so far as we are concerned; and believe that the general adoption of checks agreeing in this particular will be of benefit to bankers and the mercantile public."

Each of the signers to the above, in such cases as the question was asked, agreed to alter any existing plates they might have to the new form without any charge.

The Chicago bankers intend to carry their advocacy of this idea to the American Bankers' Convention to be held in October of this year, and we are glad to be able to place the details of the plan before our readers. The subject of uniformity of checks has already received much attention in this department of the JOURNAL, and communications in regard to its desirability received from very many localities have also been heretofore published, indicating that bankers generally are beginning to feel that a uniform system of checks and drafts would very much lighten the labor and expense now attendant upon this branch of the banking business. This action of the Bankers' Club, indorsed as it has been by the banks and bankers of Chicago, appears to be the beginning of a properly organized and accredited effort, which will, without doubt, ultimately effect the needed reform. The JOURNAL is indebted for the foregoing facts to Mr. R. J. Street, of the First National Bank of Chicago.

Iowa Bankers' Convention.—On June 22d, the *Daily Iowa State Register* of Des Moines published a call to the bankers of Iowa, calling a convention on July 26th, at Des Moines. The object of the convention is to form a State Bankers' Association. The JOURNAL has advocated State associations of banks and bankers as supplementary and necessary to the success of the American Bankers' Association. If matters which come before the latter could be first discussed and put in shape by the State associations, the delegates would have matters in a practical form to act to some purpose.

BANKING AND FINANCIAL NEWS.

THIS DEPARTMENT ALSO INCLUDES: OPEN LETTERS FROM BANKERS, THE WORLD OF FINANCE, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

New Bank at Mamaroneck, N. Y.—Bank Superintendent Willis S. Paine, of New York, has authorized the UNION SAVINGS BANK OF WESTCHESTER COUNTY to transact business, and the bank will open at Mamaroneck about the first of September. At a meeting of the Trustees on July 16th, the following-named gentlemen were elected officers: President, Bradford Rhodes; Vice-Presidents, Samuel G. Purdy, Mathias Banta; Secretary, E. C. Benedict; Cashier, Reuben G. Brewer.

The President of the bank will have a general supervision of its affairs, but such services will in no wise interfere with his duties as Editor of the JOURNAL OF BANKING. The Cashier, an experienced banker, will be the active officer in charge of the routine business.

Mamaroneck is a thriving town, twenty-one miles from New York city, on the New York, New Haven & Hartford Railroad. The new bank is the first one organized in the place, and it will doubtless be a success from the start. The Board of Trustees is composed of well-known residents representing the towns of Mamaroneck, Rye, Harrison, Scarsdale and New Rochelle—adjacent towns of which Mamaroneck is the central point.

The First National Bank, of Charleston, S. C., is one of the oldest National banks in the South. It has a capital of \$250,000 and surplus and undivided profits amounting to \$450,000. It is a United States Depository. The career of success of this association has been uninterrupted and is chiefly due to the business capacity and banking experience of Dr. Andrew Simonds its President. Success in banking in any place is largely to be ascribed to the knowledge of how to apply the general principles of the business to the existing local conditions, and no one has understood better than Dr. Simonds the conditions existing in South Carolina and the South. Two of his sons occupy important positions in the bank, Mr. Andrew Simonds, Jr., being Vice-President and John C. Simonds, Cashier. They are each young men of marked ability, and will become worthy successors of the veteran President. Mr. Henry J. Greer is Assistant Cashier.

The addition to the bankrupt law of New York which was signed by the Governor on June 2nd, and went into effect on June 22nd, provides that in general assignments of debtors for benefit of creditors, any preference other than for wages and salaries of employees shall not be valid to an extent greater than one-third of the bankrupt estate after deducting the amount due for wages and salaries. The one-third is to be distributed pro rata among the preferred claimants.

The South Illustrated.—The boom of business in the South is characterized by an increase in the journals which chronicle the development of southern industries. Among these periodicals of an industrial or financial character one of the best is the "South Illustrated" published monthly in New Orleans, which with its June number begins the second year of its existence. The agricultural, industrial and manufacturing interests are treated of in well written articles. Any one who desires to know the southern portion of our country and the financial and industrial opportunities there cannot do better than to take the "South Illustrated."

Accumulation of Savings.—A woman employed as a weaver in a mill at Lowell deposited \$40 in the Lowell Institute for Savings in 1832. At various times between that year and 1852 she added to the deposit until it amounted to \$153. In 1875 the principal with dividends earned amounted to \$1,406. She has since drawn out \$700 and the whole amount to her credit in 1884 was \$1,027. She has since allowed \$1,000 to remain on interest and her income is \$40 a year. She is now about eighty years old. A colored

woman put \$94 in a Baltimore Savings bank in 1837, and when drawn out by her descendants the other day it had increased to a little over \$2,300.

Italian Co-Operative Banks.—Some interesting and suggestive information is to be found in a recent British Foreign Office trade report on the system and working of co-operative people's banks in Italy. There were 316 of these institutions in operation in 1884, and 107 new ones are stated to have been started in 1885. The smaller number had a paid-up capital of 55¼ million lire, and about 200 million lire of deposits in one form or another. They appear to do a profitable business, partly at least on the mutual principle, and have done not a little to lower the charges for interest which used to prevail in Italy, especially in the south, and grind the agricultural population down.

The Owl Creek Bank.—In the days of wild cat institutions this bank was well known. The customers found its sign over the door of a log cabin in a sylvan glade on the classic shores of Owl creek far from the busy haunts of men. The door was closed, but a tin horn hung outside, with which to summon the management. The President, Cashier and Board of Directors was ploughing or attending to his agricultural duties about his farm. The sound of the horn brought him, and if the customer's intent was to deposit money the bank was promptly opened, if to draw money, the urgency of rural occupations, precluded any attention to banking business on that day.

The Coxsackie Savings Institution has also been closed at the instance of bank Superintendent Paine, by order of Judge Landon of the Supreme Court. Its securities will, it is said, meet the liabilities to depositors if time is given to realize on them. It owed depositors \$148,600. Dwight the Cashier of the National Bank was Secretary of the Savings Institution and it is stated that a large portion of its questionable assets were acquired from the National bank. There are many features of this joint disaster to the National bank and Savings Institution at Coxsackie similar to those surrounding the failure of the National bank of Fishkill many years ago. In both instances the officer who caused the trouble concealed his fraudulent operations by using his double position as officer of two institutions. When one was examined he brought funds and assets from the other to enable him to keep up appearances.

Stamping Counterfeits in Canada.—A necessity is felt in Canada for a law requiring bank officers and employees and government officers and employees to stamp counterfeit, altered or worthless upon every counterfeit or fraudulent note issued in the form of a Dominion or bank note, also forbidding the disfiguring or defacing genuine notes by stamping or printing advertisements on them and preventing the printing of advertising circulars in imitation of bank or Dominion notes. Similar provisions in regard to National bank and United States notes are already contained in the Federal laws. The proposed enactment will prove of much benefit to the public in Canada as it has here. It is said that the notes issued by the Dominion government are in a very worn and filthy condition and that there is no way of securing new notes in exchange for those that are mutilated. The government it is said pursues this course with a hope that a large number of these notes will thus wear out or be lost in the hands of the people, and be so much gain to the treasury of the Dominion.

The Montreal "Stockholder" some time since intimated that the Hochelaga Bank of which the Cashier A. D. Parant, recently absconded, and which has previously had experiences of the same kind, owes its misfortune in this respect to parsimony in the payment of its officers and remarks that to get good men a bank "must pay, and pay well." Parant was arrested in this country, and on the day of the preliminary examination at Buffalo, N. Y., it was found that the Hochelaga Bank had, in consideration of the repayment to it by Parant of the larger portion of the funds stolen by him, agreed not to appear against him, in other words it had compounded the felony. The State authorities were consequently compelled to drop the proceedings against the defaulting officer. He was however arrested at the instance of the Guarantee society on warrant from the State of Illinois charging him with having, in violation of a law of that State, brought stolen property within its borders. It is possible the Hochelaga Bank took this method of securing its money, with the understanding that Parant would be punished all the same under the new charge.

The National Bank of Coxsackie.—On June 15th, Mr. E. M. Getman, National bank examiner, made an examination of the above bank, and much to the surprise of

the directors discovered that the capital of \$112,000 was impaired to the extent of \$67,200. The directors say in a circular letter issued to the stockholders that, "A recent official examination of this bank demonstrated to our great surprise that our trusted Cashier of 20 years, Mr. Sidney A. Dwight, had proved to be a defaulter," for the amount. They further say, "The utmost diligence on the part of this board, in whole or in part, would have failed to have discovered the default, as he, the said Dwight, created liabilities which did not appear, nor are they in any form on the books of this bank, he carrying the same in other banks. He also carried some fictitious accounts on the books. He, the said Dwight, was also Secretary and Treasurer of the Cossackie Savings Institution and Treasurer of a large manufacturing establishment located at this place, the financial business of the same being operated by him in the banking office, and, enjoying the fullest confidence of the whole community, it will at once become obvious to you how easily he could manipulate to cover his tracks and make one or both serve his purpose to fill defects in the other. In fact *expert* officials have been deceived, dust being thrown in their eyes, and we all are indebted to the more than usual scrutiny of the present examiner, Mr. E. M. Getman, in saving us what we have left."

The directors do no more than justice to Mr. Getman who is one of the best examiners in the service, when they confess that his scrutiny discovered what they confess their own inability to detect. The high praise involved in this can be realized when it is considered how much better chance directors who are constantly on the ground have, if they avail themselves of it, than an examiner who only visits a bank occasionally. The Comptroller on June 21st ordered an assessment on the stockholders to be made for the amount of the loss. Dwight the defaulting Cashier, who so betrayed the high appreciation which his friends and business associates entertained for him, is under arrest. He is over seventy years of age.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

- Atlanta, Ga., refuses to license bucket-shops.
- A bank building is to be erected at Huron, Dak.
- July 2, 1887, was observed as a whole holiday in New York.
- Gold, it is said, has been discovered in Wisconsin and northern Michigan.
- Mac Juer & Barclay, stock brokers, of Montreal, suspended payment June 24.
- Both the export and import trade of Japan show an increase during the year 1886.
- John Sailer, of Sailer & Stevenson, bankers, of Philadelphia, recently sailed for Europe.
- The new German Imperial loan of 100,000,000 marks was subscribed for seven times over.
- The *Financial Chronicle* for the first six months of 1887, can now be procured in a bound volume.
- D. W. Irwin, President of the American Exchange National Bank, of Chicago, resigned on June 27th.
- John Shaw, a private banker of Wardsville, Ontario, absconded July 4th. Liabilities about \$10,000.
- The Second National Bank, of Hoboken, N. J., was opened for business on July 1st. The capital of the bank is \$125,000.
- It is reported that the combination among the rubber boot and shoe manufacturers is making favorable progress.
- The Canadian Pacific Railway and Steamship lines are making a specialty of importing teas from China and Japan.
- The Maverick National Bank of Boston has issued a manual which gives about 200 pages of financial information.
- A bank called the Peoples Bank, has recently been organized at Perry, Mo., with capital of \$30,000, 20 per cent. paid up.
- The proceedings of the third convention of the Dakota Bankers Association held at Watertown, Dakota, on May 24, and 25, 1887, given at length in the July

number of the JOURNAL, have been printed in neat pamphlet form with constitution and by-laws of the association.

— The Governor of Georgia says that the barriers in the way of paying the repudiated bonds of the State are insurmountable.

— To see the financial reports from Washington one would think that there will be no danger of the accumulation of any surplus.

— The Stock Exchange on July 18th passed resolutions in honor of Mr. A. B. Hill, its Vice-President, who died suddenly on July 15th.

— War has been declared on bucket-shops in Montreal by large grain and stock operators on account of alleged fraudulent dealing.

— The joint resolution of March 17, 1864, authorizes the Secretary of the Treasury to pay a years interest in advance on the public debt.

— Mr. Randall of Pennsylvania recommends, as the best way of stopping surplus revenues, abolishing the tax on whiskey and tobacco.

— A. C. Lange, who embezzled \$30,000 in Muskegon, Mich., two years ago and fled to Canada, was recently decoyed across the line and arrested.

— Packages of gold imported have to be inspected for fear they may contain goods subject to duty, in other words used for smuggling.

— Some hopeful people seem to regard wheat deals, bank failures, and financial flurries as fortunate events. Doubtless they are for the survivors.

— Mr. W. H. Mellins, Assistant National Bank Examiner at New York, has been elected Cashier of the bank of New Amsterdam, of New York city.

— The Tenth National Bank, of Philadelphia, contemplates erecting a new building on a lot lately purchased by it near Columbia avenue and Broad street.

— The Act of July 11, 1862, authorizes the Secretary of the Treasury to purchase bonds at the current market value. This applies to bonds for the sinking fund.

— The customs service at the port of New York is being reorganized in accordance with the report of the Investigating Commission recently submitted on the subject.

— The first bale of Georgia's new crop of cotton was sold at the New York Stock Exchange July 8th, at 20 cents a pound. Its market value was between nine and ten cents.

— The dividends of New England cotton manufacturing companies so far declared this year indicate an increased profit over the previous year and some revival in the business.

— Wilson, the defaulting Treasurer of the Delaware & Chesapeake Canal Co., is using the money he took with him to defeat the extradition proceedings brought against him.

— The balance at the New York Clearing-House on Saturday, July 2d, was over \$11,000,000, being the largest in the history of the institution with the exception of that of July 2, 1879.

— In a case arising from an attempt to collect a license tax of commercial travelers the Court of Appeals of the State of Texas has overruled a decision of the United States Supreme Court.

— A Western bank has posted in a conspicuous place, "Bank Cashiers intending to abscond will please give the President a weeks notice." Probably so that the President may go with him.

— It is said that the price paid for cotton seed by the American Cotton Oil Trust is so low that the planters prefer to use it for manure, for which purpose it is said to exceed commercial fertilizers.

— Two hundred and fifty thousand dollars 4 per cent. ten and twenty year refunding bonds of the city of Erie were recently awarded to S. A. Kean & Co., of New York and Chicago, at 1.5624 per cent. premium.

— During the fiscal year ending June 30, 1887, 217 new National banks were authorized to commence business. Up to the same date 3,741 National banks have been organized of which 3,006 were in operation.

— The silver bullion certificate business in New York seems to have excited some alarm in London. The Bank of England has consented to become a depository of silver bullion and is to issue certificates therefor.

— During the first six months of 1887 the number of fires in the United States is reported at 1103 and the loss at \$62,921,000. During the corresponding period of 1886, the loss was \$53,900,000 and of 1885 it was \$50,750,000.

— Comptroller Trenholm has declined to make public a statement, received from Bank Examiner Snyder, of the affairs of the Fidelity National Bank on June 30th, the day of its failure. He desires to consider it carefully before doing so.

— The Mexican Financier criticises the Bureau of Statistics at Washington because it reports exports from the United States to Mexico, \$7,000,000 annually, while the Financier insists that the annual exports to Mexico from this country are \$20,000,000.

— The Stock Exchange claims that its members are preferred creditors of their indebted associates and are entitled to have the amounts due them paid out of the proceeds of the sale of the seats of the indebted members. This question is to be tried in the Courts.

— The Insurance companies charge from 85 cents to \$3 per \$100 to insure whiskey. This is said to be too high as the losses by fire since 1872, are estimated to be 1,874,585 gallons out of 554,549,454 gallons stored, showing an average loss of 34-100 of one per cent. or 38 cents only on the \$100.

— A number of creditors placed attachments on the property of the Fidelity National Bank in order to secure preferences—which are said to have been dissolved by the recent action of the Court forfeiting the bank's charter under the provisions of section 5239 of the Revised Statutes.

— The Act of March 3, 1881, authorizes the Secretary of the Treasury to apply surplus money in the Treasury not otherwise appropriated to the purchase or redemption of United States bonds. The bonds so purchased to constitute no part of the sinking fund, but to be cancelled.

— Harper says, if the Bank Examiner had not appeared just when he did there would have been no trouble with the Fidelity National Bank, and that the action of the Examiner in closing the bank at a critical time in the wheat deal, defeated what would otherwise have been a profitable scheme.

— The first deal in the registered silver bullion certificates issued by the Western National Bank and countersigned by the Mercantile Safe Deposit Company was made at the Stock Exchange on Friday, July 22d. The certificates called for 2,000 ounces of silver 1,000 fine and brought 96¾ cents per ounce.

— The Brooklyn Trust Company, since its reorganization some ten or twelve years ago, has been conducted with marked success. Its accumulations in that time have exceeded its capital by one or two hundred thousand dollars. On the 20th of June its stockholders were offered \$1,000,000 additional stock at par.

— The annual report of the New Hampshire Bank Commissioner shows that the New Hampshire Savings banks are extending their loans in the West. They have \$50,822,762 deposits an increase of \$3,760,208 within the year. The sum loaned on Western farm or city mortgage security has increased \$3,030,227.

— The machinists of Europe are, it is said, unequal to producing a monkey or screw bur wrench equal to the American and not less than 80,000 dozen are exported to Europe alone every year. Although generally spelt monkey wrench, the name is derived from the inventor Charles Monckey, who is still living.

— The failure of Julius Runge, Cotton Broker, caused some fears as to the safety of the First National Bank of Galveston, Tex., and the Island City Savings Bank of the same place. He was President of the former bank and Director in the latter. Neither bank was found to be involved in the matter, and no run occurred.

— The Lenox Hill Bank has been incorporated and is open for business on the southwest corner of Seventy-second street and Third avenue. Its capital is \$100,000, with power to increase to \$500,000. Among its principal shareholders are F. W. Williams, of Williams, Black & Co.; Anderson Fowler, of Fowler Brothers; Edgar Lockwood, of John Munroe & Co.; S. M. Milliken, of Deering, Milliken & Co.; C.

A. Troup, of C. A. Troup & Co., J. S. Radway, of Radway & Co.; Chester Billings, of Randel, Baremore & Billings; E. M. Knox, A. L. Myers, S. H. Lessynsky, and Morris Goodhart.

— Sir Edward Thornton and Mr. Bradthwaite, agents of the English holders of bonds of Virginia, state in their report of the result of their conference with the Virginia Commissioners, that there was no sincere desire on the part of the representatives of Virginia to arrive at any settlement with the bondholders other than on the State's own terms.

— A plan for increasing the business at the Boston Stock Exchange was recently presented to the Governing Committee. It consists of three propositions: Fortnightly instead of monthly settlements; a reduction of the commission charge from 1-8 to 1-16; the adoption of a rule that no member of the Stock Exchange shall be an officer of any company, securities of which are dealt in at the Board.

— Railroad earnings for five months from January 1 to May 1, 1887, of fifteen roads were as follows: Gross earnings, \$80,577,729, net earnings, \$49,852,369. For the same period in 1886, the gross earnings were, \$68,656,496, net earnings, \$23,442,458. During the first five months of 1885 the gross and net earnings were \$72,198,177 and \$5,916,121. This indicates not only an increase of earnings but a reduction of expenses for 1887.

— The suit of the Receiver of the Pacific National Bank against the Directors of that institution to recover losses incurred by their negligence, the bill included losses incurred by stockholders by reason of their having been induced to subscribe for new shares. This bill was argued on demurrer and thrown out for multifariousness. An amended bill was presented demurred to and argued on demurrer, and also thrown out for the same reason.

— The Bank of New Amsterdam, New York city, filed its certificate of incorporation in the County Clerk's office June 15th. The stock is \$250,000 with liberty to increase to \$1,000,000. Among the stockholders are Messrs. William Dowd, Jacob D. Vermilye, Jesse Seligman, Frank Tilford, Louis A. da Cunha, George Jones, Thomas C. Acton, Benjamin Brewster, S. D. Babcock, J. A. Roosevelt, W. H. Tillingast, George Bliss, W. T. Schley, Elihu Root, G. Hilton Scribner, Howard Scribner, Thomas P. Fiske, W. W. Wall, Marshall B. Blake, Robert Goellet, W. B. Northrup, George A. Parker, C. B. Agnew, John A. Stewart, Alexander Cash, and L. W. Parker.

— The new law taxing the stock of corporations, which was passed before the adjournment of the Legislature, provides that every corporation, joint stock company, or association incorporated by or under any general or special law of this State, having capital stock divided into shares, shall pay to the State Treasurer, for the use of the State, a tax of one-eighth of one per centum upon the amount of the capital stock which said corporation, joint stock company or association is authorized to have, and a like tax upon any subsequent increase thereof. The said tax shall be due and payable upon the incorporation of said corporation, joint stock company, or association, or upon the increase of the capital stock thereof; and no such corporation, joint stock company, or association shall have or exercise any corporate powers until the said tax shall have been paid. The Act does not apply, however, to literary, scientific, medical or religious corporations, or those organized under the banking laws of 1822 and 1881.

National Bank of the Republic.—Special attention is directed to the advertisement on page iii. in front of JOURNAL, of the National Bank of the Republic of New York city, and to the remarkable growth in the business of the institution since June 15, 1884, shown by the comparison between the statement of that date, and the statement of August 1st of the present year. In 1884 the loans were \$3,359,523. On August 1st they were \$7,436,905. The deposits were, \$4,822,042. By the latest statement they are \$11,141,504. The reserves of specie and legal-tender notes have increased much more than proportionately. Other elements of strength can be seen by consulting the advertisement. In April, 1884, the Hon. Jno. Jay Knox resigned the position of Comptroller of the Currency, held by him more than twelve years, to become President of the National Bank of the Republic, and the favorable change shown by the statements is chiefly due to the confidence of the public in the watchful and conservative methods of banking of which Mr. Knox has always been an exponent. In the long run, a reputation for care and safety is sure to obtain the most desirable class of deposits.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

FINANCIAL LEGISLATION.

Editor Rhodes' Journal of Banking:

Those persons who watch the course of legislation in reference to banking and financial interests are looking forward with considerable interest, not unmingled with anxiety, to the next session of Congress. Whether it will be a fruitful one in financial legislation cannot be predicted now; but certainly it cannot fail to be a very important one, for matters are in such a condition that no legislation will be almost as hurtful as any legislation, however bad. The disposition of the surplus fund; the silver question, which has been held up to the country in every aspect of which it is capable; the extension of the National bank system, and the Inter-State Commerce Act are among the measures which imperatively demand the attention of Congress. There are other measures, such as tariff reform and commercial treaties with foreign nations, of no less importance to the public interests, though, perhaps, not so closely connected with the banks themselves. Important measures have been brought to the attention of Congress, and have not received the discussion which was their due; for example, the bill drawn up by Mr. C. C. Bonney, of Chicago, providing for a National Bills of Exchange Act, and the several bills providing for a guarantee of deposits in National banks. What will Congress do in regard to these matters? Most probably nothing. The silver interest will no doubt be strong enough to block legislation which it does not approve; while the opponents of the National system, though they may not be able to overturn it entirely, may muster sufficient force among the labor men, greenbackers and State's Rights people, if not to overturn the system, at least to prevent its extension and development.

I have always considered one of the most valuable functions of the JOURNAL to be the discussion in its pages of these various measures, as they are proposed in Congress itself or in the press generally; and I read with interest anything that appears in your publication bearing on these matters.

B.

PROVIDENCE, R. I., July 10, 1887.

HOW TO READ THE "JOURNAL."

Editor Rhodes' Journal of Banking:

Having been reading the JOURNAL for a good many years, I have found out by experience that there is a right and a wrong way of doing that as well as everything else. Formerly it was my custom to glance rapidly over the pages of the JOURNAL, to pick out what I thought was interesting, and to give what was left but scanty attention. Very often, of course, it was mere chance whether I really got the best of the JOURNAL or not, for my attention was frequently caught by an attractive head line, or by two or three pleasing sentences in an opening paragraph. The legal decisions, it must be confessed, I at first passed over, thinking them too abstruse to repay attention, or too dry to invite it; but experience, as I have said, taught me the error of my ways, and I have found that the plan that I now systematically pursue is the best way to get all out of the JOURNAL that there is in it—at least for me. First I run over the table of contents, in order to form a clear idea of what is before me. The first thing I read after that is the advertisements. These, I may say, never escape close and careful attention, for I find that they reflect, as it were, the spirit of the times, and one can tell by the wording of different advertisements the general way in which the banking business is being conducted, what parts of it are paying best, and what parts are gradually falling into disuse. Particularly is this the case, since, under the influence of Journalistic enterprise, banks advertise now much more freely and liberally than formerly. Every now and then one picks up an idea in reference to a new correspondent or some improvement in bank furniture or fixtures which will repay several times the price of his subscription bill. After the advertisements in the

first part of the JOURNAL, I read the editorial comments very closely, and, though I am not personally acquainted in the editorial rooms, I would venture to say, from the diversity and ability of these notes, that they are the product of more than one able mind. If one glances over the editorial notes in, for example the June issue of the JOURNAL, one finds some useful remarks upon almost every topic which had interested the financial world for the previous month. Following these editorial comments come carefully considered papers on several important topics. Among them a biographical sketch of a distinguished Western banker, who not only achieved success himself, but whose life affords a brilliant example to all who, avoiding the delusive short cuts to fortune, would follow the well-beaten track of honesty, industry and economy. Indeed, this number seems peculiarly fruitful in practical papers, for it includes two of the prize essays on country collections. The interesting and amusing signature articles are well continued. Then follows the notes and comments on Practical Banking. After this comes the important Department of Banking Law, which, when rightly used, constitutes, in my opinion, one of the most important parts of the JOURNAL. The style of the editor in charge of this department is so simple and direct that any layman can readily understand it. One may not become a bank lawyer from reading these comments and cases, but one may certainly acquire a very large and varied knowledge of law, and a knowledge of the more practical cases which embody the most recent decisions of the Court. The cases are exceedingly practical, for they all arise out of circumstances which have actually occurred. But perhaps the chief use in reading these comments and cases is that there is stimulated a desire for more thorough and accurate knowledge; and after one has become accustomed to read this part of the JOURNAL, carefully and profitably, the mind craves more solid food, and one easily passes on to the pages of Morse and Daniel and the learned and brilliant commentaries of Story and Chitty. The replies to law and banking questions, which find a place in this department, are of immense practical value to the careful reader, and no one who has any question of general interest to propound should hesitate to forward it to the editor. The Department of Banking and Financial News has always been to me extremely interesting, presenting as it does, a bird's-eye view of what is going on all over the United States. This I should suppose to be a very difficult department to conduct successfully, as the person in charge, must of necessity, be compelled to read constantly the papers from all the leading financial centers of the Union. The correspondent's department, recently opened, has been a valuable addition to the JOURNAL, and one I hope as welcome to all its readers as it has been to me. Indeed I must confess that once or twice, under a modest *nom de plume*, I, myself, have imposed upon the patience of my fellow readers. The clippings from exchanges have often suggested lines of thought, interesting and profitable, though perhaps some of them show that their readers were not very well accustomed to follow lines of thought upon any subject, least of all, upon finance. A bulletin of new banks, etc., has always kept me well posted as to changes of officers, of corresponding banks, and, occasionally give me useful points on other matters. The general monthly review of the financial situation shows careful thought and long experience, the tables and quotations being particularly useful for reference. Last, but not least, in point of consideration comes the record of those, who having finished their work in this world, have passed over to the silent majority. I have thus endeavored to indicate what seems to me the most profitable way of using the pages of the JOURNAL, and have illustrated it by reference to a recent issue. As my method is the result not of theory but of experience, I have ventured to impose upon your patience at some length in order to set it definitely before my fellow subscribers.

READER.

St. Louis, July 7, 1887.

NATIONAL BANKING.

Editor Rhodes' Journal of Banking:

In a recent issue of the JOURNAL a correspondent from Baltimore took occasion to offer some criticisms upon the National banking system, and seemed to favor a return to the old system of State banks. It will probably be admitted without dispute that banks of some kind or other are a necessity to civilization, at least to civilization as we know it to-day, and as civilized people have known it for many hundred years past. It may be contended that government supervision of banks is not an absolute necessity, but I do not remember ever to have seen that contention by any writer of

authority. All seem to admit that government supervision in some form or other is indispensable. The arguments in support of this proposition are, in the main, the same as those adduced in favor of government supervision over corporations of various kinds, over common carriers, inn-keepers, manufacturing establishments, and to some extent, over merchants conducting a private business. Exactly where the line should be drawn between private liberty and governmental control is, of course, a fair matter for argument, and perhaps it will be difficult to lay down any definite rules which would apply in every case. Each case, it would seem, must be determined on its merits. The right of the State to exercise control over corporations can scarcely be disputed. The combination of persons for the purpose of forming a corporation is in itself a franchise or privilege granted by the State as a matter of grace. It is not an inherent right like the right of private property, for example. The State in granting this privilege to form a corporation has a right to accompany the grant with such restrictions as it may see fit, and charters are usually granted with a great many restrictions, the general rule of the law being that a corporation has no rights whatever except those that are conferred in its charter, and that its charter, even then, must be construed strictly. A bank being a corporation is the creature of the government, and it is not only the right, but it is the duty of the Government in granting the charter to throw around that grant such restrictions and safeguards as may best tend to carry out the purpose of the charter, and, at the same time, to protect the interests of the State and of her citizens. We do not take notice of private banking, for, whatever may have been the case in the past, it is not likely, at this day, that private banks will ever flourish again to so large an extent as to make their interests in this discussion of any great practical importance. Two questions then arise. First, Whether, under our system of Government, this control is to be exercised by Federal or State authority, and second, What form that control should assume. From a practical point of view, the latter has been tried in this country very faithfully, and has been found sadly wanting. The former has also been tested by actual experiment, and, comparatively at least, has been found a success. The control of the Federal authority is much stronger than the authority of an individual State. It is also more uniform, substituting for the various laws of many different communities one form of law for the whole country, subject to the uniform interpretation of the Federal Courts. This latter advantage is simply enormous, and has greatly tended to facilitate commercial transactions between distant parts of the country, and to secure a uniformity not only of banking law but of banking customs. It would be admirable indeed if the same uniformity of law and custom could be extended still farther so as to include bills of exchange, promissory notes, and other commercial paper. While the action of Congress, especially in financial matters, is at best uncertain, it is not so uncertain as that of the State Legislatures, for their ways are in the depths of the sea. Perhaps there has been no one force which has so tended to mould the people of this country into a homogeneous body as the uniformity of banking law, which has been brought about by the National system. Varying laws and customs always act as a barrier to commercial intercourse, and while they benefit largely the favored few who make these differences a special study, they are always highly disadvantageous to the general body of traders. The right of the Federal Government to create National banks has been too often affirmed to be longer a subject of argument. The National banks present a strong united body, acting under well defined and settled laws, and amenable to the strong power of the Federal Government. The State banks present an aggregation of independent bodies, under many different and conflicting laws, and amenable, some to one authority, some to another, and, for all practical purposes, some of them to no authority at all. As to the practical operations of the system, much stress, if I recollect rightly, was laid by your correspondent upon the failure of the Marine National Bank of New York in the panic of '84: the suspension of the Metropolitan; and what came very near being the failure of the Second National; but these examples show rather the strength than the weakness of the National system. No one has ever contended that the National bank Act could put "honesty into dishonest hearts, or brains into empty skulls," but it is contended that the National bank Act is much more effectual than the old State system in keeping dishonest people from breaking banks, or foolish people from ruining them. Under the old State bank system the panic of 1884 would have swept over the country, and bank after bank would have burst like bubbles. The after results would have been felt for years, and

the business of the country would have been set back for a decade. As it was, the evil effects of the panic stopped precisely where it began, namely, with the banks that had been improperly administered, and with their immediate dependents. If there is any truth in the old saw that "The proof of the pudding is in the eating," we certainly had an excellent illustration of it on that occasion.

The powerful aid which the National banks are capable of rendering the Government in the event of war is so important that it may be mentioned again, notwithstanding your correspondent seems to think that the time is near at hand when it may be truthfully said:

No war nor battles sound
Is heard the world around.

The security of depositors under the National system has been proved by experience to be far greater than that which was obtained under the system of State banking, for, while National banks do fail, and sometimes very badly, yet on the whole they have averaged hitherto nearly seventy cents on the dollar to the depositors: paying the note holders in full on demand. Can your correspondent give us a showing like this, for the precious State banks which deluged the country with wild-cat money, and when they did break, which was very frequently, and usually very badly, scarcely paid anybody anything. The confidence which the public have acquired in National banks as compared with State and private banks is the result of experience and observation, and is fully justified by past history. National bank failures are to be expected and will occur from time to time, but taking the whole number of failures on an average, the showing is not discouraging to the friends of the National system. In another letter I may discuss the specific restrictions which are imposed upon banks organized under the National system endeavoring to show that they are only such as have commended themselves to the judgment of the experienced and prudent.

BALTIMORE, July 15, 1887.

SUBSCRIBER.

THE WORD "BANK" AGAIN.

Editor Rhodes' Journal of Banking:

SIR:—I notice the discussion going on in the open letter department of the JOURNAL OF BANKING relative to the derivation of the word bank. One side contends that it is derived from the Italian *banco*, or bench, because the Lombard Jews used benches as the basis of their exchange offices, and the term bankrupt originated from the custom of breaking the bench of the unfortunate or dishonest dealer who did not meet his engagements. The other side contends that the term is derived from the fact that a bank is an aggregation of money, brought together by its stockholders and customers—a bank or heap formed by the contributions of many. The authorities for both of these derivations are fully given in the correspondence referred to. It seems to me, however, admitting that the derivation from "*banco*," or bench, may have some historical support derived from the practice prevalent among money dealers before banks in the modern sense were conceived of, yet the application of the name "Bank" to a moneyed institution the capital of which is contributed by a number of persons is the result of the analogy between such a mass of capital so contributed and a bank of sand or other materials formed by the aggregation of particles.

If it be true, that the Lombard Jews conducted their money-changing business on benches in the open air, as apple and peanut vendors do in modern times, with ducats, zechins and caroluses spread out temptingly before a public, who seem to have been under little police restraint, inasmuch as they are stated to have broken the benches of insolvent dealers without trial by judge or jury, it will be found that business was conducted in this way, if at all, long anterior to the establishment of banks in the sense now used. Scott does not describe Isaac of York as doing business in this way, nor what is more to the purpose do we learn that Shylock, an undoubted dealer in money, had a bench of the kind at Venice. Many tales are told upon authority that have passed current for centuries and yet have proved to be myths on later investigation. Even dictionaries and scientific works frequently fall into respectable and long worn ruts which are found to have no reason for existence except the softness of the heads in which they were originally marked out. I would like the correspondent whose letters teem with such eminent marks of minute erudition to point out at what date the Lombard Jews did business in the manner indicated, and whether this date was anterior to the establishment of the banks of

Genoa and Venice. Also to give sufficient of the history of the organization of those banks, which he doubtless can do from his knowledge of the records of those times, to enable a judgment to be formed of what the men who organized these institutions meant when they used the term "bank." Even if we admit the existence of the money benches of the Lombard Jews, it is very difficult to see any connection between their methods of business and that of a bank.

In the oldest sense bank meant a ridge or mound, and ridges and mounds of sand and earth were just as surely and obviously aggregates of particles of sand and earth as they were slight elevations above the surface. Both senses are indisputable, and from one comes the word "bank" and the other the word "bench." Is it not more correct and direct to argue that an institution called a bank, which institution actually is an aggregation of capital, is so called because the term bank meant an aggregation originally. It seems a little more like "going around the seven sides of Robin Hood's octagonal barn to reach the eighth side," to define the original meaning of bank to be a rise of ground, hence a bench, and then from bench and the Lombard Jews get back to bank again. If there is any foundation other than fanciful to this, why was not associated capital called a bench, and the man who runs it a bencher. I think there is no evidence whatever that the founders of the banks of Genoa and Venice used the word "bank" in any other sense than the natural and obvious one of an aggregation of credits or money, the old story of the Lombard Jews and their benches to the contrary notwithstanding. In fact the authorities for this story remind one of the ancient satyr described by Bret Harte: "Scratching his ear with his hoof and painfully mumbling his chestnuts."

The history of banking in later times shows that the founders of the Bank of England, the promoters of so called banks of paper money in New England and other countries, Alexander Hamilton and Robert Morris, the fathers of banking in the United States, all used the term bank in the sense of an aggregation of credit or money. Macaulay says that the Bank of England received the support of the Government because it was an aggregation of the funds of many, from which the Government could draw. He writes: "Formerly * * * it had been necessary for the Chancellor of the Exchequer to go hat in hand up and down Cheapside and Cornhill * * * and to make up a sum by borrowing a hundred pounds from this hostler and two hundred pounds from that Iron Monger. These times were over. The Government instead of laboriously scooping up supplies from numerous petty sources, could now draw whatever it required from one immense reservoir, which all these petty sources kept constantly replenished." Mr. Thorold Rogers, in his "First Nine Years of the Bank of England," says that the Act which founded the Bank of England sought to raise a loan of a million and a half pounds, and promised to such subscribers as raise an aggregate of £1,200,000 the title of Governor and Company of the Bank of England. Here it is plain that the term bank means an aggregation of money; but, less this should not be decisive, we find further from this authority that the first seal of the Bank of England printed on the earlier notes, represented Britannia seated on a bank or mass of money. In a chapter on "Colonial Paper Money," in "United States Notes," by Hon. Jno. Jay Knox, we find that issues of paper money were authorized to be made by the Colonial Treasuries, to be loaned to citizens on mortgages. The round sum or aggregate amount to be so loaned was called a bank. Alexander Hamilton and Robert Morris, who copied the English system, always speak of a "bank" as an aggregation of capital or credit. The word is moreover used in the same sense in the case of a bank for gambling purposes. I am not now referring to the Fidelity National of Cincinnati; but to faro Banks or the bank at Monaco. In the latter case there might be some reason for deriving the word from a bench or table, as the operations of banks of this kind, like those of the mythical Lombard Jews, are confined to the table, around which the players gather.

EXTERIOR.

WASHINGTON, D. C., July 20, 1887.

Swindler.—A person representing himself to be T. J. Carleton, has been swindling various Illinois banks during the past month by cashing checks of fifty dollars each, purporting to be drawn on the Indiana National Bank of Indianapolis by "R. S. Foster & Co." "Moore Combination Desk Co." etc These checks also bear the forged certification of the cashier of the Indianapolis bank.

NATIONAL BANKS OF THE UNITED STATES.—Abstract of reports made to the Comptroller of the Currency, showing the condition of the National Banks in the United States at the close of business on May 13, 1887; and, for comparison, an abstract of the reports of October 7, 1886. [Cents omitted.]

RESOURCES.

	Oct. 7, 1886.	May 13, 1887.
Loans and discounts.....	\$1,443,685,740	\$1,553,768,029
Overdrafts.....	7,288,814	6,523,752
United States bonds to secure circulation.	258,498,950	200,452,300
United States bonds to secure deposits....	20,106,900	24,920,500
United States bonds on hand.....	12,328,500	8,157,250
Other stocks, bonds and mortgages.....	81,827,768	88,081,125
Due from approved reserve agents.....	140,764,579	148,067,875
Due from other National banks.....	80,528,615	105,576,942
Due from State banks and bankers....	20,140,256	22,746,190
Real estate, furniture and fixtures.....	54,090,071	55,729,066
Current expenses.....	7,438,741	7,781,152
Premiums paid.....	14,303,529	16,806,423
Checks and other cash items.....	13,277,189	13,065,663
Exchanges for Clearing-House.....	95,536,941	86,829,364
Bills of other National banks.....	22,734,085	25,188,137
Fractional currency.....	484,221	556,186
Trade dollars.....	1,889,794	184,204
Specie, viz:		
Gold coin.....	\$71,682,807	\$78,864,674
Gold Treasury certificates. .	48,426,920	56,387,010
Gold Cl'ar'g-House certifi'cs	24,520,000	21,489,000
Silver coin—dollars.....	6,465,792	7,139,180
Silver coin—fractional.....	2,681,524	3,134,612
Silver Treasury certificates..	2,610,652	5,121,188
Legal-tender notes.....	—156,387,696	—167,315,665
U.S. cert's of deposit for legal-tender notes	62,812,322	79,595,088
5 per cent. redemption fund with Treasurer	5,555,000	8,025,000
Due from Treasurer other than above....	11,358,014	8,810,586
	2,592,042	1,113,554
Aggregate.....	\$2,513,854,751	\$2,629,314,022

LIABILITIES.

Capital stock paid in.....	\$548,240,730	\$565,629,066
Surplus fund.....	157,249,190	167,411,523
Other undivided profits.....	66,603,494	70,163,968
National bank notes issued. . .	*\$231,617,580	*\$179,342,210
Amount on hand.....	2,915,220	2,570,671
Amount outstanding.....	228,672,610	176,771,539
State bank notes outstanding.....	125,002	98,717
Dividends unpaid.....	2,227,780	1,977,314
Individual deposits.....	1,172,968,308	1,266,570,538
United States deposits.....	13,842,023	17,566,485
Deposits of United States disburs'g officers	2,721,276	3,779,735
Due to other National banks.....	218,395,980	244,575,545
Due to State banks and bankers.....	90,246,488	102,089,438
Notes and bills rediscounted.....	10,917,176	10,183,799
Bills payable.....	1,744,693	2,567,964
Aggregate.....	\$2,513,854,751	\$2,629,314,022
Number of banks.....	2,852	2,956

* The amount of circulation outstanding on May 13, 1887, as shown by the books of the Comptroller of the Currency, was \$233,548,294; which amount includes the notes of insolvent banks, of those in voluntary liquidation and of those which have deposited legal-tender notes under the Acts of June 20, 1874, and July 12, 1882, for the purpose of retiring their circulation.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

NOTE.—We shall esteem it a favor if readers of the JOURNAL will notify us of any changes in the banks with which they are connected, as well as of new banks and banking firms organized or recently opened in their place or vicinity, in order that the changes and additions may be made without delay in this department.

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

Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.

- 3744—Second National Bank, Hoboken, New Jersey. Capital, \$125,000.
 3745—First National Bank, Mankato, Kansas. Capital, \$50,000.
 3746—Carbonate National Bank, Leadville, Colorado. Capital, \$100,000.
 3747—Sault Ste. Marie National Bank, Sault de Ste. Marie, Michigan. Capital, \$100,000.
 3748—Citizens' National Bank, Concordia, Kansas. Capital, \$100,000.
 3749—First National Bank, Lamar, Colorado. Capital, \$50,000.
 3750—Third National Bank, Piqua, Ohio. Capital, \$100,000.
 3751—First National Bank, Cimarron, Kansas. Capital, \$50,000.
 3752—Quincy National Bank, Quincy, Illinois. Capital, \$100,000.
 3753—Oglethorpe National Bank, Brunswick, Georgia. Capital, \$100,000.
 3754—First National Bank, Harrisonville, Missouri. Capital, \$50,000.
 3755—Citizens' National Bank, Attica, Indiana. Capital, \$50,000.
 3756—West Side National Bank, Wichita, Kansas. Capital, \$100,000.
 3757—Carver National Bank, St. Helena, California. Capital, \$50,000.
 3758—First National Bank, Millbrook, Kansas. Capital, \$50,000.
 3759—First National Bank, Kinsley, Kansas. Capital, \$100,000.
 3760—National Bank of Commerce, Kansas City, Missouri. Capital, \$2,000,000.

ALABAMA.

MONTGOMERY.—Commercial Fire Ins. Co., W. H. Hubbard Secretary, in place of Thos. E. Hannon.

ARIZONA.

NOGALES.—Henry Hewitt, Jr., & Co.; Cashier, P. D. Norton.

FLAGSTAFF.—Bank of Flagstaff is new bank here; President, W. G. Stewart; Cashier, E. S. Clark.

CALIFORNIA.

HANFORD.—Bank of Hanford is reported here; President, E. Jacobs; Vice-President, J. E. Rawlings; Cashier, S. E. Hiddle.

MERCED.—First National Bank; Vice-President, E. T. Dixon.

REDLANDS.—Union Bank; authorized capital, \$10,000; paid capital, \$12,500. President, Curtis Wells; Cashier, R. H. Lane.

RIVERSIDE.—Thos. Bakewell & Sons is style of the new firm here.

SAN JOSE.—Garden City National Bank; Vice-President, J. B. Randol.

SAN FRANCISCO.—Pacific Bank; Assistant Cashier, Emil Belleremann, not Emil B. Hermann.

ST. HELENA.—D. B. Carver; succeeded by Carver National Bank. Capital, \$50,000. President, D. B. Carver; Cashier, A. L. Williams.—W. A. G. Smith; closing.

COLORADO.

AKRON.—Bank of Akron; President, Wm. Sturdevant; Cashier, R. H. Northcott.

DELTA.—Delta County Bank; proprietors, McGranahan, King, and Kellogg.

DURANGO.—Colorado State Bank; Vice-President, D. L. Sheets; Assistant Cashier, T. F. Burgess.

GLENWOOD SPRINGS.—Glenwood National Bank; C. N. Greig, Cashier, in place of Charles H. Toll.

LAMAR.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Josiah S. Springer; Cashier, T. H. Cecil. — Lamar State Bank; Capital, \$15,000. President, Francis Hall; Cashier, Geo. Theis Jr.

LEADVILLE.—Carbonate Bank; succeeded by Carbonate National Bank. Capital, \$100,000. President, David H. Dougan; Vice-President, H. I. Higgins; Cashier, John C. Mitchell.

WALSHEBURGH.—T. F. Martin in business here. Style, Huerfano County Bank. Capital of \$20,000.

YUMA.—Reed Bros. & Co.; Cashier, F. W. Reed.

CONNECTICUT.

WATERBURY.—Fourth National Bank has been organized. Capital, \$100,000. President, E. T. Turner; Cashier, B. G. Bryan.

DAKOTA.

ASHTON.—First National Bank; S. F. Hammond, President, in place of F. W. Rogers.
RIG STONE CITY.—David J. Craig is in business here. Style, Craig's Bank.
BISMARCK.—Bismark National Bank; Assistant Cashier, F. L. Coe.
CANTON.—Bank of Cloud; President, C. B. Kennedy; Cashier, J. D. Cloud.
CENTRAL CITY.—Stebbins, Mund & Fox; succeeded by Central City Bank. Capital, \$25,000. President, Wm. R. Stebbins; Cashier, Fred. M. Clary.
EDGELEY.—Bank of Edgeley has been incorporated. Capital, \$5,000. President, E. A. Mears; Vice-President, E. Kimball.
FORMAN.—D. F. Vail & Co., of Milnor, have opened a branch here. Style, Bank of Forman.
GROTON.—Bank of Groton; Assistant Cashier, W. B. Neeley.
HILLSVIEW.—E. L. Hopkins is in business here. Style, Exchange Bank. Capital, \$10,000. Assistant Cashier, D. W. Wood.
IPSWICH.—Bank of Ipswich (M. P. Beebe); now incorporated. Paid capital, \$25,000. President, M. P. Beebe; Vice-President, A. J. Beebe; Cashier, C. A. Kinney.
JAMESTOWN.—North Dakota Bank; discontinued.
LAKOTA.—Nelson County Bank; no President in place of Geo. Martin; no Assistant Cashier in place of T. G. Turner.
LANGFORD.—Bank of Langford is reported here. Cashier, L. R. Knight.
LEOLA.—Bank of Leola is reported here.
MELLETTE.—Bank of Mellette is reported here. Cashier, A. J. Gange.
NECHE.—Bank of Neche has been incorporated. Capital, \$12,000. President, H. L. Holmes; Cashier, James Thomson.
PORTLAND.—Citizens' Bank; President, George A. White; Cashier, C. Cranston.
REVILO.—Bank of Revillo is reported here. Cashier, J. F. Bryan.
SIOUX FALLS.—Sioux Falls National Bank; Cashier, C. L. Norton; no Assistant Cashier in place of A. L. Currey. — German-American Loan & Investment Co.; merged in German-American Loan & Trust Co., Algona, Iowa, and Sioux Falls.
STURGIS.—First National Bank; Assistant Cashier, H. O. Alexander. — Stebbins, Fox & Co.; merged into First National Bank.
WAPFETON.—Farmers' & Merchants' Bank has been recently opened. Capital, \$15,000. President, C. B. Pinney; Cashier, R. B. Carson. — People's Savings Bank is new bank here. President, T. L. French; Cashier, C. N. Wood.
WHEATLAND.—Bank of Wheatland (Geo. Brandenburg); no Assistant Cashier in place of N. M. Campbell.

DISTRICT OF COLUMBIA.

WASHINGTON.—Cooke & Co.; Jay Cooke deceased.

FLORIDA.

DAYTONA.—Bank of Daytona has recently been opened. President, Fred. S. Goodrich; Cashier, Robt. B. Wolseley.
OCALA.—Bank of Ocala; Cashier, R. B. McConnell.
SANFORD.—The Lyman Bank; to be succeeded by First National Bank. Capital, \$50,000. President, F. H. Rand; Vice-President, M. Lyman; Cashier, F. P. Forster.

GEORGIA.

AMERICUS.—Bank of Americus; Assistant Cashier, W. E. Murphy.
ATHENS.—Athens Savings Bank has recently commenced business. Capital, \$10,000. President, Julius Cohen; Cashier, Wm. A. Gilleland.
AUGUSTA.—National Bank of Augusta; Charles Estes, President, in place of George R. Sibley, deceased.
BRUNSWICK.—Oglethorpe National Bank has been authorized to commence business. Capital, \$100,000. President, Max Ullman; Cashier, John L. H. Henman.
DAWSON.—J. R. Mercer & Co.; President, J. R. Mercer; Cashier, J. F. Lark.
SAVANNAH.—National Bank of Savannah; Assistant Cashier, A. L. Rees.

IDAHO.

CALDWELL.—Stock Growers & Traders' Bank; no President; Cashier, Clarence S. Scott.
DELTA.—Bank of Murray have opened an agency here. Cashier, F. F. Johnson.
WORDNER.—Bank of Wordner; sold to S. J. Chadwick.

ILLINOIS.

ARGENTA.—Brown & Gerber are reported here.
BRACEVILLE.—People's Bank; A. A. Wetmore, Cashier, in place of Thos. Jones.
BUSHNELL.—Bank of Bushnell (W. W. Bell); discontinued.
BYRON.—Byron Bank; proprietor, J. C. Woodland.
CAIRO.—Alexander County Bank; still continues, with same officers, as a Savings bank. Style, Alexander County Savings Bank.
CAMP POINT.—R. A. Wallace & Bro.; no Cashier in place of Neva Grimes.
ELMWOOD.—Farmers & Merchants' Bank; Assistant Cashier, M. J. Caverley.
ENGLEWOOD.—H. P. Taylor (Englewood Bank); succeeded by Vehmeyer & Ramsey.
GIFFORD.—Gifford Bank; E. J. Morse, President, in place of J. M. Morse, deceased.
MAPLE PARK.—E. P. Robertson; succeeded by E. P. Robertson & Co.
MAROA.—C. F. Emery & Co.; John S. Sargent retires. C. F. Emery continues under same style.
MURPHYSBORO.—E. N. Smith is in business here. Style, Bank of Murphysboro. Capital, \$25,000. Cashier, E. L. Abel.
NEWARK.—Bank of Newark; J. J. Van Duzer succeeds John A. Coy, deceased, as proprietor.
OTTAWA.—First National Bank; C. E. Hook, Assistant Cashier, in place of H. C. Nash.

PAW PAW.—M. M. Moore (Union Bank); succeeded by B. J. Wheeler, & Co.
PLAINFIELD.—Bank of Plainfield reported here. Proprietor, Jeremiah Everts.
PONTIAC.—Livingston County National Bank; D. C. Eyer, Cashier, in place of Henry G. Greenebaum; no Assistant Cashier in place of D. C. Eyer.
PROPHETSTOWN.—Bank of Prophetstown; owner, Geo. E. Paddock.
QUINCY.—Quincy National Bank has been authorized to commence business. Capital, \$100,000. President, Julius Kespohl; Cashier, Joseph Boehmer.
RANTOUL.—Exchange Bank (T. W. Chamberlin); Jas. M. Beard, Cashier, in place of Pierce T. Butler.
ROANOK.—S. M. Ferrell is in business here. Style, Roanoke Bank.
RUSHVILLE.—Bank of Rushville; Assistant Cashier, John S. Little.
SENECA.—Bank of Seneca is reported here. President, G. H. Stalford; Cashier, Geo. A. Stalford.
TAYLORVILLE.—First National Bank; Assistant Cashier, F. W. Anderson.
TONICA.—Tonica Exchange Bank (E. B. Hamer); discontinued.
VANDALIA.—Bank of Vandalia; W. M. Fogler, President, in place of Simeon Perkins.
VIENNA.—Bank of Vienna; Assistant Cashier, R. W. Fischer.
WILMINGTON.—Commercial National Bank; Vice-President, H. N. Roberts; no Assistant Cashier in place of H. N. Roberts.

INDIANA.

ATTICA.—Citizens' Bank; succeeded by Citizens' National Bank. Capital, \$50,000. President, Zimri Dwiggins; Cashier, John W. Paris.
AUBURN.—First National Bank; Vice-President, W. McIntyre; no Assistant Cashier in place of W. McIntyre.
BOSEWELL.—Citizens' Bank has been recently opened. Capital, \$30,000. President, John W. Freeman; Cashier, James S. Bradley.
HAMMOND.—First National Bank; no Assistant Cashier in place of Edw. E. Fowle, resigned.
MONON.—Monon Bank has been recently opened. President, Z. Paris; Vice-President, J. W. Paris; Cashier, W. J. Imes.
MT. VERNON.—International Bank and Mount Vernon Banking Co.; consolidated under title of former. Capital, \$40,000. President, John B. Gardiner; Vice-President, Chas. A. Parke; Cashier, Alfred Dale Owen; Assistant Cashier, W. E. Holton.
MUNCIE.—Delaware County Bank has been recently opened. Capital, \$50,000. President, R. Sprankle; Cashier, C. H. Church.
NORTH MANCHESTER.—Lawrence National Bank; Assistant Cashier, Jno. N. Mills.
NORTH VERNON.—Jennings County Bank; Assistant Cashier, Edward Williams.
PAOLI.—Orange County Bank (Bowles, Stout & Co.); President, L. S. Bowles.
VERNON.—State Bank of Jennings County; Assistant Cashier, A. G. Cotton.

IOWA.

ATTON.—Union County Bank has been incorporated. President, H. I. Nance; Cashier, Theo. F. Shunk.
ALGONA.—German-American Loan & Trust Co. has been incorporated. Has office at Sioux Falls, Dak., also paid capital, \$100,000. President, Fred. Gund; Gen'l Manager, J. M. Bailey, Jr.
ARCADIA.—L. R. Curran (Bank of Arcadia); sold out. Officers now are, W. L. Culbertson, President; R. E. Coburn, Vice-President; Douglas Boynton, Cashier.
AUBURN.—Bank of Auburn has recently commenced business. President, P. R. Moseley; Cashier, D. Moseley.
BANCROFT.—Farmers' & Trader's Bank is reported here. Cashier, J. C. Blackford.
BELLE PLAINE.—Bank of Belle Plaine; J. M. Furnas, President, in place of C. Maholm.
BELLEVUE.—Bank of Bellevue (B. W. Seaward); W. E. Dorian, Cashier, in place of Josie Seaward.
BENNETT.—M. G. Blackman is in business here. Style, Bennett Bank. Capital, \$4,000.
BLOOMFIELD.—Davis County Bank; F. W. Moore, Assistant Cashier, in place of Emma Steele.
CALLIOPE.—Robert Hale & Co.; succeeded by Brown, Watkins & Co.
CARROLL.—Bank of Carroll; no Assistant Cashier in place of D. A. Cudworth.
CARSON.—Cattlemen's Bank has been opened here. Cashier, W. L. Kerney.
CHARTER OAK.—Charter Oak Bank has commenced business. Capital, \$20,000. President, Abner Graves; Cashier, John G. Shumaker. — H. N. Moore & Co. are in business here. Cashier, J. P. Stewart.
CORYDON.—Wayne County Bank; no Assistant Cashier in place of Dosis Beal.
COUNCIL BLUFFS.—Council Bluffs National Bank; in voluntary liquidation. — Burnham, Tulley & Co. are in business here.
DEORAH.—Savings Bank of Decorah; in liquidation.
EARLY.—Bank of Early (N. D. Thurman); sold. President, S. K. Fuller; Cashier, N. O. Fuller.
EMMETTSBURG.—Palo Alto County Board; no Assistant Cashier in place of Fred H. Giddings.
GARNER.—City Bank (C. C. Doolittle & Co.); no Cashier in place of W. C. Moak.
GREENFIELD.—Heaton, Haskins & Co. (Adair County Bank); succeeded by Heaton & Hutton. President, D. Heaton; Vice-President, J. Q. Hutton; Cashier, E. H. Bickford; Assistant Cashier, Effie M. Heaton.
HASTINGS.—Exchange Bank (E. P. Bosbyshell & Co.); succeeded by Botna Valley State Bank. Authorized capital, \$100,000; paid capital, \$25,000; President, James Mickelwait; Vice-President, H. C. Robbins; Cashier, A. D. French.
HAWARDEN.—Robert Hale & Co. (Bank of Hawarden); succeeded by Brown, Watkins & Co. F. E. Watkins, Cashier, in place of T. A. Greiner.

HUBBARD.—Bank of Hubbard; D. E. Byam, Cashier, in place of E. G. Swem.
IDA GROVE.—Ida County Bank; Assistant Cashier, Ed. G. Bowman.
LEWIS.—Hamilton Wilcox and Jno. Pipher are in business here. Style, Bank of Lewis.
MARENGO.—Iowa County Loan & Savings Bank; C. E. Bingham, Cashier, in place of Lewis Haas.
MARNE.—Bank of Marne is reported here. Cashier, M. M. Butt.
MARSHALLTOWN.—State Loan & Trust Co. has been recently incorporated. Capital, \$100,000. President, Phineas Stevens; Secretary, G. W. Weeks.
MAURICE.—Bank of Maurice is reported here. President, B. Thompson; Cashier, A. E. Thompson.
MORMONTOWN.—H. C. Fordyce is in business here.
NORTH ENGLISH.—J. W. Erwin is reported here.
PETERSON.—Farmers' Bank; Assistant Cashier, C. H. Brinkerhoff.
ROCKWELL.—Geo. H. Felthous is in business here. Style, Rockwell Bank.
ROLFE.—Lee & Lamb (Bank of Rolfe); succeeded by John Lee.
RUTHVEN.—Citizens' Bank; succeeded by Iowa Savings Bank (incorporated). Capital, \$12,000. President, M. L. Brown; Cashier, Fred. H. Gidding.
SHELBY.—Clapp & Davis are in business here. Style, Citizens' Bank. Capital, \$25,000.
SIoux CITY.—Iowa Savings Bank; capital increased to \$250,000. D. F. Hedgco, President, in place of Eri Richardson.
STANHOPE.—J. E. Fardal is in business here. Capital, \$10,000. Style, Bank of Stanhope.
STUART.—First National Bank; J. R. Bates, President, in place of E. C. Bates. — Stuart Savings Bank has been incorporated. Paid capital, \$10,000. President, M. Ryan; Cashier, C. S. Smart.
WEST BRANCH.—West Branch Bank; Edwin D. Wolfe, Cashier, in place of Lewis I. Cowgill.
WESTSIDE.—N. D. Thurman (Valley Bank); succeeded by E. S. Kentner.
WHAT CHEER.—What Cheer Savings Bank has been recently opened. President, Isaac B. Wilson; Cashier, Wm. C. Windett.

KANSAS.

ABILENE.—Abilene National Bank is being organized. Capital, \$150,000. President, C. H. Barker; Cashier, E. D. Humphrey.
ALTAMONT.—Macon & Duval; succeeded by Bank of Altamont. Cashier, H. D. Macon.
ANTHONY.—First National Bank; W. L. Moyer, Cashier, in place of L. A. Walton.
ATCHISON.—Atchison State Bank has been opened for business. Capital, \$30,000; President, Alfred D. Cain; Cashier, John M. Cain. — Farmers' Bank; reorganized. Paid capital, \$100,000. President, Ira. P. Griswold; Vice-President, D. C. Hall; Cashier, A. S. Hall.
ATTICA.—Attica State Bank; President, C. S. Jobes; Vice-President, Jas. A. Blair; Cashier, J. Frank Kerr. — Citizens' Bank; President, W. P. Rice.
ATWOOD.—Bank of Atwood; no Assistant Cashier in place of S. H. Tindell.
AUGUSTA.—Brown Brothers; Cashier, W. E. Brown.
BAZINE.—Bank of Bazine has been opened here. Capital, \$10,000. President, N. C. Merrill.
BRD CITY.—Cheyenne County Bank; sold to Farmers' & Merchants' Bank.
BLAKEMAN.—Western Investment & Banking Company has been opened here. Capital, \$30,000. President, Cyrus Anderson; Manager, G. L. Chamberlin.
BRONSON.—Pinnell & Smith; succeeded by G. A. Pinnell & Son.
BROOKVILLE.—Bank of Brookville; now State Bank of Brookville. Assistant Cashier, F. W. Carlin.
BURLINGAME.—Burlingame Savings Bank; C. M. Sheldon, President, in place of L. R. Adams.
CASSDAY (P. O.: Macksville).—Cassoday Bank has been recently started. Capital, \$15,000. President, C. B. Littlefield; Cashier, J. A. Fleming.
CEDARVILLE.—Exchange Bank; Assistant Cashier, E. G. Golden.
CENTRALIA.—Centralia State Bank; C. S. Cummings, President, in place of John S. Hidden.
CHAPMAN.—A. J. Poor & Co. are reported here. Style, Bank of Chapman.
CIMARRON.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Jacob W. Rash; Cashier, Alfred W. Metcalf. — City Bank (Dixon & Co.); discontinued.
CINCINNATI (P. O.: Surprise).—Kirtland & Flash are in business here. Style, People's Bank.
CLAY CENTER.—People's National Bank; L. McChesney, Vice-President, in place of John Hanna.
COLBY.—First National Bank; C. H. Martin, President, in place of Russell S. Newell. — State Savings Bank; chartered, but organization abandoned.
COLDWATER.—Coldwater Bank; succeeded by First National Bank.
COLWICH.—Bank of Colwich; Assistant Cashier, F. O. Barron.
CONCORDIA.—Bankers' Loan & Trust Co.; this Company, formerly at Kirwin, now located here.
COOLIDGE.—Coolidge State Bank; O. H. Knight, Assistant Cashier, in place of Lester Hays.
DODGE CITY.—Merchants' State Bank; Chas. H. Martin, Cashier, in place of James Langton.
DWIGHT.—Bank of Dwight; President, E. H. Bonton.
ELLAWORTH.—Central National Bank; E. H. Fenney, Cashier, in place of J. W. Powers.
EMPORIA.—Emporia Savings Bank; O. B. Wharton, Assistant Cashier, in place of L. R. Wright.

- ENTERPRISE.**—Bank of Enterprise: C. M. Case, Cashier, in place of Henry Warner.
- ERIE.**—City Bank: C. R. Watt, President, in place of L. Rosecrans.
- ESKRIDGE.**—Bank of Eskridge: Wm. Edwards, Cashier, in place of D. H. Fisher.
- FLORENCE.**—State Bank: capital, \$50,000. President, T. H. Brown; Cashier, Thomas Atkinson.
- FORT SCOTT.**—State Bank is new bank here. President, Thornton Ware; Cashier, James R. Colean.
- FREDONIA.**—Wilson County Bank: J. D. Allen, Cashier, in place of Isaac Hudson; no Assistant Cashier in place of J. D. Allen.
- GEUDA SPRINGS.**—C. A. Powers has opened here. Style, Bank of Geuda Springs.
- GLACON.**—Bank of Glacou: capital increased to \$30,000. President, Carlos Henry; Vice-President, R. G. Henry; Cashier, A. C. Glier.
- GRAINFIELD.**—First Bank of Grainfield; Assistant Cashier, Ada S. Brown.
- GREAT BEND.**—Farmers & Merchants' Bank: D. N. Helzer, Pres., in place of G. N. Moses.
- GREENLEAF.**—Greenleaf State Bank; Assistant Cashier, G. G. Goodwin.
- GREENBURG.**—Merchants & Farmers' Bank: merged into First National Bank. — Union Banking Co. has been recently incorporated.
- HADDAM.**—Haddam State Bank: Ray E. Chase, Cashier, in place of O. L. Taylor. — Western Exchange Bank is reported here. Capital, \$10,000. President, J. C. Morrow; Vice-President, A. J. C. Goff; Cashier, O. L. Taylor.
- HAVENSVILLE.**—Havensville Bank: no Assistant Cashier in place of R. E. Wilson.
- HERINGTON.**—Bank of Herington: no Assistant Cashier in place of W. P. Blake. — Farmers & Mechanics' Bank has recently commenced business. Capital, \$34,000. President, H. Wentworth; Cashier, F. E. Munsell.
- HERNDON.**—Bank of Herndon is being organized.
- HIAWATHA.**—Morrill & Jones; incorporated as State Bank. Style, The Morrill & Jones Bank. Capital paid in, \$10,000. President, E. M. Morrill; Vice-President, C. H. Jones; Cashier, C. D. Lamme.
- HILL CITY.**—Solomon Valley Bank: capital, \$25,000. President, Chris. Smith; Cashier, A. W. Robertson.
- HILLSBORO.**—German Bank (Shupe, Tressler & Lark); discontinued.
- HOLLYWOOD.**—Bank of Hollywood: J. O. Phillips, Cashier, in place of A. W. Baker, resigned.
- HORACE.**—Bank of Horace has been recently incorporated. President, Eli P. Williams; Vice-President, W. H. Cottingham; Cashier, W. C. Rathbun.
- HUTCHINSON.**—Bank of Hutchinson (W. H. Bohart); succeeded by Valley State Bank. President, James St. John; Cashier, J. M. Mulkey. — J. B. Mackay, formerly President of First National Bank, Abingdon, Illinois, has opened here. Style, Citizens' Bank. Paid capital, \$30,000. — People's Savings Bank is new bank here. Capital, \$40,000. President, E. S. Handy; Vice-President, E. Wilcox; Cashier, F. R. Chisman.
- IOLA.**—Banking House of L. L. Northrup; Assistant Cashier, Lewis L. Northrup, Jr.
- IUKA.**—Bank of Iuka is reported here. President, S. H. Mallory; Cashier, A. D. Mallory.
- JOHNSON.**—Johnson City State Bank is new bank here. — Stanton County Bank; President, Lewis Haas; Cashier, Geo. F. Quick.
- JUNCTION CITY.**—Kennedy & Kennedy are reported here.
- KINGMAN.**—Farmers & Drivers' Bank: A. M. Berk, Cashier, in place of H. Stout.
- KINSLEY.**—First National Bank succeeds Edwards Mercantile Bank. Capital, \$100,000. President, Rufus E. Edwards; Cashier, Fred B. Hine.
- KIRWIN.**—Traders' Bank: H. A. Royce, Cashier, in place of W. T. Branch; Chas. N. Peck, Assistant Cashier, in place of H. A. Royce. — Bankers' Loan & Trust Co.; removed to Concordia.
- LA GRAND.**—Bank of Seward County is reported here. Capital, \$10,000. President, D. W. Braden; Vice-President, M. L. Trout; Cashier, J. M. Adams. — Bank of Springfield is new bank here. Capital, \$12,000. President, C. E. Merriam; Vice-President, J. F. Van Voorhis; Cashier, M. L. Turner; Assistant Cashier, C. F. Turner.
- LAFORTE.**—Bear Valley Bank is reported here.
- LEAVENWORTH.**—German National Bank; merged into First National Bank. — Citizens' Savings Bank; assigned.
- LEON.**—J. Benninghoff (Leon Bank); succeeded by Hoover, Wagner & Stealy.
- LINN.**—Exchange Bank: August Solier, Cashier, in place of Will Cummins.
- LONG ISLAND.**—Commercial State Bank succeeds People's Bank and Bank of Long Island. Authorized capital, \$50,000; paid capital, \$25,000. President, Griffin Culbertson; Vice-President, A. J. Culbertson; Cashier, C. O. Wilcox. — Farmers' Exchange State Bank is new bank here. Capital, \$22,000. President, A. C. Hays; Vice-President, M. D. Hays; Cashier, Jas. S. Bartholomew.
- LYNDON.**—Commercial Bank: President, C. A. Bailey; Cashier, R. B. Whitehill.
- MAKATO.**—Case, Bishop & Co.; succeeded by First National Bank. Capital, \$50,000. President, Geo. H. Case; Cashier, S. G. Keyes.
- MEADE CENTER.**—Bank of Meade Center; Assistant Cashier, S. F. Seaburger.
- MILLBROOK.**—Bank of Millbrook (F. S. Vedder); succeeded by First National Bank. Capital, \$50,000. President, William B. Thompson; Cashier, F. S. Vedder.
- MILTONVALE.**—Miltonvale State Bank; Assistant Cashier, J. G. Cushman.
- MINNEAPOLIS.**—Minneapolis National Bank; Vice-President, Charles S. Cockrill.
- MOUND CITY.**—Citizens' Bank is reported here.
- MOUND VALLEY.**—C. M. Condon; succeeded by Condon & Gandy.
- NESCATUNGA.**—Bank of Nescatunga: H. N. Cunningham's interest bought by Messrs. Jones & Mercer. President, J. M. Mercer; Cashier, C. M. Jones.
- NESS CITY.**—Ness County Bank; President, N. C. Merrill; E. C. Morrill, Cashier, in place of N. C. Merrill. — Ness County Land & Loan Co.; E. F. Miner, Secretary, in place of R. K. Beymer.

OLSBURG.—Bank of Olsburg; Assistant Cashier, E. M. Allen.
OSBORNE.—State Bank; President, R. R. Hays; Cashier, Chas. E. Carter.
OSKALOOSA.—Oskaloosa Bank (F. M. Johnson); no Assistant Cashier in place of J. H. Johnson.
OSWEGO.—First National Bank; H. D. Sykes, Assistant Cashier, in place of C. F. Winton.
PLAINVILLE.—Bank of Plainville (Barnes Brothers); now incorporated. Capital, \$50,000. President, W. H. Burke; Vice-President, M. C. Knox; Cashier, J. A. Earls.
PLINY.—Gypsum Valley Bank; P. O. address is Gypsum City instead of Pliny.
PRATT.—Wilson, Weaver & Co., formerly at Saratoga, are located here.
PROTECTION.—A bank is being organized here.
RANDOLPH.—Farmers' Bank has been recently opened by S. P. Johnson. Capital, \$10,000. Cashier, F. W. Peterson.
RICHFIELD.—Morton County Bank; G. H. Robinson, Pres., in place of Frank Bentley.
RUSH CENTRE.—Strong & Ross; succeeded by Edgerton & Angir. Style, Bank of Rush Centre.
SANTA FE.—Bank of Santa Fe; President, A. W. Stubbs; Secretary, Geo. W. Shreeve; Cashier, J. L. Kennard. — Haskell County Bank; President, A. J. Holsington; Cashier, J. F. Kern.
SABETHA.—Citizens' State Bank has been incorporated. Roy Hesseltine, Cashier, in place of L. Hesseltine.
SARATOGA.—Wil-on. Weaver & Co.; removed to Pratt.
SCOTT CITY.—Traders' Bank; E. S. Helmer, Asst. Cashier, in place of Robt. D. Miller.
SOUTH HAVEN.—South Haven Bank; Geo. C. Wallace, Acting Cashier, in place of James S. Hunt, Cashier; Assistant Cashier, A. C. Wallace.
STAFFORD.—Citizens' Bank; President, W. H. Smith; Cashier, L. M. Williams.
STERLING.—State Bank is being organized.
SUN CITY.—Bank of Sun City has been recently opened. Capital, \$10,000. President, J. W. McNeal; Cashier, H. M. Ingraham.
SYLVIA.—P. O. address is now Sylvia.
THAYER.—Ewing's Bank; M. D. Ewing, Cashier, in place of W. P. Hazen; no Assistant Cashier in place of E. L. Ewing.
TOPEKA.—Bank of Topeka; Secretary, J. W. Farnsworth; no Assistant Cashier in place of Wm. Wadsworth. — John D. Knox & Co.; Cashier, D. D. Knox.
TORONTO.—Everett & Kellogg (Toronto Bank); succeeded by B. F. Everett & Co.; Cashier, B. F. Everett.
TURON.—Bank of Turon; capital, \$50,000. President, J. D. Larabee; Vice-President, F. Larabee; Cashier, J. S. McCurdy; Assistant Cashier, F. S. Larabee.
VALLEY FALLS.—Valley Falls Bank of Deposit (H. H. Crosby); W. T. Kemper, Cashier, in place of R. K. McCarthy; M. V. Ward, Assistant Cashier, in place of M. C. Taylor.
VERMILION.—Bank of Vermillion; J. W. Kinney is now proprietor.
VIRGIL.—Virgil Exchange Bank is style of bank recently reported here; Cashier; T. J. Jackson.
WALNUT CITY (P. O.: Rush Centre).—Walnut Valley Bank; incorporated, with authorized capital of \$50,000. President, O. S. Holt; Vice-President, M. C. Hallett; Cashier, H. A. Dunker; Secretary, S. J. Collins.
WANO.—Citizens' Bank is reported here. Capital, \$25,000. President, John P. Hoffman; Cashier, W. B. Lockwood.
WICHITA.—Wichita National Bank; M. W. Levy, President, in place of S. H. Kohn; L. A. Walton, Cashier, in place of M. W. Levy. — Bank of Wichita; succeeded by Fourth National Bank.
WILSON.—Wilson State Bank; President, M. P. Westfall.
WINDOM.—Windom Bank (C. M. Case); succeeded by Bank of Windom. Capital, \$15,000. President, Samuel P. Matthews; Cashier, Royal Matthews.
WINFIELD.—Winfield Mortgage & Trust Co.; President, M. L. Read.
WOODSDALE.—Woodsdale State Bank is reported here.
WYANDOTTE.—Bank of Wyandotte; succeeded by First National Bank, Kansas City. — Fidelity Savings Bank is located here, not at Kansas City, Mo. Capital, \$50,000. President, James D. Husted; Cashier, Chas. E. Husted. — Northrup & Son; succeeded by Northrup Banking Co. (incorporated). Paid capital, \$100,000. President, H. M. Northrup; Vice-President, A. B. Northrup; Cashier, K. L. Browne.

KENTUCKY.

DANVILLE.—Citizens' National Bank; E. W. Lee, President, in place of M. J. Farris.
EMMENEC.—Farmers' & Drovers' Bank (incorporated), has recently been opened. President, W. L. Crobb; Cashier, J. W. Caseldine.
GREENUP.—J. M. Sowards; succeeded by Exchange Bank. Capital, \$50,000. President, J. M. Sowards; Cashier, Wm. Sowards.
LEITCHFIELD.—Grayson County Bank; R. C. Hazell, President, in place of G. W. Long; G. W. Long, Cashier, in place of R. C. Hazell.
LEXINGTON.—First National Bank; Thomas Mitchell, Cashier, resigned. — Northern Bank of Kentucky; W. D. Boswell, President, in place of Jos. Clark; Charles H. Voorheis, Cashier, in place of W. D. Boswell.
LOUISVILLE.—Citizens' National Bank; Assistant Cashier, Oscar Fenley. — Bank of Commerce; H. M. Burford, President, in place of John B. Smith; Samuel Caseday, Cashier, in place of H. M. Burford.
MIDWAY.—Citizens' Bank; Henry S. Martin, President, in place of John A. Steele; John A. Steele, Cashier, in place of George T. Hord.
OWENSBORO.—Citizens' Bank has been organized. Capital subscribed, \$100,000. President, John Thixton; Vice-President, J. F. Kimbley.
WILLIAMSTOWN.—Grant County Deposit Bank; W. G. Frank, Cashier, in place of Presley T. Zinn.

LOUISIANA.

NEW ORLEANS.—Louisiana National Bank; A. Luria, Vice-President, in place of T. L. Airey; Leon F. Janin, Cashier, in place of A. Luria; no Assistant Cashier in place of Leon F. Janin.

MAINE.

AUGUSTA.—Kennebec Savings Bank; M. V. B. Chase, President, in place of Russell Eaton; J. R. Gould, Treasurer, in place of W. B. Nickels.

BANGOR.—Kenduskeag National Bank; W. H. S. Lawrence, Cashier, in place of Geo. H. Hopkins.

BAR HARBOR.—C. D. Stanford & Co. are in business here.

BIDDEFORD.—Biddeford Savings Bank; E. W. Staples, Treasurer, in place of O. F. Page.

EASTPORT.—Eastport Savings Bank; Alden Bradford, President, in place of J. H. McLaren.

GORHAM.—Gorham Savings Bank; no Assistant Treasurer in place of John H. Card.

MACHIAS.—Machias Bank; Ignatius Sargent, President, deceased.

OLDTOWN.—Eastern Trust & Banking Co. of Bangor, have opened a branch here.

PORTLAND.—Northern Banking Co. has been recently incorporated. Capital, \$100,000. President, Selden Connor; Vice-President, Weston F. Miliken; Secretary, Chas. L. Marston.

MARYLAND.

BALTIMORE.—Peabody Savings Bank; no Asst. Treasurer in place of Lee Pope, deceased.

WILLIAMSPORT.—Washington County National Bank; James Findlay is President. Reported change in the Presidency an error.

MASSACHUSETTS.

ATHOL.—Athol Savings Bank; Assistant Treasurer, W. D. Luey.

BALDWINVILLE.—Templeton Savings Bank; M. A. Wilson, President, in place of Charles A. Perley; Chas. L. Simmons, Secretary, in place of Chas. D. Burrage.

BOSTON.—Tremont National Bank; William Perkins, President, deceased. — Provident Institution for Savings; William Perkins, President, deceased. — George C. Brooks, succeeded by George C. Brooks & Co.

FALL RIVER.—First National Bank; Everett M. Cook, Cashier, in place of Charles E. Hendrickson.

LOWELL.—Lowell Clearing-House; Charles M. Williams, Manager, in place of Geo. W. Knowlton.

MEDWAY.—Medway Savings Bank; F. L. Fisher, Treasurer, in place of O. A. Mason.

NANTUCKET.—Nantucket Institution for Savings; Thaddeus Defriez, President, in place of Stephen Bailey.

NEW BEDFORD.—New Bedford Safe Deposit and Trust Company will shortly commence business. President, Charles E. Hendrickson.

NEWBURYPORT.—Merchants' National Bank; Isaac H. Boardman, President, deceased.

QUINCY.—Quincy Savings Bank; President, Horace B. Spear.

TAUNTON.—Bristol County National Bank; S. L. Cushman, President, in place of H. W. Church; H. H. Townsend, Cashier, in place of S. L. Cushman.

WHITINSVILLE.—Whitinsville National Bank; Assistant Cashier, A. A. Simmons.

WINCHESTER.—Winchester Savings Bank; David N. Skillings, Treasurer, in place of John T. Manny.

MICHIGAN.

ADRIAN.—Lenawee County Savings Bank; President, J. R. Bennett.

ALMA.—Poliaaky, Waldby & Co.; succeeded by H. B. Waldby & Co.

CARSONVILLE.—Carsonville Bank; removed to Sandusky.

CRYSTAL FALLS.—J. L. Kimball & Co. have commenced business here. Capital, \$15,000.

DETROIT.—Fidelity Loan & Trust Co.; no President in place of David Preston, deceased; Vice-President, F. W. Hayes; J. P. Gilmore, Secretary, in place of Frank B. Preston, Treasurer & Manager.

FENTON.—Howard B. Latourtte; Cashier, L. L. Booth.

HOMER.—Andrus & Webster are in business here. — Homer Exchange Bank (Thomas Lyon); P. C. Mitchell, Cashier, in place of E. R. Breaker.

IONIA.—W. C. Page; F. A. Stiven, Cashier, in place of John W. Balde.

MARQUETTE.—First National Bank; Assistant Cashier, Geo. Barnes.

MUSKEGON.—Muskegon National Bank; Assistant Cashier, Geo. A. Abbott.

PETERSBURG.—Exchange Bank is reported here.

PEWAMO.—Webber & Traak; succeeded by Webber & Ruel. Cashier, James H. Ruel.

PORT SANILAC.—Exchange Bank (M. N. Mugar); Manager, Joseph Mugar.

SANDUSKY.—Sandusky Bank, formerly Carsonville Bank, of Carsonville, has been opened for business. Manager, John Ryan.

SAULT DE STE. MARIE.—Sault Ste. Marie National Bank has been authorized to commence business. Capital, \$100,000. President, James H. Easton; Cashier, Theodore W. Burdick.

WAKEFIELD.—Bank of Wakefield; President, O. J. Hayward; Cashier, S. R. Murray.

YPSILANTI.—First National Bank; Chas. King, Vice-President, in place of L. A. Barnes.

MINNESOTA.

BENSON.—Bank of Benson; P. Sutherland, President, in place of John Clague; no Assistant Cashier in place of V. H. Van Slyke. — Swift County Bank; J. N. Edwards, Assistant Cashier, in place of Jacob Bodell.

BRAINERD.—Lumbermen's Exchange Bank; no President in place of John N. Nevers.

CANBY.—Bank of Canby; reorganized. President, O. N. Lund; Cashier, Jno. C. Lund. Capital, \$50,000. — Exchange Bank (O. N. Lund); discontinued.

DOVER CENTRE.—Dyar & Ingham (Dover Bank); succeeded by Emerson D. Dyar. P. Hanson, Cashier, in place of E. D. Dyar; Assistant Cashier, W. C. Kelso.

DULUTH (West End).—Hall Brothers & Co. have recently opened here, Cashier, T. O. Hall.

EVANSVILLE.—Bank of Evansville: Assistant Cashier, A. Sondberg.

FERGUS FALLS.—Fergus Falls National Bank; F. J. Evans, Cashier, in place of J. D. Boyd.

KARSON.—First National Bank; no Assistant Cashier in place of W. S. Willyard.

LAKE BENTON.—Tucker, Weiser & Co. have commenced business here.

LE ROY.—Bank of Le Roy; G. W. W. Harden, Assistant Cashier, in place of M. W. Williams.

LONG PRAIRIE.—Wm. E. Lee has recently commenced business here.

MINNEAPOLIS.—Commercial Bank; Assistant Cashier, Fred. E. Barney.

MINNEAPOLIS.—Minneapolis Bank; James Steele, President, in place of W. Davidson; J. F. Taylor, Cashier, in place of A. D. Davidson.

MONTEVIDEO.—Chippewa County Bank; title changed to Budd & Moyer's Bank.

MORRIS.—Stevens County Abstract & Real Estate Agency; President & General Manager, P. A. McCarthy; Vice-President & Treasurer, Lewis C. Spooner; Secretary, E. P. O'Brien.

NEW SPRAGUE.—Bank of New Sprague; Michael Schreiner, Cashier, in place of D. L. How.

WINDOM.—Bank of Windom; John Hutton, President, in place of E. Sevaton; no Assistant Cashier in place of G. F. Robinson.

WORTHINGTON.—First National Bank; Vice-President, Geo. S. Capelle.

MISSISSIPPI.

CORINTH.—Tishomingo Savings Bank; Cashier, J. W. Taylor.

GREENVILLE.—Bank of Greenville (Wm. A. Pollock); will reorganize under State charter. Capital, \$25,000. — Merchants' Bank; succeeded by First National Bank. Capital, \$100,000. President, James E. Negus; Cashier, Thomas Mount.

JACKSON.—First National Bank; A. C. Jones, Assistant Cashier, in place of C. W. Robinson.

MERIDIAN.—Meridian National Bank; Assistant Cashier, E. B. McRaven.

VICKSBURG.—First National Bank; H. C. Allen, Acting Cashier, in place of Thomas Mount, Cashier.

MISSOURI.

BOLCKOW.—Bolckow Savings Bank; Vice President, G. L. Wilfley; T. I. Dunn, Cashier, in place of G. L. Wilfley.

BRECKENRIDGE.—Breckenridge Savings Bank; Wm. M. White, President, in place of A. C. Lewis.

BROWNING.—Browning Savings Bank; W. P. Taylor, Cashier, in place of Chas. A. Deadrich.

CURRYVILLE.—Bank of Curryville is reported here. Capital, \$5,000. President, Wm. K. Bugar; Vice-President, D. D. Rose; Cashier, J. W. Hawkins.

ELDONADO SPRINGS.—Cruce Banking Co.; W. P. Cruce, Assistant Cashier, in place of J. C. Cruce.

HARRISONVILLE.—First National Bank has been authorized to commence business. Capital, \$50,000. President, Wilmut Sagger; Cashier, S. E. Browne.

HIGGINSVILLE.—American Bank; C. W. Beeber, Cashier, in place of B. Wilkinson.

KANSAS CITY.—American National Bank have opened a branch office corner Union avenue and Mulberry street. Manager, D. V. Bieger. — Bank of Commerce; succeeded by National Bank of Commerce. Capital, \$2,000,000. President, Wm. S. Woods; Cashier, Luke F. Wilson. — Central Bank; J. W. Trueworthy, President, in place of D. B. McMecham. — German-American Bank is new bank here. President, W. Forestus Wyman; Vice-President, C. P. Hall. — Traders' Bank; merged into Union National Bank. — Commonwealth Loan & Trust Co., of Boston, Mass., have opened an office here. President & Western Manager, C. A. Parks. — Whipple Investment Co.; title now, Whipple Investment & Trust Co.

KIRKSVILLE.—First National Bank; Assistant Cashier, Frank Baird. — Kirksville Savings Bank; Assistant Cashier, C. E. Darrow.

LATHROP.—Lathrop Bank (A. B. Jones); Cashier, Chas. P. Jones; Assistant Cashier, Gordon F. Jones.

LIBERTY.—First National Bank; Assistant Cashier, Morris W. Benlok.

LOUISIANA.—Exchange National Bank; business transferred to Bank of Louisiana.

MONTGOMERY CITY.—Farmers & Traders' Bank; H. W. Covington, Cashier, in place of J. A. Leavell; no Assistant Cashier in place of H. W. Covington.

OSCEOLA.—St. Clair County Bank; Robt. B. Gordon, Assistant Cashier, in place of Scott Nesbit.

PERRY.—People's Bank has been organized. Subscribed capital, \$60,000; paid capital, \$12,000. President, John Biedoe; Vice-President, S. B. Smith; Cashier, M. P. LaFrance.

QUITMAN.—Bank of J. S. & J. E. Bilby & Co.; Cashier, A. Johnston.

ROLLA.—National Bank of Rolla; no Assistant Cashier in the place of Charles N. Flint.

St. JOSEPH.—Merchants' Bank; R. E. Turner, President, in place of J. S. Lemon; W. H. Bobart, Cashier, in place of Thos. W. Evans; Assistant Cashier, T. B. Weakley.

St. LOUIS.—Franklin Bank; Assistant Cashier, Wm. Hammel. — Wm. C. Little Bond Co.; President, Wm. C. Little; Vice-President, Mitchell Scott.

TINA.—Citizens' Bank is reported here. President, James Brooks; Cashier, J. S. Williams.

WEST PLAINS.—West Plains Bank; B. F. Olden, President, in place of Henry T. Smith; H. T. Smith, Cashier, in place of Joseph L. Thomas; Assistant Cashier, Geo. H. Carter.

NEBRASKA.

AINSWORTH.—Bank of Ainsworth; President, J. H. Rogers; Cashier, R. S. Rising. — Farmers & Merchants' Bank; Frank Boyd, Assistant Cashier, in place of H. W. Sherwood.

ALMA.—Bank of Alma; closing.

ANSLEY.—Fowler, Stevenson & Co. are in business here. Capital, \$8,000. Style, Bank of Ansley.

ARMADA.—First Bank of Armada; capital, \$15,000. President, J. E. Dickerman; Cashier, F. D. Brown.

ASHLAND.—National Bank of Ashland; P. H. Morley, Assistant Cashier, in place of H. G. King. — American Loan & Trust Co.; Vice-President, D. D. Cooley; Philip Potter, Secretary, in place of D. D. Cooley.

AURORA.—Hamilton County Bank (Streeter & Chambers); President, W. H. Streeter. **BAZILE MILLS.**—Bank of Bazile Mills (Geo. A. Brooks & Co.); Aug. C. Filter, Cashier, in place of H. Westermann.

BEAVER CITY.—First National Bank; C. G. George, President, in place of Albert Fisher; Thos. M. Davis, Cashier, in place of Allen B. Edee.

BLAIR.—Banking House of A. Castetter; Assistant Cashier, Annie L. Pollock.

BROMFIELD.—Bank of Huntington is reported here. President, Wm. Glover; Cashier, W. F. Wheeler.

BURWELL.—First Bank of Burwell has been recently opened. Capital, \$15,000. President, J. E. Hale; Vice-President, P. Mortensen; Cashier, Geo. A. Percival.

CALLAWAY.—Bank of Callaway; now incorporated. Authorized capital, \$50,000; paid capital, \$15,000. President, S. H. Burnham; Vice-President, S. D. Andrews; Cashier, H. H. Andrews; Assistant Cashier, Geo. S. Smith.

CAMPBELL.—Bank of Campbell is reported here. Capital, \$30,000. President, L. E. Paquin; Cashier, M. Catudal.

CENTRAL CITY.—Platte Valley Bank (D. Martin & Co.); President, D. Martin; Cashier, S. B. Starrett.

CEDAR BLUFFS.—Bank of Cedar Bluffs is reported here. Capital, \$15,000. President, R. H. Knapp; Vice-President, E. Clapham; Cashier, F. A. Gilbert.

CEDAR RAPIDS.—Groom & Wolf; dissolved.

CULBERTSON.—Bank of Culbertson is reported here. — Culbertson Bank (George G. Eisenhart); Cashier, E. W. Eisenhart.

CURTIS.—Bank of Curtis; incorporated, under style of State Bank of Curtis. Authorized capital, \$50,000; paid capital, \$25,000. President, A. R. Cruzen; Cashier, Jno. B. Cruzen. — Citizens' Bank; discontinued. — Frontier County Bank; President, A. F. Johnson; Vice-President, L. Mason; Cashier, A. M. Johnson.

DE WITT.—Saline County Bank; Geo. W. Collman, President, in place of Daniel W. Cook; no Assistant Cashier in place of Geo. W. Collman.

DORCHESTER.—Citizens' Bank; A. B. Konyon, Cashier, in place of Thos. Connor.

DU BOIS.—Bank of Du Bois; merged in Farmers' State Bank. President, C. T. Edee; Cashier, W. T. Jones.

ELWOOD.—Farmers & Merchants' Bank is reported here.

FRANKLIN.—First National Bank; no Vice-President in place of F. W. Barber.

GENOA.—Genoa State Bank; S. H. Anderson, President, in place of John Linderholm.

GOTHENBURG.—Bank of Gothenburg; E. P. Dunlap, Cashier, in place of F. A. Reynolda.

GRAND ISLAND.—Citizens' National Bank; Henry A. Koenig, President, in place of O. A. Abbott.

GRANT.—Bank of Grant is reported here. President, J. Linderholm; Cashier, P. R. Johnson.

HAMILTON (P. O.: Champion).—A bank is reported here.

HARBINE.—Bank of Harbine is reported here. President, J. W. Barry; Cashier, H. C. White.

HASTINGS.—German National Bank; Vice-President, Wm. M. Lowman.

HILGRENTH.—Franklin County Bank; proprietors, J. P. A. Black & Co., of Bloomington.

HOOPER.—Dodge County Bank; Jerry Denslow, President, in place of E. H. Airls.

HOWELL.—Coffax County Bank is reported here. Cashier, L. F. Folda.

HUNTINGTON.—Bank, recently opened here reported under Brownfield.

IMPERIAL.—Farmers & Merchants' Bank; new bank here. Capital, \$50,000. President, James M. Sewell; Cashier, O. P. Shallenberger. — People's Bank; President, C. A. Pierson.

INDIANOLA.—Farmers & Merchants' Bank; succeeded by Bank of Indianola.

LAWRENCE.—Bank of Lawrence; E. W. Olds, Cashier, in place of B. L. Olds.

LEIGH.—Bolton & Whiting (Maple Valley Bank); succeeded by C. A. Whiting.

LOOMIS.—Bank of Loomis; F. W. Kiplinger, Cashier, in place of E. D. Einsel.

MAHON CITY.—Hathaway & Austin (People's Bank); succeeded by Job Hathaway & Co.

NEWPORT.—Bank of Newport has been opened by Altschuler & Keppey. Capital, \$10,000. Cashier, Alex. Altschuler.

NONPOLK.—Citizens' National Bank; Vice-President, Chas. S. Bridge; Assistant Cashier, T. F. Memmlinger.

NORTH BEND.—First National Bank; Assistant Cashier, Geo. F. Smith.

OAKDALE.—Antelope County Bank is reported here. Capital, \$25,000. President, R. McAlam; Cashier, J. T. Huston.

PALISADE.—Frenchman Valley Bank; President, A. D. King; Cashier, A. L. King.

RANDOLPH.—C. S. Whitman & Co. are reported here. Style, Randolph Bank.

RAVENNA.—Bank of Ravenna; Shaw & Edgerton are proprietors now. Capital, \$25,000.

RUSHVILLE.—Bank of Rushville; Assistant Cashier, Henry P. George.

SEWARD.—John Cattle, Sr. (State Bank of Nebraska); now John Cattle, Sr., & Son.

SCHUYLER.—F. Folda; Cashier, E. F. Folda.

SHELTON.—Shelton Bank (B. H. Graves); Assistant Cashier, P. H. Graves.

SILVER CREEK.—J. H. Pope is in business here. Style, Bank of Silver Creek. Cashier, F. C. Caulton.

SPADING.—Exchange Bank has been recently opened here. Capital, \$30,000. President, Lee Love; Cashier, Emmett Love.

SPRINGVIEW.—Bank of Springview has been incorporated. Authorized capital, \$90,000. President, F. B. Tiffany; Vice-President, C. G. Alton; Cashier, H. H. Bolland.

ST. EDWARD.—Exchange Bank (Josiah Penfield); no Cashier in the place of E. L. Penfield.

STUART.—Valley Bank is reported here. Cashier, A. Woodward, Jr.

TABLE ROCK.—State Bank; Assistant Cashier, C. S. Wood.

TAMORA.—Tamora State Bank; F. F. Mead, President, in place of E. P. Warner.

TOBIAR.—First National Bank; Vice-President, William Burke.

VALLEY.—Bank of Valley is reported here.

WAHOO.—Saunders County National Bank; no Assistant Cashier in place of C. L. Mielenz.

WAKEFIELD.—Wakefield Bank (Culver & Manley); Assistant Cashier, D. S. Culver.

WESTERN.—Bank of Western; J. W. Lytle, President, in place of J. Lewelling; W. E. Maynard, Cashier, in place of L. H. Lewelling.

WEST POINT.—Cumming County Bank is style of new bank here. Capital, \$25,000. Cashier, R. F. Kioke.

YORK.—York National Bank; E. J. Wightman, Assistant Cashier, in place of Lee Love.

NEVADA

RENO.—Bank of Nevada is new bank here. President, M. D. Foley; Cashier, Moritz Meyer.

TAYLOR.—Taylor Bank (McGill, Briggs & Hilp); liquidated.

NEW HAMPSHIRE.

MANCHESTER.—Manchester National Bank; Walter M. Parker, Cashier, in place of E. H. Paine; no Assistant Cashier in place of W. M. Parker.

WOLFBOBO.—Wolfboro' Savings Bank; President, A. H. Rust.

NEW JERSEY.

ASBURY PARK.—First National Bank; no Assistant Cashier in place of Harrold E. Willard.

ATLANTIC CITY.—Merchants' Bank; President & Cashier, O. R. Dunkle; Vice-President, Louis E. Pfeiffer.

HOBOKEN.—Second National Bank has been authorized to commence business. Capital, \$125,000. President, Rudolph F. Rabe; Cashier, John P. Scholfield.

ORANGE.—Orange Savings Bank; Wm. A. Bode, Secretary, in place of John Gill.

RAHWAY.—Union County Bank; C. A. Oliver, Cashier, in place of M. W. Brett, Acting Cashier.

NEW MEXICO.

SILVER CITY.—First National Bank; S. T. Harkey, Cashier, in place of F. H. Siebold.

SOCORRO.—Bank of Socorro; no President in place of John W. Terry.

NEW YORK.

CORTLAND.—National Bank of Cortland; L. J. Fitzgerald, Vice-President, in place of G. L. Cole.

COXSACKIE.—Coxsackie Savings Institution; closed by order of the Court.

ELLENVILLE.—First National Bank; Eli Du Bois, Cashier, in place of N. C. Elting.

FREDONIA.—Fredonia National Bank; no Assistant Cashier in the place of F. W. Keller.

FRIENDSHIP.—First National Bank; no Assistant Cashier in place of Henry M. Lane.

HINSDALE.—William O. Leland is reported here.

LE ROY.—F. C. Lathrop; Cashier, James H. Kenny.

MAMARONECK.—Union Savings Bank of Westchester County has been authorized to commence business. President, Bradford Rhodes; Secretary, E. C. Benedict.

NEW YORK CITY.—Fulton National Bank; shareholders will meet August 11th to increase capital to \$800,000, and change title to Market & Fulton National Bank.

— National Bank of Deposit has been organized. Capital, \$250,000. President, Lewis E. Ransom; Vice-President, Charles F. Sanborn; Cashier, Geo. H. Southard.

— Bank of New Amsterdam; Cashier, W. H. Mellins. — Lenox Hill Bank has been incorporated under State laws. — Atlantic Trust Co. has been organized.

Capital, \$500,000. — Title Guarantee & Trust Co.; Newell Martin, Secretary, in place of C. H. Kelsey. — M. E. De Rivas & Co.; Manuel E. De Rivas deceased. — Gould & Henry; suspended. — H. B. Hollins & Co.; F. Yznaga sells his Stock Exchange seat. — H. L. Horton & Co.; A. B. Hill deceased. — Wm. Fellows

Morgan & Co.; Richard Dixon retires. — H. D. Spiers; admitted to Stock Exchange.

OKAFIELD.—Wright & Green (Exchange Bank), succeeded by F. E. Wright.

PHOENIX.—Phoenix Bank; Assistant Cashier, A. W. Hawks.

PORT JERVIS.—National Bank of Port Jervis; W. E. Scott, Cashier, in place of A. P. Thompson, deceased.

TROY.—Troy Savings Bank; Derick Lane, President, in place of Charles B. Russell; Isaac W. Crissey, Treasurer, in place of Charles N. Lockwood.

UTICA.—Second National Bank; Geo. R. Thomas, Cashier, deceased.

NORTH CAROLINA.

HICKORY.—Bank of Hickory; Assistant Cashier, J. N. Jones.

RALEIGH.—Raleigh Savings Bank; President, J. J. Thomas; Cashier, J. T. Pullin.

REIDSVILLE.—Citizens' Bank; Assistant Cashier, J. M. Cox.

WADESBORO.—Bank of New Hanover; J. A. Leak, Jr., Cashier, in place of M. P. Leak.

OHIO.

- CANFIELD.—Van Hyning & Co.; succeeded by Farmers' National Bank.
 CANTON.—Central Savings Bank is new bank here. Capital, \$51,000. President, Geo. W. Raff; Cashier, Edward S. Raff.
 CINCINNATI.—Seasongood, Sons & Co.; to be merged into Western National Bank, Bank now being organized.
 CLEVELAND.—Woodward Avenue Savings & Loan Co.; Secretary & Treasurer, O. M. Stafford.
 COLUMBUS.—Clinton National Bank; D. S. Gray, President, in place of H. A. Lanman.
 COVINGTON.—Stillwater Valley Bank; no Assistant Cashier in place of Geo. L. Shuman.
 CRESTLINE.—Babst Bros. (Babst's Banking House); succeeded by Jacob Babst.
 DELPHOS.—Delphos National Bank; no Cashier in place of Joseph Boehmer. — Commercial Bank; H. P. Wagner, Cashier, in place of W. H. Fuller.
 FINDLAY.—American National Bank; Vice-President, R. B. Hubbard; Assistant Cashier, L. W. Egger.
 HARRISON.—Citizens' Bank (Frank Bowles); Assistant Cashier, J. G. Francis.
 JACKSON.—First National Bank; T. J. Edwards, Cashier, in place of D. Armstrong.
 MONTELEONE.—Montpelier Banking Co.; Assistant Cashier, J. S. Bailey.
 MOUNT VERNON.—First National Bank; D. W. Lambert, Assistant Cashier, in place of H. A. Sturges.
 NEW CONCORD.—Farmers & Merchants' Bank is reported here. President, John M. Bradley.
 NORTH BALTIMORE.—People's Banking Co. is reported here.
 OAK HARBOR.—Oak Harbor State Bank is reported here. President, Chas. Roose; Cashier, Geo. L. Seeley.
 PIQUA.—Third National Bank has been authorized to commence business. Capital, \$10,000. President, Lewis Leonard; Vice-President, C. F. Rankin; Cashier, David N. Reid.
 PLAIN CITY.—Farmers' Bank; Wm. Atkinson, President, in place of Z. T. Lewis.
 SHANE'S CROSSING.—Farmers' Bank is reported here. President, J. S. Brumback; Vice-President, W. H. Pennell; Cashier, D. L. Brumback.
 STEUBENVILLE.—Union Deposit Bank; Wm. R. E. Elliott, President, in place of Wm. A. Walden; D. J. Sinclair, Cashier, in place of H. G. Garrett.
 YOUNGSTOWN.—First National Bank; no Cashier in place of William H. Baldwin. — Dollar Savings & Trust Co. has been opened for business. Capital, \$50,000. President, J. I. Williams; Vice-President, G. Farrel; Treasurer, D. E. Davis.

OREGON.

- SALEM.—Capital National Bank; H. Carpenter, Vice-President, in place of A. A. McCully.

PENNSYLVANIA.

- ALLEGHENY.—Nation's Bank for Savings; John T. Morton, Treasurer, in place of C. W. Benney.
 BRYN MAWR.—Bryn Mawr National Bank is being organized.
 LOCK HAVEN.—First National Bank; G. L. Morlock, Assistant Cashier, in place of Thomas Yardley.
 MCKEESPORT.—First National Bank; Wm. E. Harrison, Vice-President, in place of J. F. Ryan. — Bank of McKeesport (Incorporated) is reported here.
 MIFFLINBURGH.—Mifflinburg Bank; R. V. Glover, President, in place of H. G. Wolf.
 MILLERSTOWN.—Millerstown Deposit Bank (John G. Myers & Sons); President, John G. Myers; Cashier, H. J. Myers.
 PHILADELPHIA.—Columbian Bank; assigned.
 PITTSBURGH.—Safe Deposit Co. of Pittsburgh; Wm. T. Howe, Secretary & Treasurer, in place of Wm. Little.
 PORTERSVILLE.—Portersville Savings Bank; no President in place of David Marshall, deceased. J. M. Marshall owns all the stock.
 PORT ROYAL.—Port Royal Branch Bank; firm name of owners is now Pomeroy, Patterson, Jacobs & Co.
 RENOV.—First National Bank is being organized.
 SCOTTDALE.—Scottdale Bank; J. A. Armstrong, Cashier, in place of Henry McClay.
 SLIPPERY ROCK.—Centerville Savings Bank; succeeded by W. Henry Wilson.
 TARENTUM.—Tarentum Banking Co.; John Kennedy, Jr., President, in place of E. Werthelmer.
 UNIONTOWN.—People's Bank of Fayette Co.; J. H. Kerr, Cashier, in place of F. C. Breckenridge.
 WILCOX.—J. L. Brown; Cashier, Emma Glills Brown.
 WILLIAMSPORT.—Merchants' National Bank; no Assistant Cashier in place of Ralsa C. Clark. — Cochran, Payne & McCormick are in business here.
 YORK.—City Bank of York (Incorporated) will open September 1.

RHODE ISLAND.

- WAKEFIELD.—Wakefield Institution for Savings; John E. Babcock, Secretary and Treasurer, in place of Daniel M. C. Stedman.
 WESTERLY.—Mechanics' Savings Bank; W. A. Burdick, President, in place of W. C. Pendleton.

SOUTH CAROLINA.

- BARNWELL, C. H.—Bank of Barnwell has been recently opened. Capital, \$60,000. President, Johnson Hagood; Cashier, T. J. Simons.
 CHARLESTON.—First National Bank; John C. Simonds, Cashier, in place of Wm. E. Breese.

CHERAW.—Bank of Cheraw has been opened. Paid capital, \$25,000. President, H. D. Malloy; Vice-President, I. W. McKay; Cashier, F. A. Waddill.
LAWRENS.—People's Loan & Exchange Bank will begin business September 1st. Capital, \$10,000.

ORANGEBURG, C. H.—Orangeburg Savings Bank is new bank here. Capital, \$25,000. President, James F. Izlar; Cashier, Jno. E. Bull.
SPARTANBURG.—Fidelity Loan & Trust Co. has recently been opened. President, Geo. Coffield; Treasurer, W. E. Burnett.

TENNESSEE.

COVINGTON.—Farmers & Merchants' Bank has been recently opened. Capital, \$10,000. President, John A. Crofford; Cashier, John T. Garner.
FAYETTEVILLE.—Bank of Fayetteville is new bank here. Capital, \$50,000. President, A. S. Thomas; Cashier, Chas. C. James.
KNOXVILLE.—People's Bank; Frank A. Moses, Cashier, in place of W. K. Mitchell.
ROGERSVILLE.—Citizens' Bank is reported here.
SOUTH PITTSBURG.—First Nat'l Bank; J. W. Childress, Cashier, in place of L. R. Kastman.
TRENTON.—Exchange Bank is reported here. Capital, \$25,000. President, J. M. Senter; Cashier, J. E. Carthel.

TEXAS.

CALVERT.—First National Bank; Vice-President, S. P. McLendon; Assistant Cashier, Geo. K. McLendon.
CORSICANA.—First National Bank; E. H. Church, Cashier, in place of Chas. H. Allyn; Assistant Cashier, J. A. Martin.
DENISON.—First National Bank; Samuel Hanna, President, in place of W. B. Munson; W. M. Mick, Vice-President, in place of J. T. Munson; Assistant Cashier, C. W. Pyle.
ENNIS.—People's National Bank; Assistant Cashier, H. C. Jones.
FORT WORTH.—State National Bank; Assistant Cashier, W. H. Harrison.
GRANBURY.—First National Bank; Vice-President, G. W. Eastwood.
HENRIETTA.—Henrietta National Bank; suspended.
HONEY GROVE.—Exchange Bank of Honey Grove (W. D. Wilkins & Co.); no Cashier .. in place of Geo. S. Henderson.
INDIANOLA.—H. Runge & Co.; discontinued.
MASON.—Mason County Bank has been opened. Cashier, Frank W. Henderson.
WACO.—Waco State Bank; Assistant Cashier, M. A. Sullivan.
WHITESBORO.—Bank of Whitesboro (Branch); F. M. Adams, Cashier, in place of J. B. Oldham.

UTAH.

SILVER REEF.—R. T. Gillespie; closed.

VERMONT.

BRATTLEBORO.—Brattleboro Savings Bank; P. Barrows, Assistant Treasurer, in place of C. A. Harris.
FAIR HAVEN.—Allen National Bank; S. Allen, President, in place of Ira C. Allen.
ST. JOHNSBURY.—Merchants' National Bank; Assistant Cashier, H. W. Allen.

VIRGINIA.

HARRISONBURG.—Rockingham Bank; in liquidation.
LYNCHBURG.—Lynchburg National Bank; Geo. W. Moore, Jr., Cashier, in place of Peter J. Otey.
SOUTH BOSTON.—Bank of South Boston is reported here. President, John W. Riley; Cashier, J. J. Lawson.
WARRENTON.—I. V. Chilton is in collection business here. — Jeffries & Keith; out of business.

WASHINGTON TERRITORY.

MONTESANO.—C. N. Byles & Co. have recently commenced business here.
SEATTLE.—Dexter, Horton & Co.; succeeded by a corporation under style of Dexter, Horton & Co., Bankers. Capital, \$50,000. President, W. S. Ladd; Manager, John John P. Hart; Cashier, B. F. Briggs.

WEST VIRGINIA.

MARTINSBURG.—National Bank of Martinsburg; Wm. T. Stewart, President, in place of John W. Abell; Vice-President, H. N. Deatrick.
WHEELING.—Mutual Savings Bank has been recently incorporated.

WISCONSIN.

BELLOIT.—First National Bank; succeeded by S. L. Hyde & Brittan.
DARLINGTON.—Citizens' Nat'l Bank; G. F. West, Cashier, in place of Hugh J. Gallagher.
EAU CLAIRE.—Eau Claire National Bank; William Carson, Vice-President, in place of L. M. Vilas, resigned.
EVANSVILLE.—Bank of Evansville; George L. Pullen, Cashier, in place of Charles F. P. Pullen; Lillian S. Pullen, Assistant Cashier, in place of George L. Pullen.
GALESVILLE.—Bank of Galeville; John O. Melby, Cashier, in place of W. C. Brooks; Assistant Cashier, C. M. Kellogg.
HARTFORD.—Bank of Hartford; Cashier, Chas. F. Cook.
LANCASTER.—Geo. W. Ryland & Co.; succeeded by Richard Meyer & Co.
NEW LISBON.—Hughes & Marsh (Farmers & Merchants' Bank); A. C. Johnson, Assistant Cashier, in place of John Singleton.
WAUKESHA.—Waukesha National Bank; Assistant Cashier, E. R. Estberg.

WYOMING.

BUFFALO.—Johnson County Bank (Leopold Moss & Co.); discontinued.
ROCK SPRINGS.—Sweetwater County Bank is reported here.

ONTARIO.

BRAMPTON.—Central Bank of Canada; W. Wallace, Manager, in place of G. S. Herchner, deceased.

BRANTFORD.—Canadian Bank of Commerce; J. Hale, Manager, in place of W. Roberts. COLLINGWOOD.—Canadian Bank of Commerce; James Brydon, Manager, in place of E. Pangman.

DREXKONTO.—The Rathbun Co.; President & General Manager, E. W. Rathbun; Secretary & Treasurer, F. S. Rathbun.

FERGUS.—Imperial Bank of Canada; E. Hay, Manager, in place of J. F. Paterson.

FOREST.—Michael Fleming; John Donnelly, Manager, in place of Henry Barron.

HAMILTON.—Molsons Bank; H. A. Ambridge, Acting Manager, in place of J. M. Burns, Manager.

LONDON.—The Molsons Bank; M. Heaton, Acting Manager, in place of Jos. Jeffery, Manager.

ORILLIA.—Traders' Bank of Canada has opened an office here. Manager, A. W. Murton.

OTTAWA.—Canadian Bank of Commerce; R. Gill, Manager, in place of Jeffery Hale.

— Merchants' Bank of Canada; W. Lake Marler, Manager, in place of W. H. Rowley.

PARKHILL.—A. McTaggart & Co.; Manager, D. N. Cameron.

PORT PERRY.—Central Bank of Canada have opened a branch here. Manager, Wm. McGill.

PRESTON.—Preston Banking Co.; style now, E. J. Checkley & Coy. Manager, E. J. Checkley.

UXBRIDGE.—I. J. Gould & Bros. all in business here. Manager, Isaac J. Gould.

WALLACEBURG.—Traders' B'k of Canada; F. J. Winlow, Mgr., in place of A. W. Murton.

WARDVILLE.—John Shaw & Co.; John Shaw absconds.

QUEBEC.

ST. JEROME.—Banque Ville Marie; G. Laviolette, Manager, in place of Adj. La Rue.

ST. JOHNS.—Banque de St. Jean; Joseph Molleur, Jr., Cashier, resigned; Assistant Cashier, J. B. Boissennault.

NEW BRUNSWICK.

SACKVILLE.—Halifax Bkg. Co.; Geo. A. Thomson, Agent, in place of Thos. A. H. Mason.

NOVA SCOTIA.

ACADIA MINER.—Halifax Banking Co.; discontinued.

CHIGNECTO.—Halifax Banking Co. has opened an agency here. Agent, George A. Thompson.

DIGBY.—Bank of Nova Scotia; H. Green, Acting Agent, in place of J. H. Churchill, Agent.

SPRING HILL.—Halifax Banking Co.; D. I. Forbes, Agent, in place of A. S. Townsend.

TRURO.—Halifax Banking Co.; Thos. A. Mason, Agent, in place of Andrew Allan.

BRITISH COLUMBIA.

VANCOUVER.—Bank of Montreal have opened an office here. Manager, C. Sweny.

NORTHWEST TERRITORY.

MOOSOMIN.—Lafferty & Smith have opened an office here.

Prepayment of Interest and Bond Purchases.—The following circular was issued on August 3d by the Treasury Department:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY. }
WASHINGTON, August 3, 1887.

By virtue of the authority contained in Section 3,699 of the Revised Statutes of the United States, notice is hereby given that the interest due September 1 and December 1, 1887, on the 4½ per cent. bonds of the United States, October 1, 1887, and January 1, 1888, on the 4 per cent. bonds, and January 1, 1888, on the bonds issued in aid of the Pacific Railroad, will be prepaid on and after August 15, 1887, with a rebate at the rate of 2 per centum per annum on the amounts prepaid.

Coupons due on the above specified dates may be presented for prepayment at the Treasury of the United States in Washington, or at the office of any Assistant Treasurer of the United States. Applications for prepayment of interest on registered bonds may be made to the Secretary of the Treasury.

Registered bonds on which interest has been prepaid may be transferred upon the books of the Department in the usual manner, if accompanied by a release, signed by the new owners, of all claim to the prepaid interest, and the Department will furnish to owners, on application, certificates that the interest on their bonds has or has not been prepaid, as the case may be.

Notice is also given that in pursuance of the provisions of section 3,694 of the Revised Statutes, proposals for the sale to the Government of the United States 4½ per cent. bonds of 1891, acts of July 14, 1870, and January 20, 1871, to be applied to the sinking fund will be received and opened at the office of the Secretary of the Treasury, in Washington at noon on Wednesday, August 10, 1887, and on each Wednesday thereafter until further notice.

Proposals should state the specific character of the bonds offered, whether registered or coupon, and must be for the sale of the bonds with accrued interest to and including the day of sale, whether interest thereon has or has not been prepaid and adjustments of prepaid interests on bonds purchased under this circular will be made when payment for the bonds is made.

The right is reserved to reject any or all proposals for the sale of bonds if it is thought to be for the interest of the Government to do so. (Signed) C. S. FAIRCHILD, Secretary.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, August 3, 1887.

The last week of June was one of great excitement in the stock market. The collapse of the wheat corner in Chicago had preceded the fall in stocks and was doubtless more immediately the cause of it than was at first supposed. Those who are hopeful and optimistic always regard panics as the precursors of a better market, and this opinion was largely expressed after the first excitement about the wheat corner began to subside. It is evident however from the history of the month of July, that the panic of June 24th, was no radical crisis, shaking everything down to a permanently lower level, but merely a temporary ebullition the effects of which soon passed away leaving things much as they were before. The fact seems to be that at present stocks are held at as high a figure as their value compared with other investments which are now offered will warrant. There is no decided movement in any direction. Many argue that the increased railroad earnings, the favorable crop reports, and the great activity in business shown by the Clearing-House returns from all sections of the country, are indications that the tendency of prices must be upward, and this belief founded on conditions which often have this result, has kept stocks constantly at higher figures than their value as an investment, speculative or otherwise, warrants. A large part of the increased railway earnings is derived from the transportation of railway material for the construction of new railways, there being great activity in railway building this year. The earnings of any particular road of course affect the price of its stocks and bonds, but the new roads which are building have a counteracting influence by increasing the supply of stocks and bonds offered on the market. The crop reports are favorable only in regard to the quantity that may be raised. All the indications are that the prices received for wheat and cotton will be low. Where the agricultural classes in the community are induced by previous high prices of any commodity to increase the yield however successful they may be in obtaining an augmented crop, the consequent depression of prices generally involves the producer in a loss. Wheat at a dollar a bushel one year, may induce the raising of a crop so large that from this fact combined with other causes, the price goes down. The outlays to raise the crop, including labor, interest, etc., are usually calculated at the higher price, and the producers, receiving the lower price find themselves without profit, and often in debt. Those who handle the product, may receive a usual percentage, and some classes may prosper at the expense of others. Incomes are made up of credits. If a very large portion of the people are crippled by prices for their products much smaller than anticipated there will be a very wide collapse of credit. The Clearing-House statements while showing great activity in business, do not in any way prove what the profits are, except, as the only inducement to do business is profit, the operators must at least imagine they are making something. Most of the great increase in Clearing-House transactions is due to the speculation in real estate which has been so marked in all sections of the country. Some of it doubtless represents a genuine rise of value based on an increase in public desire to invest permanently in this form of property. But every real movement of this kind is accompanied by a large proportion of purely speculative dealing, buying in the hope of immediate sale on the first rise of price, and with no more intention of holding than is the case with the usual dealings in the stock market. This sort of business generally forces prices much above those which the public demand for permanent investment will warrant, and of course such prices cannot be maintained. When the bottom does drop out of a real estate boom,

the recovery is a matter of time. While therefore all the circumstances alleged as reasons for future prosperity and consequent rise in the stock market, do tend that way, yet they are all of them liable to have a different effect. The speculation in real estate has been directly antagonistic to speculation in stocks, offering apparently larger returns, as well as apparently greater solidity of investment.

Whatever else dullness in business in any direction may be ascribed to, we do not think it is due to lack of money. There has yet been no contraction of the currency, but on the contrary, if the newly coined gold goes into active circulation a considerable expansion within the past year. From the fact that the figures of the Directors of the Mint, show nearly \$300,000,000 of American gold coin in the hands of the people outside of the Treasury and national and State banks, when so little is seen in circulation, it would seem that for some reason, perhaps fear of a coming silver standard, this gold is largely hoarded and is not available for commercial business. The cash reserves of the banks are no larger than they have been in previous years, and if this immense amount of gold coin were in circulation it would certainly make a show in the banks.

The Secretary of the Treasury to day issued a circular, which is published in full on another page, ordering the payment of six months interest in advance on the 4s and 4½s, on and after August 15th to all who are willing to grant to the Government a rebate of two per cent. Also inviting proposals for the sale of 4½ per cent. bonds for the sinking fund. We are glad to see that the Treasury Department has at length taken some decided action. It has made a great point in showing that it is not afraid to act. The hesitation heretofore manifested is criticized in the London *Economist* of June 9th, which describes the American money market as drifting toward a crisis which it never seems to reach, and ascribes this state of things to the unwillingness of the Secretary of the Treasury to do any thing from the fear he has of adverse criticism.

FOREIGN EXCHANGE has been very dull all the month, and nothing occurred during the first two weeks to indicate any demand. During this time \$1,051,831, arrived from Europe in gold bars and in United States gold coin. This movement seems to have ceased about the end of the third week, and there was a slight advance in the rates. Even with rates favorable to importations there is little probability of any very great flow of gold from Europe at present. The following are the latest posted and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.83½@4.84; sight, nominal, \$4.85@4.85½; 60 days, actual, \$4.82½@4.83; sight, actual, \$4.84½@4.85; Cable transfers, \$4.85@4.85½; Prime commercial sterling, long, \$4.81½@4.82; Documentary sterling, 60 days, \$4.81@4.81½; Paris, bankers', 60 days, 5.23½@5.23½; sight, 5.21¼@5.20½; Paris, commercial, 60 days, 5.25@5.24½; sight, 5.22½@5.21½; Antwerp, commercial, 60 days, 5.25½@5.25; Swiss, bankers', 60 days, 5.23¼@5.23½; sight, 5.21¼@5.20½; Reichsmarks (4), bankers', 60 days, 94½@94½; sight, 95@95½; Reichsmarks (4), commercial, 60 days, 94½@94½; sight, 94½@94½; Guilders, bankers', 60 days, 39 15-16@40; sight, 40½@40 8-16; Guilders commercial, 60 days, 39¾@39 13-16; sight, 39 15-16@40; Copenhagen, Stockholm, and Christiania, krona, 60 days, 26 11-16@26½; sight, 26 15-16@27. Paris dispatches quote exchange on London 25f. 21½c.

The following shows the posted rates for prime bankers' sterling bills on London, at 60 days, and sight, cable transfers and prime commercial sterling, together with exchange on Paris, on June 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of June and July:

June.	BANKERS		Cable		PARIS	
	60 days.	Sight.	Transfers.	Commercial.	60 days.	Sight.
Highest.....	4.86¼	4.88	4.87	4.84½	5.19¾	5.17¾
Lowest.....	4.83¼	4.85	4.84	4.81	5.24½	5.21½
July 1.....	4.84	4.85½	4.85	4.81½	5.23½	5.20½
" 12.....	4.83½	4.85	4.84½	4.81	5.24½	5.21¼
" 15.....	4.83½	4.85	4.84½	4.81½	5.23½	5.20½
" 19.....	4.83¼	4.85½	4.85	4.81½	5.23½	5.20½
" 26.....	4.83½	4.85½	4.85½	4.81½	5.23½	5.20½
Highest.....	4.84	4.85½	4.87½	4.81½	5.23½	5.20½
Lowest.....	4.83¼	4.85	4.84½	4.81	5.24½	5.21½

COINS AND BULLION.—Bar silver is quoted in London at 44 5-16d. per ounce. At this quotation for silver the bullion value of the standard dollar is 75.13 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars.....	\$ 90 @ \$ 1 00	Twenty marks	4 74 @ 4 80
New (412½ grains) dollars...	99¾ @ 1 00	Spanish doubloons.....	15 55 @ 15 70
American silver ½s & ¼s...	99¾ @ 1 00	Spanish 25 pesetas.....	4 75 @ 4 85
American dimes	99¼ @ 1 00	Mexican doubloons.....	15 55 @ 15 70
Mexican dollars	75¼ @ 77	Mexican 20 pesos.....	19 50 @ 19 60
Peru soles & Chilian pesos..	72¼ @ 74	Ten guilders.....	3 96 @ 4 00
English silver.....	4 80 @ 4 85¼	Com'l silver bars, per oz....	96½ @
Five francs.....	93 @ 95	U.S. Assay silver bars ...	96¼ @ 97
Victoria sovereigns.....	\$ 4 85 @ \$ 4 90	Fine gold bars par @ ¼ premium on the	
Twenty francs	3 87 @ 3 92	Mint value.	

The Home money market after the flurry on June 24th settled down and has been generally easy. The week ending July 9th, rates on call loans were from three to ten per cent, the week ending July 16th, from three to six per cent, that ending July 23d, the rates were from two to five per cent, and for the week ending July 30th they were from three to six per cent. The rates for prime commercial paper were from 6 to 6½ per cent, through the month. The following are the latest rates of exchange on New York. Savannah, par; selling ½ @ ¼ premium; Charleston, buying par @ ¼; selling 3-16 @ ¼ premium; New Orleans commercial, par @ 50c. per \$1,000 premium; bank, \$1.50 per \$1,000 premium; St. Louis, par; Chicago, 60c. per \$1,000 discount.

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of July, and the highest and lowest during the month. Actual sales marked *:

JULY.	½%, '91, coup.	4s, 1907, coup.	4s, 1907, Reg.	C'y 6s, 1895.	C'y 6s, 1899.	JULY.	½%, '91, coup.	4s, 1907, coup.	4s, 1907, Reg.	C'y 6s, 1895.	C'y 6s, 1899.
1	109¼	129¼	128¼	123¼	134¼	20	109	127¾	*127¾	124	133
5	109¾	*128¾	*128¾	123¼	134¼	21	109	*127¾	*127¾	124	133
6	*109¼	128	*128	123	134	22	108¾	127¾	127¾	123	133
7	108¾	127¾	*127¾	123	134	23	108¾	127¾	127¾	123	133
8	108¾	127¾	127¾	123	134	25	108¾	127¾	*127¾	123	133
9	108¾	127¾	127¾	123	134	26	108¾	127¾	*127¾	122	132¼
11	*109	*127¾	*127¾	123	134	27	108¾	*127¾	127¼	122	132
12	109	127¾	*127¾	123	134	28	108¾	127¼	127¼	122	132
13	*108¾	*127¾	127¾	123	133	29	108¾	127¼	127¼	122	132
14	108¾	*127¾	127¼	123	132¼	30	*108¾	*127¼	127¼	122	132
15	108¾	127¼	127¼	124	133						
16	108¾	127¼	127¼	124	133						
18	108¾	*127¾	127¼	124	133						
19	*109	127¾	*127¾	124	133	High	109¼	128¼	128¼	123¼	134¼
						Low	108¾	127¼	127¼	122	132

† Ex dividend.

The public debt and Treasury statements for August 1, show that during the month of July the public debt less cash in the Treasury has decreased \$4,844,894, as compared with a decrease of \$16,812,725, during the month of June. The outstanding interest bearing debt on August 1, was \$1,066,600,362 with accrued interest amounting to \$7,168,653. This statement includes \$64,623,512 bonds of the Pacific Railway Companies. The net cash balance available for the reduction of the debt and for meeting the expenses of the Government was \$45,698,594.15. This is in addition to the \$100,000,000, gold coin kept as a reserve on legal tender notes. The net cash has increased \$4,845,234, during the month of July which has been characterized by heavy payments. The balances due from National bank depositaries on July 1st,

were \$22,991,302 and on August 1st, \$23,493,267, an increase of \$501,965. Either indicating little extension of the use of these depositaries or large drafts on them during the month.

The following table shows the net gold and silver held by the United States Treasury on the 1st of August and on the 1st of July and June :

	Aug. 1, 1887.	July 1, 1887.	June 1, 1887.
Gold coin and bullion.....	\$281,296,417	\$278,101,106	\$277,628,750
Gold certificates outstanding.....	94,990,087	91,225,437	90,960,977
Gold owned by Treasury.....	\$186,306,330	\$186,875,669	\$186,667,773
Silver dollars and bullion.....	\$216,621,247	\$215,166,442	\$212,300,918
Silver certificates outstanding.....	144,166,141	142,118,017	139,143,328
Silver owned by Treasury.....	\$72,455,106	\$73,048,425	\$73,157,590

The changes in the above items are a decrease of \$569,339 in net gold coin and bullion held and of \$5,3319 in silver dollars and bullion. In addition to the silver dollars and bullion mentioned in this table the Treasury held in Fractional silver coin \$26,691,105. Silver certificates in circulation have increased \$2,048,134.

National bank circulation outstanding has decreased \$2,759,231, a very little more than the increase in silver certificates. The Treasury must have made a mistake and redeemed some of the notes presented in gold or legal tender notes. The amount on deposit with the U. S. Treasurer to redeem National bank notes was on August 1st, \$106,901,094 as against \$107,334,413, last month. The following shows the amount of each description of bonds held by the Treasurer to secure National bank circulation on the dates indicated.

	Aug. 1, 1887.	July 1, 1887.	June 1, 1887.	May 1, 1887.	Jan. 1, 1887.
Currency 6 per cents.....	\$3,176,000	\$3,175,000	\$3,145,000	\$3,243,000	\$3,680,000
4½ per cents.....	69,029,500	67,743,100	65,807,350	64,621,250	59,636,200
4 per cents.....	115,890,950	115,842,650	114,975,350	114,351,750	113,903,200
3 per cents.....	*1,349,350	*5,206,950	*17,011,400	20,228,550	52,218,950
Total.....	\$189,445,800	\$191,968,700	\$200,939,100	\$202,446,550	\$229,438,350
* Called.					

It is interesting to note that since January 1, 1887 the banks have reduced their three per cent. bonds from \$52,218,950 to 1,349,350, or \$50,869,600. Currency sixes in the same time have been reduced \$504,000, making a total withdrawal of bonds of \$51,373,600. Of this sum only \$11,381,050 have been replaced by other bonds. Of the \$11,381,050 new bonds deposited, \$9,848,300 were 4½s and \$1,987,750 were fours. This analysis of the table indicate that the banks are still willing to take chances on the 4½s in the hope that Congress may do something for the relief of the system.

NEW YORK BANKS.—The week ending July 9th showed an increase of \$2,701,375 in surplus reserve, that ending July 16th an increase of \$1,573,650, that ending July 23d an increase of \$571,225 and that ending July 30th a decrease of \$366,350. The following shows the condition of the New York Clearing-House Banks for a number of weeks past, as well as about this time in 1886 and 1885.

1887.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
July 30...	\$355,294,800	\$75,648,000	\$22,924,400	\$361,765,700	\$8,105,100	\$8,130,975
July 23...	354,249,800	77,032,700	22,551,500	364,351,500	8,121,400	8,497,25
July 16...	358,487,300	77,757,800	22,272,500	368,416,800	8,107,500	7,928,100
July 9...	360,173,300	77,530,100	21,074,100	369,007,000	8,320,100	6,352,450
1886.						
July 31...	354,327,400	64,271,200	43,033,300	377,703,100	7,854,000	12,878,725
1885.						
Aug. 1...	306,300,900	115,498,900	44,980,600	383,001,600	9,675,200	64,724,100

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of July, the highest and lowest since January 1, 1887, and also during the year 1886:

	JULY, 1887.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Atlantic & Pacific....	14	12	12	15½—June 13	10½—Feb. 1	13½	7
Canadian Pacific....	61	55½	55½	8½—Jan. 13	55½—July 30	73	61
Canada Southern....	56½	52½	52½	64½—May 19	52½—July 30	71½	34½
Central of N. J.....	80½	74½	77½	86½—Apr. 13	55½—Jan. 3	64	42½
Central Pacific.....	39	35½	37½	43½—Apr. 12	34—Feb. 3	61	38
Chesapeake & Ohio....	8	6	6	9½—Jan. 8	6—July 30	18½	13
do 1st pref.....	15	10	11	17—Jan. 13	10—July 24	21½	13
do 2d pref.....	10½	7	7	11½—Jan. 20	7—July 30	15½	8½
Chic. & Burlington....	145½	139½	142	156—May 17	136½—Jan. 31	141	128½
Chic. Mil. & St. Paul.	89½	81	84½	95—May 18	81—July 29	99	89½
do preferred....	123	117½	118½	127½—May 17	117½—Jan. 8	125½	110½
Chic. & North-west'n.	119½	112½	114½	127½—June 7	110—Feb. 1	120½	104½
do preferred....	149	146	147	153½—June 7	134½—Jan. 29	144	135
Chic., Rock I. & Pac.	132	128½	128½	140½—May 17	124½—Mar. 18	131	120½
Chic., St. L. & Platts.	19	16	15½	22—Apr. 22	15½—July 30	23½	19½
do preferred....	47	39½	41	52½—Apr. 22	35—Jan. 27	43½	35½
Chic., St. P., M. & O.	51	45	45	54½—May 17	45—July 30	55	43½
do preferred....	112½	110	110½	118½—June 7	106—Feb. 1	118½	97
Clev., Col., Cin. & Ind.	80	61	51	88—Apr. 11	51—July 30	75½	43½
Col. H. Val. & Tol....	30½	25½	28½	39½—Jan. 11	25½—July 29	45	25½
Del., Lack. & West'n	134	127½	127½	139½—June 1	127½—July 30	144	118½
Denn. & Grande a P	25½	20½	21½	32½—Apr. 14	21½—Feb. 8	35½	21½
E. Tenn., Va. & Ga.	13½	11½	11½	17—Jan. 3	11½—July 30	18½	11
do 1st preferred	74	58	58	82½—Jan. 13	58—July 30	89½	67
do 2d preferred	25½	21½	21½	32—Jan. 3	21½—July 30	35½	22
Evans. & Terr. Haute	95	87	87	100—Apr. 9	84—Mar. 12	91½	67½
Green B., Wm. & St. P.	144	11	11	17—Apr. 7	11—July 30	14½	6
Illinois Central....	124½	121½	123½	138—May 28	120½—June 24	143½	130
Ind., Bloom. & W'n.	23½	18	18½	27½—Apr. 1	17½—Feb. 4	28½	12
Kingston & Pem.....	41½	36	37	47½—Apr. 21	36—July 29	100½	75½
Lake Shore.....	89½	91½	89½	88½—June 30	80—Feb. 1	100½	80
Long Island.....	96½	94½	95	99½—May 14	93—Jan. 15	100	89
Louisville & Nashv'e	64	60	62	70½—Apr. 14	57—Feb. 3	69	35½
Lou'ville, N.A. & Chic.	64	58	58	67½—June 11	57—July 28	71	32
Manhattan consol....	120½	109	109	161½—Apr. 20	109—July 30	175	120
Michigan Central....	90	82	82	95½—May 19	82½—Jan. 6	98½	61½
Mil., L. S. & West....	90	80	85	94½—May 18	66½—Jan. 8	103	50½
do preferred....	115	108	109½	119—May 18	98—Jan. 30	123½	16½
Mineap's & St. Louis.	18	14	14	20½—Apr. 2	14—July 30	23½	40½
do preferred....	28½	25½	25½	49½—May 8	32—July 30	34½	21
Mo., Kan. & Texas..	10½	8½	10½	11½—May 19	92—June 24	119	100½
Missouri Pacific....	14½	12	12	19½—Jan. 8	12—July 20	21½	11
Mobile & Ohio.....	83½	76½	79	88½—Jan. 8	76½—July 14	105½	43½
Nash., Chat. & St. L.	110	106½	108½	114½—May 19	104½—July 30	117½	96½
N. Y. Cent. & H. R.	194	174	174	20½—May 16	16½—Mar. 15	173½	4½
N. Y., Chic. & St. Louis	33½	31	29	37½—May 18	27—Mar. 12	31	11
do preferred....	32½	28½	30½	37½—Apr. 12	28½—July 30	38½	22½
N. Y., Lake E. & Wat.	7½	69½	67½	74—May 23	65½—Jan. 29	81½	50½
do preferred....	53½	41	41	66—Mar. 29	41—July 30	69½	30½
N. Y. & New Eng....	13½	10½	10½	20½—Jan. 3	15½—Feb. 4	22½	15
N. Y., Ont. & West'n	11½	9½	10½	14—Feb. 14	9½—July 7	12½	6
N. Y., Susq. & Westn	39½	29	32½	38½—Feb. 14	25—July 7	33½	17½
do preferred....	48	42	44½	52½—Jan. 3	15—June 24	27½	8½
Norfolk & Western..	20	16	16½	55½—May 16	42½—July 27	58½	25
do preferred....	48	42	44½	57½—May 16	26½—Feb. 1	51½	23
Northern Pacific....	84½	79½	81½	94½—July 18	63½—Feb. 1	101½	53½
do preferred....	29	25½	26	33½—Apr. 4	25½—Feb. 1	35½	19½
Ohio & Mississippi..	31½	24½	25½	35½—Apr. 7	25½—July 30	38	25
Oregon & Transc....	3½	29½	29½	39½—May 25	29½—July 30	34½	16
Peoria, Dec. & Evans.	58½	51½	53½	64½—July 5	34—Feb. 1	61½	18½
Phila. & Reading....	34	27½	30	53—Jan. 17	26—June 24	77½	27½
Rohin'd & W. Point.	16	87	92	65—Jan. 17	30—Feb. 24	97	25
Rome, Wat'n & Og'bg	39½	36	37½	44½—May 26	30—Jan. 27	36½	17
St. L. & San F.....	78	75	75	84½—May 26	61½—Feb. 2	72½	37½
do preferred....	118	112	112	120—June 2	112—July 30	118½	97
do 1st pref.....	82	74½	76½	95—June 20	55½—Jan. 7	87	37
St. Paul & Duluth....	108	102½	102½	114½—May 23	102½—July 28	114	94½
do preferred....	117	113½	114½	12½—May 27	113—Feb. 1	124½	106½
St. Paul, Minn. & Man	90½	27½	28½	35½—May 23	20—Feb. 3	25	7½
Texas & Pacific.....	68	53	55½	69½—May 6	53—July 13	68½	44½
Union Pacific.....	19	17½	17½	23½—May 6	19½—Feb. 1	24½	12
Wabash, St. L. & Pac.	34	29½	31	38½—May 19	23½—Feb. 1	41½	23½
do preferred....	46	40	42	53½—May 19	35½—Feb. 1	58½	35
Col. Coal & Iron Co.	102	100	100½	105½—Apr. 18	100—July 30	106½	89½
Del. & Hudson Canal	99½	94½	96½	105½—Apr. 19	94½—July 29	103½	89
Oregon H. & Nav. Co	45	39	40½	58½—Apr. 7	39—July 24	47	45½
Pacific Mail.....	78½	72½	74½	79—June 7	67½—June 24	80½	60½
Western Union Tel..							

* First assessment paid. † Assented. ‡ Com. Repts. § Second assessment paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange.

The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYA-BLE.	YEAR 1886.		AUG. 1, 1887.	
				High.	Low.	Bid.	Askd
Alabama Class A 3 to 5	1906	6,728,800	J & J	108	97	105	106
do do small				105	97	105	106
do Class B 5's	1906	539,000	J & J	110	105	109	112½
do Class C 4's	1906	959,000	J & J	103½	95	100	102
do 6's, 10-20	1900	960,000	J & J	107½	104	102	104
Arkansas 6's, funded	1899, 1900	3,000,000	J & J	11½	5	10	
do 7's, Little Rock & Fort Smith ..		1,000,000	A & O	28	12	35	40
do 7's, Memphis & Little Rock ..		1,200,000	A & O	27	13	20	30
do 7's, L. R., Pine Bluff & N. O.		1,200,000	A & O	27½	12½	25	35
do 7's, Miss., Ouachita & Red River ..		600,000	A & O	20½	12	25	35
do 7's, Arkansas Central R. R.		1,350,000	A & O	8	5		14
Georgia 7's, gold bonds	1890	2,000,000	Q J	114	108½	108	
Louisiana 7's, consolidated	1914		J & J	94	84	100	
do 7's, do stamped 4's		12,039,000		82½	67	85½	85¾
do 7's, do small bonds				78	67	82	
Michigan 7's	1890	231,000	M & N	112	108	106	
Missouri 6's	1887	3,242,000	J & J	104½	102	100	
do 6's	1888	3,251,000	J & J	106½	103½	100	
do 6's	1889 or 1890	1,105,000	J & J	110	107	104	
do Asylum or University	1892	401,000	J & J	113	110	110	
do Funding bonds	1894, 1895	1,000,000	J & J	119	115	112	
do Hannibal & St. Joseph	1887	1,000,000	J & J	104	101	*118	
New York 6's, gold, registered	1887	942,000	J & J	104	102	100	
do 6's, coupon	1887	643,200	J & J	104	102	100	
do 6's, loan	1891	4,302,600	J & J	115	110	112	
do 6's, loan	1892	2,000,000	A & O	120	112	115	
do 6's, loan	1893	473,000	A & O	122	115	118	
North Carolina 6's, old	1886-98	4,738,000	J & J	36½	30	35	
do do April & October		3,639,400		36½	30	35	
do to N. C. R. R.	1883-4-5		J & J	175	165	170	
do do 7's, coupon off		3,000,000		175	165	140	
do do April & October			J & J	145	135	170	
do do 7's, coupon off				145	135	140	
do Funding Act	1866-1900	2,417,000	J & J	13½	10	12	
do do	1868-1898	1,721,400	A & O	13½	10	12	
do new bonds, J. & J.	1892-1898	2,383,000	J & J	23	20	20	
do do April & October		495,000		23	20	20	
do Chatham Railroad		1,200,000	A & O	13	5	9	
do special tax, Class 1			A & O	14½	8	15	15½
do do Class 2			A & O	10½	10	15	15½
do do to W'n N. C. R.			A & O			15	15½
do do to West'n R. R.			A & O			15	15½
do do to W'il., C. & R'n R. R.			A & O			15	15½
do do to W'n & Tar R. R.			A & O			15	15½
do consolidated 4's	1910	3,620,511	J & J	100½	88½	98½	99
do do small bonds		2,553,000	J & J	98	87	95	98
do do 6's	1919	1,372,000	A & O	129	115	121½	125
Rhode Island 6's, coupon	1893-4		J & J	124	118	115	
South Carolina 6's, Act March 23, 1869, non-fundable	1888	5,965,000		7½	5	6	
South Carolina, Brown consolid'n 6's ..	1893	4,280,000	J & J	110½	104	105	108
Tennessee 6's, old	1890-2-8	4,397,000		65½	53	60	64
do 6's, new bonds	1892-8-1900			65½	53	60	64
do 6's, new series	1914			65½	53	60	64
do compromise 3-4-5-6's	1912	2,014,000	J & J	75½	62	71	75
do new settlement 6's	1913	823,000	J & J	109	103	102	106
do do small bonds		49,400	J & J			102	106
do do 5's	1913	347,000	J & J	102	100	100½	104
do do small bonds		10,100	J & J				
do do 3's	1913	10,571,000	J & J	80	71½	72	72½
do do small bonds		345,800	J & J			70	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYA BLE.	YEAR 1886.		AUG. 1, 1887.	
				High.	Low.	Bid.	Ask'd
Virginia 6's, old.....		9,427,000		47	42	48	
do 6's, new bonds.....1866		700,000		47	42	48	
do 6's, do.....1867		486,000		49	42	48	
do 6's, consolidated bonds.....		20,239,000		160	80	90	
do 6's, ex-matured coupons.....				60	50	46	54
do 6's, consolidated, 2d series.....		2,442,784		69	60	60	
do 6's, deferred bonds.....		12,691,531		133½	9	10	12
do Trust receipts.....				133½	9	10½	11½
District of Columbia 3-65's.....1924			F&A	120	116	121	
do small bonds.....		14,033,600	F&A			120	
do registered.....			F&A				
do funding 5's.....1899			J & J	112½	110	108	
do do small.....		948,400	J & J				
do do regist'd.....			J & J				
FOR. GOV. SECURITIES.—Quebec 5's. 1908		3,000,000	M & N			107	109

CITY AND COUNTY.

Brooklyn 6's.....			J & J			*110	
do 6's, Water Loan.....		9,706,000	J & J			*125	
do 6's, Improvement Stock.....		730,000	J & J			*125	
do 7's, do.....		6,084,000	J & J			*140	
do 6's, Public Park Loan.....		1,217,000	J & J			*125	
do 7's, do.....		8,016,000	J & J			*163	
Jersey City 6's, Water Loan.....		1,163,000	J & J			*106	
do 7's, do.....		3,108,800	J & J			*110	
do 7's, improvement.....		3,669,000	J & J			*117	
Kings County 6's.....						*128	
New York City 6's, 20, 50.....1877						*130	
do 6's.....1878						*101	
do 6's.....1887		3,066,000	F.M.A.N			*121	
do gold 6's, consolidated.1896			M & N			*136	
do do 6's.....1902		14,702,000	J & J			*110	
do do 6's, Dock bonds.....		3,976,000				*120	
do do 6's, County bonds.....						*18	
do do 6's, C's, Park..1894-6		10,343,000	J & D			*120	
do 6's.....1896						*115	
do 5's.....1898		674,000	Q J				

MISCELLANEOUS.

	P.A.R.						
Bankers & Merchants' Telegraph.....	100	3,000,000		3¼	2½	*2½	
Boston Land Co.....	10	800,000					
Canton Co., Baltimore.....	100	4,500,000		65	53		
Chartiers Valley Gas Co.....	100	3,000,000					
Cent. New Jersey Land Improvement.....	100	2,200,000				*24	28
Consolidated Gas Co.....	100	35,430,000		111	74½	74	74½
Delaware & Hudson Canal.....	100	24,500,000	Q M	108½	87¼	100	
Equitable Gas Light Co.....	100	3,000,000				*102½	
Iron Steamboat Company.....	100	2,000,000				*28	
Philadelphia Company.....	50	6,500,000	MthY			98	100
Pullman's Palace Car Co.....	100	15,977,200	Q F	147½	128	149½	150
Southern & Atlantic Telegraph.....	25	948,875	A & O			*142	
Sutro Tunnel Co.....	10	20,000,000					
Western Union Telegraph.....	100	81,200,000	Q F	80¼	60½	71½	71¾
North-Western Telegraph.....	50	2,500,000					
Central & So. American Telegraph.....	100	4,006,600	Q J				
Commercial Telegram Co.....	100	1,800,000				*35	
do do preferred.....	100	200,000		105	103¼	102	103
Mexican Telegraph Co.....	100	1,500,000	Q J	122¼	110	135	160
Joliet Steel Co.....	100	2,666,000		131	105	124	140

GOVERNMENT SECURITIES.

United States 4½ registered.....1891			M.J.S&D			108½	109¼
do 4½ coupons.....1891	250,000,000		M.J.S&D	114	109½	108½	109¼
do 4's registered.....1907			J.A.J&O			127½	127¾
do 4's coupons.....1907	737,792,150		J.A.J&O	129½	123	127¼	127¾
do 6's, currency.....1895	3,002,000	J & J				122	
do 6's, do.....1896	8,000,000	J & J				124	
do 6's, do.....1897	9,712,000	J & J				127	
do 6's, do.....1898	29,904,952	J & J	136¼	133		130	
do 6's, do.....1899	14,004,560	J & J				132	

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RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		AUG. 1, 1887.	
				High.	Low	Bid.	Askd
Albany & Susquehanna.....	100	3,500,000	J & J	148	138	*140	150
Atchison, Topeka & Santa Fe.....	100	68,000,000	Q F	99½	84½	118	119½
Atlantic & Pacific.....	100	25,000,000	.....	159½	7	12	12½
Beech Creek.....	50	3,700,000	.....	.....	.....	*23½	23½
do preferred.....	50	1,300,000	.....	.....	.....	*80	85
Burlington, Cedar Rapids & Northern.....	100	5,500,000	.....	75	45	*50	.....
Buffalo, Rochester & Pittsburgh.....	100	6,000,000	.....	35½	22½	58	60
Canada Southern.....	100	15,000,000	F & A	71½	34½	52½	52½
Canadian Pacific.....	100	65,000,000	F & A	78	61	15½	56
Central of New Jersey.....	100	18.5-3.200	Q	64	42½	73½	74½
Central Iowa.....	100	9,100,000	.....	22½	12	7½	9
do 1st preferred.....	100	907,000	.....	.....	.....	*17	.....
do 2d preferred.....	100	1,177,400	.....	.....	.....	*10	11
Central Pacific.....	100	68,000,000	F & A	51	38	35½	35½
Charlotte, Columbia & Augusta.....	100	2,574,000	.....	50	30	.....	.....
Chesapeake & Ohio.....	100	15,906,188	.....	124½	7	6	8
do do 1st preferred.....	100	8,447,800	.....	21½	13	10½	14
do do 2d preferred.....	100	11,594,400	.....	15½	8½	7	10
Chicago & Alton.....	100	14,091,000	Q M	146	138	85	43
do do preferred.....	100	3,479,500	Q M	162	150	75	85
Chicago & Northwestern.....	100	41,373,000	J & D	124½	104½	112½	112½
do do preferred.....	100	22,325,200	Q M	144	135	146	147
Chic., St. Paul, Minneapolis & Omaha.....	100	21,408,243	Q M	55	35½	45	46
do do preferred.....	100	12,616,933	J & J	116½	97	110½	.....
Chicago, Rock Island & Pacific.....	100	750,000,000	Q F	181	120½	127	128
Chicago, Burlington & Quincy.....	100	75,385,800	Q M	141	124½	*146	147
Chicago, Milwaukee & St. Paul.....	100	30,404,281	A & O	99	82½	81½	81½
do do do preferred.....	100	21,555,900	A & O	126½	116	117½	118½
Chicago & Eastern Illinois.....	100	3,000,000	.....	.....	.....	111	.....
Chicago, St. Louis & Pittsburgh.....	100	10,000,000	.....	19½	9½	15½	17
do do do preferred.....	100	20,000,000	.....	43½	26½	39	40
Chicago & Indiana Coal Railway Co.....	100	2,977,800	.....	.....	.....	40	45
do do do preferred.....	100	1,465,200	.....	.....	.....	85	90
Cin., New Orleans & Texas Pacific.....	100	3,000,000	.....	.....	.....	.....	.....
Cincinnati, Ind's, St. Louis & Chicago.....	100	10,000,000	.....	.....	.....	.....	.....
Cincinnati, Jackson & Mackinac.....	100	8,320,000	.....	.....	.....	.....	.....
do do preferred.....	100	4,680,000	.....	.....	.....	.....	.....
Cleveland & Pittsburgh guaranteed.....	50	11,243,738	Q M	153	146½	*56	56½
Cleve., Columbus, Cin. & Indianapolis.....	100	14,991,800	F & A	75½	43½	51	53
Columbia & Greenville.....	100	1,000,000	.....	.....	.....	.....	.....
do do preferred.....	100	1,000,000	.....	60	42	.....	.....
Columbus, Hocking Valley & Toledo.....	100	11,700,000	.....	45½	26½	28	26½
Delaware, Lackawanna & Western.....	50	26,200,000	Q J	144	115	127½	127½
do Morris & Essex.....	50	15,000,000	J & J	144	132½	*139	140
do N. Y., Lackawanna & Western.....	100	10,000,000	Q J	109	100½	*106½	107
Dubuque & Sioux City.....	100	5,000,000	A & O	101	60½	*68	72
Denver & Rio Grande.....	100	38,000,000	.....	35½	21½	26	27
do do preferred.....	100	23,850,000	.....	63½	53½	58	59
Denver & Rio Grande Western.....	100	7,500,000	.....	.....	.....	15	21
Denver, South Park & Pacific.....	100	3,500,000	.....	.....	.....	.....	.....
Des Moines & Fort Dodge.....	100	4,293,100	.....	.....	.....	12½	14
do do preferred.....	100	763,000	.....	.....	.....	20	30
Detroit, Mackinac & Marquette.....	100	4,750,000	.....	.....	.....	.....	.....
Det. Bay Cit. & Atl. R. R.....	100	1,533,800	.....	.....	.....	.....	.....
East Tennessee, Virginia & Georgia.....	100	27,500,000	.....	187½	11	11½	12½
do do do 1st preferred.....	100	11,400,000	.....	83½	67	58	62
do do do 2d preferred.....	100	18,500,000	.....	35½	24	21½	22½
Elizabethht'n, Lexington & Big Sandy.....	100	5,000,000	.....	22	15	10	15
Evansville & Terre Haute.....	50	3,000,000	.....	91½	67½	90	.....
Flint & Pere Marquette preferred.....	100	6,500,000	.....	.....	.....	*14	.....
Green Bay, Winona & St. Paul.....	100	8,000,000	.....	14½	8	11	12
do do preferred.....	100	2,000,000	.....	.....	.....	22	23
Harlem.....	50	8,518,100	J & J	240	218½	218	225
do preferred.....	50	1,381,500	J & J	.....	.....	.....	.....
Houston & Texas Central.....	100	10,000,000	.....	44½	25	25	34
Illinois Central.....	100	80,000,000	M & R	143½	130	*136	137½
do leased line 4 per cent. stock.....	100	10,000,000	J & J	100½	93	94	100
Indiana, Bloomington & Western.....	100	10,000,000	.....	28½	12	*17½	19
do assessed, first instalment paid.....	100	10,000,000	.....	.....	.....	*23	24
do assessed, full assessment paid.....	100	10,000,000	20	23
Joliet & Chicago.....	100	1,500,000	Q J	150½	150
Kentucky Central.....	100	5,500,000

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886		AUG. 1, 1887.	
				High.	Low.	Bid.	Asked
Kingston & Pembroke.....	50	4,500,000				363 $\frac{1}{2}$	38
Lake Erie & Western.....	100	11,840,000				183 $\frac{1}{2}$	191 $\frac{1}{2}$
do. do preferred.....	100	11,840,000				543 $\frac{1}{2}$	549 $\frac{1}{2}$
Lake Shore & Michigan Southern.....	100	49,466,500	F & A	100 $\frac{1}{2}$	76 $\frac{1}{2}$	92 $\frac{1}{2}$	92 $\frac{1}{2}$
Long Island.....	50	10,000,000	Q F	100	80	95 $\frac{1}{2}$	97
Louisville & Nashville.....	100	30,000,000	F & A	69	33 $\frac{1}{2}$	60 $\frac{1}{2}$	60 $\frac{1}{2}$
Louisville, New Albany & Chicago.....	100	5,000,000		71	32	60	64
Marquette, Houghton & Ontario.....	100	2,378,600				20	21
do preferred.....	100	3,278,500				85	92
Mexican Central (limited).....	100	35,000,000				133 $\frac{1}{2}$	143 $\frac{1}{2}$
Milwaukee, Lake Shore & Western.....	100	2,000,000		71 $\frac{1}{2}$	22	80	85
do do preferred.....	100	5,000,000		103	50 $\frac{1}{2}$	108	109 $\frac{1}{2}$
Milwaukee & Northern.....	100	4,131,000		42 $\frac{1}{2}$	40	57	57
Manhattan Beach Company.....	100	5,000,000		21 $\frac{1}{2}$	13 $\frac{1}{2}$	14	15 $\frac{1}{2}$
Michigan Central.....	100	18,738,204		98 $\frac{1}{2}$	61 $\frac{1}{2}$	82	82 $\frac{1}{2}$
Missouri Pacific.....	100	45,000,000	Q J	119	100 $\frac{1}{2}$	98 $\frac{1}{2}$	98 $\frac{1}{2}$
Missouri, Kansas & Texas.....	100	46,405,000		38 $\frac{1}{2}$	21	25 $\frac{1}{2}$	26
Mobile & Ohio assented.....	100	5,320,600		21 $\frac{1}{2}$	11	13 $\frac{1}{2}$	14 $\frac{1}{2}$
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100				125	
Minneapolis & St. Louis.....	100	6,000,000		23 $\frac{1}{2}$	16 $\frac{1}{2}$	14	16
do do preferred.....	100	4,000,000		52 $\frac{1}{2}$	40	32	35
Manhattan consolidated.....	100	23,895,630	Q J	175	120	109	111
New York Central & Hudson River.....	100	89,428,300	Q & J	117 $\frac{1}{2}$	98 $\frac{1}{2}$	107 $\frac{1}{2}$	108 $\frac{1}{2}$
New York, New Haven & Hartford.....	100	15,500,000	Q & J	223	204 $\frac{1}{2}$	222 $\frac{1}{2}$	
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000		102	96	99	100
New York, Lake Erie & Western.....	100	78,000,000		38 $\frac{1}{2}$	22 $\frac{1}{2}$	28 $\frac{1}{2}$	29
do do preferred.....	100	8,536,900	Q	81 $\frac{1}{2}$	50 $\frac{1}{2}$	60 $\frac{1}{2}$	70
New York, Ontario & Western.....	100	58,113,982		22 $\frac{1}{2}$	15	16 $\frac{1}{2}$	17
New York & New England.....	100	20,000,000		65 $\frac{1}{2}$	30 $\frac{1}{2}$	41	41 $\frac{1}{2}$
New Jersey & New York.....	100	1,500,000					
do preferred.....	100	800,000					
New York, Chicago & St. Louis.....	100	28,000,000		17 $\frac{1}{2}$	4 $\frac{1}{2}$		
do do do assented.....	100					17 $\frac{1}{2}$	18 $\frac{1}{2}$
do do do preferred.....	100	22,000,000		31	11		
do do do do assented.....	100					31 $\frac{1}{2}$	32
New York, Susquehanna & Western.....	100	13,000,000		12 $\frac{1}{2}$	6	9 $\frac{1}{2}$	10
do do preferred.....	100	8,000,000		33 $\frac{1}{2}$	17 $\frac{1}{2}$	30	
Northern Pacific.....	100	49,000,000		31 $\frac{1}{2}$	22	33 $\frac{1}{2}$	34
do do preferred.....	100	37,936,776		64 $\frac{1}{2}$	53 $\frac{1}{2}$	59	59 $\frac{1}{2}$
Nashville, Chattanooga & St. Louis.....	25	6,698,375		105 $\frac{1}{2}$	43 $\frac{1}{2}$	74 $\frac{1}{2}$	80
Norfolk & Western.....	100	7,000,000		27 $\frac{1}{2}$	8	15 $\frac{1}{2}$	16
do do preferred.....	100	18,000,000		59 $\frac{1}{2}$	25	42 $\frac{1}{2}$	43
Norfolk Southern.....	100	1,000,000					
Ohio & Mississippi.....	100	20,000,000		35 $\frac{1}{2}$	19 $\frac{1}{2}$	25 $\frac{1}{2}$	26 $\frac{1}{2}$
do do preferred.....	100	4,030,000		91	79	*51 $\frac{1}{2}$	51 $\frac{1}{2}$
Ohio Southern.....	100	3,810,000		22 $\frac{1}{2}$	13 $\frac{1}{2}$	*20 $\frac{1}{2}$	21 $\frac{1}{2}$
Omaha & St. Louis preferred.....	100	2,220,500				30 $\frac{1}{2}$	31 $\frac{1}{2}$
Oregon & California.....	100	7,000,000					
do do preferred.....	100	12,000,000					
Oregon & Trans-Continental.....	100	40,000,000		38	25	25 $\frac{1}{2}$	26 $\frac{1}{2}$
Oregon Short Line.....	100	15,265,000		38	19 $\frac{1}{2}$	*27 $\frac{1}{2}$	28 $\frac{1}{2}$
Oregon Improvement Co.....	100	7,000,000		51	16	47	50
Oregon Railway & Navigation Co.....	100	24,000,000	Q J	109 $\frac{1}{2}$	93	96	97
Philadelphia & Reading 1st assn't paid.....		34,702,000		53 $\frac{1}{2}$	18 $\frac{1}{2}$	50 $\frac{1}{2}$	51
do do do.....							
do do preferred, 1st do.....		1,286,800				56 $\frac{1}{2}$	56 $\frac{1}{2}$
do do do do.....							
Pittsburgh, Ft. Wayne & Chic. guar'd.....	100	19,714,285	Q J	150	141	*148	150
do do do special.....	100	10,778,600		140	132 $\frac{1}{2}$		
Pitts. McK'sport & Youghiogheny con.....	100	3,000,000				*105	
Peoria, Decatur & Evansville.....	100	8,400,000		34 $\frac{1}{2}$	16	29 $\frac{1}{2}$	29 $\frac{1}{2}$
Rochester & Pittsburgh.....	100	1,682,500		7 $\frac{1}{2}$	3 $\frac{1}{2}$	60	66
Richmond & Allegheny reorganiz'n cert.....	100	5,000,000		15 $\frac{1}{2}$	2	14	14 $\frac{1}{2}$
do stamped assessment paid.....							
Richmond & Danville.....	100	5,000,000	Q F	200	75	*150	
Richmond & West Point R. & W. Co.....	100	40,000,000		77 $\frac{1}{2}$	27 $\frac{1}{2}$	27 $\frac{1}{2}$	27 $\frac{1}{2}$
do do do preferred.....	100	5,000,000	J & J			64 $\frac{1}{2}$	66
Rome, Watertown & Ogdensburg.....	100	5,293,900		96	25	90	93
Utica & Black River guaranteed.....	100	2,223,000		125	117 $\frac{1}{2}$	120	
South Carolina.....	100	4,204,160		24	10 $\frac{1}{2}$	*34 $\frac{1}{2}$	34 $\frac{1}{2}$
Southern Pacific.....	100	88,076,200		41 $\frac{1}{2}$	30 $\frac{1}{2}$	30	31
St. Louis, Alton & Terre Haute.....	100	2,300,000		46	27	37 $\frac{1}{2}$	40

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St. Louis, Alton & Terre Haute pfd...	100	2,468,400	May	95	80	75	80
Belleville & Southern Illinois pref.....	100	1,275,000	M & N			75	80
St. Louis & San Francisco	100	11,864,300		86 1/2	17	86	88 1/2
do do preferred.....	100	10,000,000		72 1/2	37 1/2	74	75
do do 1st preferred.....	100	4,500,000	F & A	18 1/2	97	112	115
St. Louis, Arkansas & Texas.....	100	9,555,000					
St. Paul & Duluth	100	4,055,400		67	37	77	78
do preferred	100	5,377,008	J & J	114	99 1/2	103	105
St. Joseph & Grand Island	100	4,500,000		37	25	*38 1/2	29 1/2
St. Paul, Minneapolis & Manitoba.....	100	20,000,000	Q F	124 1/2	104 1/2	112 1/2	118
Tex. & P. Trust C'tr's, all assm'ts paid.....	100	82,148,700		29 1/2	17 1/2	27 1/2	27 1/2
Toledo & Ohio Central.....	100	1,592,000		38 1/2	26	27	
do do preferred	100	3,108,000		53 1/2	46 1/2	50	55
United New Jersey R. & Canal Co.'s.....	100	21,240,400					
Union Pacific.....	100	60,888,500	Q J	68 1/2	44 1/2	52	53
Utah Central.....	100	4,250,000		18	11	26	
Virginia Midland.....	100	6,000,000		51 1/2	15	43	44
Wabash, St. Louis & Pacific.....	100	23,419,500	Q	18	6	46 1/2	49 1/2
do do full-paid p. c. cert.....	100	24,223,300		24 1/2	12	17	17 1/2
do do preferred.....	100			27	14		30 1/2
do do full-paid p. c. cert.....	100	3,600,000		41 1/2	23 1/2	29	36 1/2
Wheeling & Lake Erie Railway	100					42 1/2	47

RAILROAD BONDS.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Atchison, Topeka & Santa Fe 4 1/2's.....	1820	4,687,000	A & O				
do do sinking fund 6's.....	1911	12,348,000	J & D				*115 1/2
Atlantic & Pacific guard 1st gold 4's.....	1837	17,610,000	J & J			83 1/2	84
Beech Creek 1st gold 4's.....	1836	5,000,000	J & J			80	82
Balt. & Ohio 1st 6's (Parkersb'g br'ch).....	1912	3,000,000	A & O	128 1/2	120	124	126
do do 5's, gold.....	1865-1825	10,000,000	F & A	114	108 1/2	112 1/2	
do do registered			F & A	113 1/2	109 1/2		*112
Boston, Hooaac Tunnel & W'n deb 5's.....	1913	2,000,000	M & S	93 1/2	92 1/2		96 1/2
Bur., Cedar Rapids & Northern 1st 5's.....	1906	6,500,000	J & D	111	106	108	
do con. 1st & col. tr. 5's.....	1834	5,000,000	A & O	110	98	99	
do do do registered			A & O				100
Minneapolis & St. L. 1st 7's, gold.....	1927	150,000	J & D	138	128	*140	
Iowa City & Western 1st 7's.....	1909	456,000	M & S	114 1/2	109 1/2	*109	
Cedar Rapids, Iowa Falls & N. 1st 6's.....	1920	825,000	A & O	111	110 1/2	104	107
do do do 1st 5's.....	1921	1,906,000	A & O	106 1/2	100	100 1/2	108
Buffalo, N. Y. & Phila. con. 1st 6's.....	1921	11,000,000	J & J	51	37		*57 1/2
do do trust certificates.....						40	45
do do general 6's.....	1824	3,700,000	M & S				*45
do do trust certificates.....							*50
Canada Southern 1st int. gold 5's.....	1908	14,000,000	J & J	108 1/2	103 1/2	105 1/2	106
do do 2d mortgage 5's.....	1913	6,000,000	M & S	95	84	92 1/2	93 1/2
do do do registered			M & S			92	93
Central Iowa 1st mortgage 7's.....	1899	3,700,000	J & J	115		*112	
do do coupons off.....				111	84	85	90
do (Eastern division) 1st 6's.....	1912	1,515,000	A & O	75	66		71
do (Illinois division) 1st 6's.....	1912	1,520,000	A & O	70	66	*70 1/2	
Chesapeake & Ohio pur. money fund.....	1898	2,300,000	J & J	117	111 1/2	112	
do do 6's, gold, Series A.....	1908	2,000,000	A & O	114	108 1/2		105
do do 6's, gold, Series B.....	1908		M & N			*68 1/2	
do do coupons off.....			M & N	88	60	74	75
do do small bonds.....	1908	15,000,000	M & N			*74	
do do coupons off.....			M & N			73	
do do extension coupon 4's.....	1898		M & N			69	*70 1/2
do do reg'd 4's.....	1908		M & N				*73 1/2
do do 6's, currency.....	1918	10,122,500	J & J	41 1/2	25	22 1/2	
do do small bonds.....	1918		J & J			23	
do do mortgage 6's.....	1911	2,000,000	A & O	108	94 1/2		96 1/2
Ches., Ohio & R.-W. mortgage 6's.....	1911	6,678,000	F & A	104	86 1/2	108	
do do 2d mortgage 6's.....	1911	2,495,000	F & A			*65	
Chicago & Alton 1st mortgage 7's.....	1893	2,383,000	J & J	121 1/2	117	118 1/2	120 1/2
do do sinking fund 6's.....	1903	2,655,000	M & N	125	121	123	124 1/2
Louisiana & Missouri River 1st 7's.....	1900	1,785,000	F & A	124	120	122	123
do do do 2d 7's.....	1900	300,000	M & N	116 1/2	116	116	
St. Louis, Jacksonville & Chic. 1st 7's.....	1894	2,365,000	A & O	122	116 1/2	*117 1/2	
do do 1st guarantee (584) 7's.....	1894	564,000	A & O				120
do do 2d mortgage (380) 7's.....	1898	44,000	J & J			*118 1/2	
do do 2d guarantee (188) 7's.....	1898	188,000	J & J			116	

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1894		AUG. 1, 1897.	
				High.	Low.	Bid.	Askd
Mississippi River Bridge 1st 5's. 1912		680,000	A & O	107	106	106	.....
Chicago, Burlington & Quincy cons. 7's. 1913		\$30,000,000	J & J	138	132½	129½	130½
do do 5's. sinking fund 1901		2,500,000	A & O			*110	.....
do do 5's. debentures 1913		9,000,000	M & N	110½	105	105½	106½
do do (lowa div.) sinking f'd 5's. 1919		3,000,000	A & O	113½	112½	111½	.....
do do do do 4's. 1919		10,591,000	A & O	103	99½	98½	99
do do Denver division 4's. 1922		7,968,000	F & A	101½	97½	97	.....
do do do 4's. 1921		4,300,000	M & N	101½	92½	92	96
Chic. Burlington & Northern 1st 5's. 1926		9,000,000	A & O	104½	102½	105	106
do do debentures 6's. 1906		2,250,000	J & D			105	.....
Chic., Rock Island & Pacific 6's. coup. 1917		+12,500,000	J & J	140	129½	130	133
do do 6's. registered 1917			J & J	140	130	129½	.....
do do extension & con. 5's. 1934			J & J	113	109	107	108
do do do registered 1917		8,860,000	J & J			*107	.....
Des Moines & Fort Dodge 1st 4's. 1905		1,200,000	J & J			89	.....
do do do 1st 2½'s. 1905		1,200,000	J & J				.....
do do do extension 4's. 1905		672,000	J & J			88	90
Keokuk & Des Moines 1st mort. 5's. 1923		2,750,000	A & O	113	108	110	112
do do small bonds. 1923			A & O			107	111
Central Railroad of N. J. 1st 7's. 1890		5,000,000	F & A	114½	107	108½	.....
do do 1st consolidated 7's. 1899		+25,000,000	Q J	118	106	114½	117
do do assented 1902		5,000,000	M & N			*114	.....
do do convertible 7's. 1902				150	106	114	116
do do adjustment 7's. 1903		5,550,000	M & N	112	103½	108	109½
do do convertible deb. 6's. 1908		5,000,000	M & N	92½	63	100	104
do do interim bond cert's 1908		12,000,000					98
Lehigh & Wilkes-Barre con. gold. 1900		11,500,000	Q M				.....
do do assented 1900				114½	103	113½	116
\$6,116,000 held by Central R. R. of N. J. unassented: \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's. 1921		5,000,000	J & J	103	89		106
Mil. & St. Paul 1st m. 8's Pra. du Chn. 1898		3,674,000	F & A	136½	132	130	134
do do 2d 7-10 Pra. du Chn. 1898		1,241,000	F & A	129	125	127	127½
do do 1st 7's \$ gold, Riv. division. 1902			J & J	134½	130	127	127½
do do 1st 7's \$ do do 1902		3,804,500	J & J			*126	.....
do do 1st m. La Crosse div. 7's. 1893		5,284,000	J & J	125	120	116	117
do do 1st m. Iowa & Minn. 7's. 1897		3,198,000	J & J	127½	122½	118	120
do do 1st m. Iowa & Dakota 7's. 1899		541,000	J & J	132	124½	122	.....
do do 1st m. Chicago & Milw. 7's. 1903		2,363,000	J & J	134	130	127	130
do do consolidated 7's. 1906		+35,000,000	J & J	136	129½	127½	127½
do do 1st 7's. Iowa & Dak. exten. 1908		3,505,000	J & J	134½	125½	128½	.....
do do 1st 6's. Southwest'n div'n. 1909		4,000,000	J & J	121	115½	114	.....
do do 1st 5's. La Crosse & Dav. 1919		3,000,000	J & J	109½	105	103	.....
do do 1st Mo. Minnesota div. 6's. 1910		7,432,000	J & J	121	114½	116	.....
do do 1st Hastings & Dak. div. 7's. 1910		5,680,000	J & J	131	124		124
do do do 5's. 1910		585,000	J & J			118	.....
do do Chic. & Pacific div. 6's. 1910		2,500,000	J & J	124½	119	107½	104
do do 1st Chicago & Pac. W. 5's. 1921		23,440,000	J & J	111	103	104	104½
do do Chic. & Mo. R. div. 5's. 1926		2,019,000	J & J				.....
do do Mineral Point div. 5's. 1910		2,840,000	J & J	108½	102	102½	.....
do do Chic. & L. Sup'r div. 5's. 1921		1,380,000	J & J			102½	.....
do do Wis. & Min. div. 5's. 1921		4,755,000	J & J	109½	102	102½	104
do do terminal 5's. 1914		4,698,000	J & J	108½	101½	103	104
do do Far. & So. 6's assu. 1924		1,250,000	J & J	119	114½		115
do do Inc. conv. sink'g fund 5's. 1918		2,000,000	J & J			95	100
Dakota & Gt. Southern 5's. 1918		1,000,000	J & J			97	100
Chic. & Northw'n consol. bonds. 7's. 1915		\$12,900,000	Q F	137	38	140	141
do do coupon gold 7's. 1902			J & J		0	130	.....
do do registered gold 7's. 1902			J & J	117	3	129½	130
do do sink'g fund 6's. 1879-1929		6,305,000	A & J			118	.....
do do do registered 1929			A & J		116		120
do do do 5's. 1879-1929		8,155,000	A & J		116	109½	110
do do do registered 1933			A & J	111½	107	*108	.....
do do debenture 5's. 1908		10,000,000	M & N	110½	105	106½	.....
do do do registered 1909		4,000,000	M & N	110	104½	105	106½
do do 25 year debenture 5's. 1909			M & N	109	104½	105	106½
do do do registered 1928		8,190,000	M & N			103	.....
do do extension gold 4's. 1886-1928			F & A	101½	101½	99½	97
Escanaba & Lake Superior 1st 6's. 1901		720,000	J & J	115½	115	*116
Des Moines & Minneapolis 1st 7's. 1907		600,000	F & A				*131

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		AUG. 1, 1887.	
				High.	Low.	Bid.	Ask'd
Iowa Midland 1st mortgage 8's.....	1900	1,350,000	A & O	137	134	131	136
Peninsula 1st convertible 7's.....	1888	152,000	M & S			130	.....
Chicago & Milwaukee 1st mortg. 7's 1888		1,700,000	J & J	133	124	121	.....
Winona & St. Peters 2d 7's.....	1907	1,542,000	M & N			132	.....
Milwaukee & Madison 1st 6's.....	1905	1,600,000	M & S	117½	116½	118½	.....
Ottumwa, C. F. & St. P. 1st 5's.....	1909	1,600,000	M & S	111	106	108	.....
Northern Illinois 1st 5's.....	1910	1,500,000	M & S	110½	106	107	109½
C., C. & Ind'polis 1st 7's sink. fund. 1889		3,000,000	M & N	128	123	121	.....
do consolidated mtg 7's. 1914		\$7,500,000	J & D	134	123½		*130
do sinking fund 7's.....	1914		J & D	128	124		*126½
do gen'l consol. 6's.....	1884		J & J	110½	100		108½
do do registered		8,500,000	J & J				*110½
Chic., St. P., Min's & Omaha con. 6's.....	1880	\$22,839,000	J & D	128½	118½	119½	120
Chicago, St. Paul & Min. 1st 6's.....	1918	3,000,000	M & N	130	125	125	.....
Nort'n Wisconsin 1st mortgage 6's.....	1930	800,000	J & J			*124½	12½
St. Paul & Sioux City 1st 6's.....	1919	6,080,200	A & O	130	125	125	123
Chic. & Eastern Ill. 1st sink'g f'd c'y.....	1967	3,000,000	J & D	122	115	115	.....
do do small bonds.....			J & D			*118	119
do do 1st c. 6's, gold.....	1934	8,000,000	A & O	119	110	114	116
Chic., St. Louis & Pittsb. 1st con. 5's.....	1832	\$22,000,000	A & O	100	92	.....	100½
do do do registered			(A & O)				
Chic. & West'n Ind. 1st sinking f'd 6's.....	1919	2,500,000	M & N	116	112½	110	114
do general mortgage 6's.....	1832	\$8,896,666	Q M	113	109	110	11½
Chicago & St. Louis 1st 6's.....	1915	1,500,000	M & S	108	101	.....	120
Chicago & Indiana Coal 1st 5's.....	1936	3,649,000	J & J	100½	92	.....	100
Cin., Ind., St. L. & Chic. 1st guar. 4's.....	1936		J Q F	.....		.....	98
do do do registered		1,255,000	(Q F)				
Cincin., Jack. & Mack. 1st con. g. 5's.....	1838	1,400,000	J & D			*98	.....
Columbia & Greenville 1st 6's.....	1916	2,600,000	J & J			*116	.....
do do 2d 6's.....	1926	1,000,000	A & O			98	100
Col., Hocking Valley & Toledo 1st 5's.....	1931	14,500,000	M & S	94	81	75	78
do general mortgage gold 6's.....	1904	2,000,000	J & D	97½	88½	76	77
Col. & Cincinnati Midland 1st 6's.....	1914	2,000,000	J & J			*95	.....
Delaware, Lackawanna & W. conv. 7's.....	1882	300,000	J & D	116½	114	*111½	114
do do mtg 7's.....	1907	\$10,000,000	M & S	140	135½	132	.....
Syracuse, Binghamton & N. Y. 1st 7's.....	1906	1,500,000	A & O	137½	131½	132	.....
Morris & Essex 1st mortgage 7's.....	1914	5,000,000	M & N	146	140½	142	.....
do 2d 7's.....	1891	3,000,000	F & A	117	112½	112	112½
do bonds, 7's.....	1900	281,000	J & J			*119	122
do 7's.....	1871-1901	4,991,000	A & O	138	125	.....	128½
do 1st cons. guar'd 7's.....	1915	25,000,000	J & D	134	130	133	134
N. Y., Lackawanna & W'n 1st 6's.....	1921	12,000,000	J & J	138	125	127	.....
do do construction 5's.....	1923	5,000,000	F & A	118	106½	107	109½
Delaware & Hud. Canal 1st reg. 7's.....	1891	4,988,000	J & J	115½	110	106½	.....
do do 1st extension 7's.....	1891	548,000	M & N	115½	112½	*108	.....
do do coupon 7's.....	1894		(A & O)	121	115½	115	.....
do do registered 7's.....	1894	4,829,000	(A & O)	120½	118	115	.....
do 1st Penna. Div. coupon 7's.....	1917		M & S	144½	136	142	.....
do do do reg. 1917		\$10,000,000	M & S	141	140½	140	.....
Albany & Susquehanna 1st 7's.....	1888	1,000,000	J & J	109	106½	103	103½
do do 1st con. guar'd 7's.....	1906	3,000,000	(A & O)	135	129½	.....	140
do do do registered.....			(A & O)			140	.....
do do 6's.....	1906	5,449,000	(A & O)	124	117½	118	119½
do do do registered.....			(A & O)	119½	118		*122½
Rensselaer & Saratoga 1st coup. 7's.....	1921	2,000,000	M & N	144	141½	142	.....
do do 1st reg. 7's.....	1921					141	.....
Denver & Rio Grande 1st consol. 4's.....	1936	22,575,000	J & J	81½	75½	78½	79
do do 1st mtg 7's.....	1900	6,382,500	M & N	124	114½	120	120½
Denver, South Park & Pac. 1st 7's.....	1905	1,400,000	M & N	89	72	.....	81
Denver & Rio Grande West'n 1st 6's.....	1911	5,857,000	M & S	85½	72½	75	79
do do assented.....				83½	72	70	74
Detroit, Mack. & Marquette 1st 6's.....	1921	2,280,000	A & O	100	55	*90	.....
do do land grant 3½ S. A.....	1911	4,580,000		56	20	45	50
Detroit, Bay City & Alpa 1st 6's.....	1913	2,300,000	J & J	106½	105	106½	107½
East Tenn., Virginia & Georgia 1st 7's.....	1900	3,500,000	J & J	126	118½	127	.....
do do divisional 5's.....	1930	3,100,000	J & J	108	105	110	.....
do do con. 1st gtd 5's.....	1956	12,770,000	M & N	99½	94½	97½	98½
E. & W. of Ala. 1st con. gld 6's.....	1926	1,109,000	J & D			108	.....
Elizab'g City & Norfolk s.f. deb. cert. 6's.....		250,000	A & O				*104
do do 1st mtg 6's.....	1920	900,000	M & S			*52½
Elizabeth'n, Lex & Big Sandy 6's.....	1905	8,500,000	M & S	110	99	101

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				High.	Low.	Bid.	Ask d
Erie 1st mortgage extended 7's.....	1897	2,482,000	M & N	127½	121	*125
do 2d extended 5's.....	1919	2,149,000	M & S	117½	118	118½	.....
do 3d extended 4½'s.....	1893	4,618,000	M & S	112½	108	*105	.....
do 4th extended 5's.....	1890	2,928,000	A & O	119	112½	113½	118½
do 5th extended 7's.....	1888	709,500	J & D	109	108	108½	.....
do 1st consolidated gold 7's.....	1920	16,890,000	M & S	125½	122	121	125
do 1st cons. f'd coup. 7's.....	1920	3,705,997	M & S	125	120½	120	.....
do reorganization 1st lien 6's.....	1906	2,500,000	M & N	112	108½	.....	*112
Long Dock bonds, 7's.....	1893	3,000,000	J & D	120	112½	112½	118
do do consolidated 6's.....	1906	4,500,000	A & O	124	114½	115	118½
Buffalo, New York & Erie 1st 7's.....	1916	2,880,000	J & D	140	133½	136	.....
N. Y., L. Erie & W. New 2d con. 6's.....	1899	83,597,400	J & D	116½	98	.....	99½
do collateral trust 6's.....	1922	5,000,000	M & N	108	102	.....	106
do fund coupon 5's.....	1886-1909	4,082,000	J & D	96½	77½	*82	.....
Buffalo & Southw'n mortgage 6's.....	1906	1,500,000	J & J	.....	.....	90	.....
do do small.....	.....	.....	J & J	.....	.....	.....	.....
Evansville & Terre Haute 1st con. 6's.....	1921	3,000,000	J & J	120½	111½	115	117
do Mt. Vernon 1st 6's.....	1923	375,000	A & O	118	108	115½	.....
do Indianapolis 1st con. 6's.....	1926	1,020,000	J & J	112	109	.....	110
Flint & Pere Marquette mortgage 6's.....	1920	5,000,000	A & O	123½	116	119	125
Fort Worth & Denver City 1st 6's.....	1921	5,616,000	J & D	96½	81	87½	87½
Gal. Harrisburg & San Antonio 1st 6's.....	1910	4,800,000	F & A	116	108½	108	.....
do 2d mortgage 7's.....	1906	1,000,000	J & D	119½	108	105	110
do Western division 1st 6's.....	1931	12,500,000	M & N	108	92	.....	94½
do do 2d 6's.....	1931	6,760,000	J & J	94	80	*82	.....
Grand Rapids & Indiana general 5's.....	1924	3,217,000	M & S	.....	.....	97	98
do do registered.....	.....	.....	M & S	.....	.....	.....	107
Green Bay, Winona & St. Paul 1st 6's.....	1911	1,900,000	F & A	107½	90	.....	107
Gulf, Col. & Santa Fe 1st 7's.....	1909	11,724,000	J & J	123½	116½	120	121
do do gold 6's.....	1923	5,500,000	A & O	106½	86½	.....	108
Hannibal & St. Joseph consol'd 6's.....	1911	23,000,000	M & S	125	119½	116	119½
Henderson Bridge Co. 1st 6's.....	1931	2,000,000	M & S	112	108½	108½	.....
Houston & Texas Cent. 1st main l. 7's.....	1931	6,894,000	J & J	.....	.....	115	.....
do do 1st West. div. 7's.....	1891	2,375,000	J & J	.....	.....	113	114
do do 1st Waco & N. W. 7's.....	1903	1,140,000	J & J	.....	.....	114	.....
do do 2d c. main line 8's.....	1912	4,118,000	A & O	95½	76	106	106
do do gen'l mort. 6's.....	1921	4,325,000	A & O	78½	50	106	.....
do do Trust Co. receipts.....	.....	.....	.....	.....	.....	70	72
Houston, E. & W. Texas 1st 7's.....	1898	1,344,000	M & N	89½	65	61	63
Illinois Central 1st gold 4's.....	1951	1,500,000	J & J	110	106½	102	108
do do registered.....	.....	.....	.....	.....	.....	102	*108
do do gold 3½'s.....	1951	2,500,000	J & J	102½	99½	94	97½
do do registered.....	.....	.....	.....	.....	.....	.....	98½
Springfield division coupon 6's.....	1898	1,000,000	J & J	121	117½	115½	117
Middle division registered 5's.....	1921	600,000	F & A	109½	109½	114	.....
Chicago, St. L. & N. O. Tenn. lien 7's.....	1897	541,000	M & N	122	122½	115	.....
do 1st consol. 7's.....	1897	857,000	M & N	122	122½	115	121½
do 2d mortgage 6's.....	1897	80,000	J & D	.....	.....	116	.....
do do gold 5's.....	1951	218,000,000	J & D 15	120½	112	110½	110½
Dubuque & Sioux City 2d div. 7's.....	1894	586,000	J & J	119	118½	*115	120
Cedar Falls & Minn. 1st 7's.....	1907	1,394,000	J & J	120	108	*108	109
Ind., Bloomington & W'n 1st pref'd 7's.....	1900	1,000,000	J & J	120½	118	120	123
do 1st 5-6's trust receipts.....	1900	2,408,000	A & O	104½	89½	92	95
do 2d 5-6's trust receipts.....	1900	1,477,000	A & O	90	82½	.....	.....
do Eastern div. trust receipts.....	1900	2,360,000	J & D	105½	89	91½	92
Ind., Decatur & S. 1st 7's. ex. fund coup. 1906	1906	1,613,000	A & O	108	98½	100½	108
Internat'l & Gt. Northern 1st 6's. gold.....	1919	7,954,000	M & N	119	114	114	115
do do coupon 6's.....	1914	7,054,000	M & S	96	84	.....	88
Kentucky Central mortgage 6's.....	1911	780,000	J & J	71	.....	78	78
do do stamped 4 per cent. 1911	1911	5,600,000	J & J	91	80½	74	80
Knoxville & Ohio 1st 6's. gold.....	1925	2,000,000	J & J	105½	86½	.....	90
Lake Erie & Western 1st gold 5's.....	1937	5,920,000	.....	.....	.....	109½	109½
Lake Shore & Michigan Southern.....	.....	.....	.....	.....	.....	.....	.....
(Cleve., Painesville & Ashtabula 7's.....	1892	920,000	A & O	119	114	112	114
Buffalo & Erie new bonds 7's.....	1898	2,784,000	A & O	120	121½	124	.....
Kal'zoo & White Pigeon 1st 7's.....	1890	400,000	J & J	108	108	101
Detroit, Monroe & Toledo 1st 7's.....	1906	924,000	F & A	127	130

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				High.	Low.	Bid.	Ask d
Lake Shore div. bonds 7's.....	1899	1,356,000	A & O	128	121½	121	124
do consol. coupon 1st 7's.....	1900	{ 25,000,000	J & J	134½	127	123½	
do consol. registered 1st.....	1900		Q J	132½	127	125	125½
do consol. coupon 2d 7's.....	1903		J & D	127	119½	122½	123
do consol. registered 2d.....	1908	{ 25,000,000	J & D	125	119½	122	
Mahoning Coal 1st 5's.....	1934		J & J	106	103	104	
Long Island 1st mortgage 7's.....	1898	1,500,000	M & N	130	119	121	122½
Long Island 1st consolidated 5's.....	1931	25,000,000	Q J	115½	108		114
N. Y. & Manhattan Beach 1st 7's.....	1897	500,000	J & J				*110
N. Y. B'klyn & M'n B. 1st c. g. 5's.....	1935	783,000	A & O				
Louisville & Nashville consol'd 7's.....	1896	7,070,000	A & O	125	117	119	120
do Cecilian branch 7's.....	1907	1,000,000	M & S	113	107½	108½	
do N. O. & Mobile 1st 6's.....	1930	5,000,000	J & J	107½	99	109	110
do do 2d 6's.....	1930	1,000,000	J & J	97	86	97	98
do Evans, Hend. & N. 1st 6's.....	1919	2,400,000	J & D	116½	112	112	113
do general mortgage 6's.....	1930	20,000,000	J & D	109½	104	108½	110
do Pensacola division 6's.....	1920	600,000	M & S	102	97½	103½	
do St. Louis division 1st 6's.....	1921	3,500,000	M & S	113	108	104	
do do 2d 3's.....	1930	3,000,000	M & S	57	51	58	
do Nash. & Decatur 1st 7's.....	1900	1,900,000	J & J	128	121	118	
do So. & N. Ala. stn'g r'd 6's.....	1910	2,000,000	A & O	105	102	*106½	
do Louisville, Cin. & Lex. 6's.....	1931	27,000,000	M & N				
do Trust bonds, 6's.....	1922	10,000,000	Q M	107	98		107½
do 10-40 6's.....	1924	5,000,000	M & N	100	84½	100	
do 5 per cent 50 year g. bonds.....	1937	1,350,000					103
do Penn. & At. 1st 6's, gold, gtd.....	1921	3,000,000	F & A	96	82½	90	
Lou., New Albany & Chicago 1st 6's.....	1910	3,000,000	J & J	120	100½	111½	113
do do consol'd gold 6's.....	1916	3,500,000	A & O	100	94½		97
Louisville, N. Orleans & Texas 1st 5's.....	1934	13,641,000	M & S	92½	90½		*91
Manhattan Beach Imp't Co., lim'd, 7's.....	1909	1,000,000	M & S	90	80		90
Memphis & Charleston 6's, gold.....	1924	1,000,000	J & J	106½	102	102	101½
Metropolitan Elevated 1st 6's.....	1908	10,818,000	J & J	123	115	116	116½
do do 2d 6's.....	1909	4,000,000	M & N	113½	108½	108½	109
Mexican Central 1st mortgage 7's.....	1911	{ 41,170,000	J & J			*41	42
do do ex. coupon 6-7-8.....			J & J	60	39	*61	
do do new assented 4's.....			J & J	57	34	38	69
do do income bonds.....	1911	8,128,000				22	22½
Michigan Central 1st consol. 7's.....	1902	8,000,000	M & N	133	126½	126	129
do do 1st consol. 5's.....	1902	2,000,000	M & N	111½	107	108½	
do do 6's.....	1909	1,500,000	M & S				*123
do do coupon 5's.....	1931	{ 4,000,000	M & S	110	107½	108½	108½
do do registered 5's.....	1931		Q M	110	107		*108
Mich., Jackson, Lansing & Sag'w 6's.....	1891	1,100,000	M & S			108½	
Milwaukee & Nor. 1st main line 6's.....	1910	2,155,000	J & D	106½	102	104	109½
do do 1st extension 6's.....	1913	1,976,000	J & D	104	100	106½	107
Milw., L. Shore & West'n 1st 6's.....	1921	4,350,000	M & N	121½	112½	117½	120
do do conv. debent. 5's.....	1907	600,000	F & A			100	101
do do Mich. div. 1st 6's.....	1924	1,281,000	J & J	120½	106½	114	115½
do do Ashland div. 1st 6's.....	1925	1,000,000	M & S	117	112½		115
Minneapolis & St. Louis 1st 7's.....	1927	950,000	J & D	136	128	130	
do do Iowa exten. 1st 7's.....	1909	1,015,000	J & D	125	119		116
do do 2d mortgage 7's.....	1891	500,000	J & J	102	101	*101	
do do Southw'n ext. 1st 7's.....	1910	636,000	J & D				*115
do do Pacific ext. 1st 6's.....	1921	1,882,000	A & O	110	108		107½
do do imp't & equip. 6's.....	1922	2,000,000	J & J	100	90		85
Minnesota & Pacific 1st mortgage 5's.....	1906	3,035,000	J & J				*106
Minnesota & N. West 1st 5's, gold.....	1934	7,682,000	J & J	106	96½	101½	102½
Mo., Kansas & Texas gen'l cons. 6's.....	1920	236,125,000	J & D	105½	87½	93½	94
do do gen'l cons. 5's.....	1920	9,220,000	J & D	93½	72½	82½	82½
do do cons. 7's.....	1904, 5 & 6	14,811,000	F & A	118	108	111	113½
do do 2d mort. income.....	1911	685,000	A & O	90	78		91
Hannibal & Cent. Missouri 1st 7's.....	1930	729,000	M & N	115	110		108
Mobile & Ohio new mortgage 6's.....	1927	7,000,000	J & D	116	109½	113½	
do do collateral trust 6's.....	1922	59,000	J & J			102	
do do 1st extension 6's.....	1927	1,000,000	Q J	106	101	107	
St. Louis & Cairo 4's guaranteed.....	1931	4,000,000	J & J	76½	72½	70	74
Morgan's Louisiana & Texas 1st 6's.....	1920	1,494,000	J & J	116	104½	*106	
do do 1st 7's.....	1918	5,000,000	A & O	127	118	120	
Nashville, Chattanooga & St. L. 1st 7's.....	1913	6,800,000	J & J	131	122	123	
do do 2d 6's.....	1901	1,000,000	J & J	111½	110		108

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886		AUG. 1, 1887.	
				High.	Low.	Bid.	Askd
N. Y. Central 6's	1887	2,291,000	J & D	108	101	.....	183
do debenture cert. ext. 5's	1893	6,450,000	M & N	109½	104	104½	105½
do & Hudson 1st coup. 7's	1903	230,000,000	J & J	140½	134	.....	134
do do 1st registered	1903	.....	J & J	137½	133½	134	134½
do do deb. 5's	1904	7,850,000	M & S	112½	107½	109	110½
do do deb. 5's, registered .....	.....	.....	M & S	110½	107½	.....	110
Harlem 1st mortgage 7's, coupon	1900	.....	M & N	139	131	.....	131½
do do 7's, registered	1900	\$12,000,000	M & N	139	131½	.....	131½
N. J. Junction guaranteed 1st 4's	1886	2,000,000	F & A	.....	.....	.....	105
do registered certificates .....	.....	.....	.....	.....	.....	.....	.....
N. Y. Elevated 1st mortgage 7's	1906	8,500,000	J & J	130	123	119	119½
N. Y., Penn. & Ohio prior lien 6's	1895	8,000,000	M & S	.....	.....	110	.....
N. Y. City & North. gen'l mtge 6's	1910	4,000,000	M & N	73½	55	*78	.....
do do Trust Co. receipts .....	.....	.....	M & N	73½	54	69½	71
do do do assented .....	.....	.....	.....	.....	.....	68	70
N. Y. & New England 1st 7's	1905	6,000,000	J & J	130	125	*113½	73
do do 1st 6's	1905	4,000,000	J & J	117½	117½	*116	.....
N. Y., Chicago & St. Louis 1st 6's .....	.....	15,000,000	J & D	99	85½	.....	100
do do Trust Co. receipts .....	.....	10,000,000	J & D	100½	84	96½	97
do do 2d 6's	1923	8,000,000	M & S	77	66	.....	98
N. Y., Ontario & W. 1st gold 6's	1914	8,000,000	M & S	109	103	109	110
N. Y., Susquehanna & W'n. eben. 6s 1897	.....	600,000	F & A	.....	.....	.....	.....
do do coupons off .....	.....	.....	F & A	94	76½	*78	.....
do do 1st refund'g 5's	1937	3,750,000	J & J	.....	.....	91½	92
do do 2d mtge. 4½'s	1937	636,000	F & A	.....	.....	71	73
Midland R. of New Jersey 1st 6's	1910	2,500,000	A & O	110	100	111½	112½
N. Y., N. Haven & H. 1st reg. 4's	1908	2,000,000	J & D	112½	112	*110½	111
No. Pac. g'l 1st m. r'd and l.g. c. 6's	1921	58,309,000	J & J	120	111½	115½	.....
do do do reg. 6's	1921	.....	J & J	117½	111½	114½	115½
do g'l 2d m. r'd & l.g. s.f. c. 6's	1933	20,000,000	A & O	104	91½	105½	105½
do do reg. 6's	1933	.....	A & O	.....	.....	*108	.....
James River Valley 1st 6's, gold	1936	963,000	J & J	109	105½	106	109
Spokane & Pal. 1st sinking (gold) 6's	1936	638,000	M & N	.....	.....	.....	106½
St. Paul & North'n Pacific gen'l 6's	1923	6,000,000	F & A	.....	.....	118½	119½
do registered certificates .....	.....	.....	Q F	.....	.....	.....	.....
Helena & Red Mountain 1st gold 6's	1937	400,000	M & S	.....	.....	105	107
No. Pacific Terminal Co. 1st gold 6's	1933	2,000,000	J & J	109½	102½	.....	112
New Orleans Pacific 1st 6's, gold	1920	6,720,000	J & J	85½	51	*82½	83
do do coupons off .....	.....	.....	J & J	85½	73½	81½	81
do do Trust Co. receipts .....	.....	.....	.....	.....	.....	.....	.....
N. O. & N. East'n prior lien gold 6's	1915	1,050,000	A & O	.....	.....	.....	*107
Norfolk & Western gen'l mtge 6's	1931	6,902,000	M & N	115½	104	114	116
do New River 1st 6's	1932	2,000,000	A & O	118	99½	.....	114
do improvement & ext. 6's	1934	3,500,000	F & A	102	87½	100	.....
do adjustment mortg. 7's	1924	1,500,000	Q M	107	82½	106	107½
Ogdensburg & Lake Champl. 1st con. 6's	1920	2,500,000	A & O	104½	96	104½	.....
Ohio & Miss. consol. sinking fund 7's	1898	3,435,000	J & J	125	118½	116	118½
do consolidated 7's	1898	3,066,000	J & J	125	118	114	116
do 2d consolidated 7's	1911	3,715,000	A & O	120	113½	.....	116
do 1st Springfield division 7's	1905	3,000,000	M & N	110½	91	*109	.....
do 1st general 5's	1932	3,216,000	J & D	94½	87½	85	.....
Ohio Central 1st terminal trust 6's	1920	600,000	J & J	.....	.....	.....	.....
do 1st Mineral division 6's	1921	300,000	J & J	.....	.....	.....	.....
Ohio River 1st 5's	1936	2,000,000	J & D	.....	.....	.....	100½
Ohio Southern 1st mortgage 6's	1921	2,100,000	J & D	108	97½	102½	.....
Omaha & St. Louis 1st 4's	1937	2,717,000	J & J	.....	.....	78	79½
Oregon & California 1st 6's	1921	9,000,000	J & J	.....	.....	*104	.....
Oregon & Trans-continental 6's	1883-1922	10,063,000	M & N	104½	92½	99	100
Oregon Improvement Co. 1st 6's	1910	5,000,000	J & D	99	84	.....	96½
Oregon Railroad & Navigation 1st 6's	1909	6,000,000	J & J	114½	110	108½	.....
do do consol. m. 5's	1925	9,137,000	J & D	108½	102	.....	101
Panama Sinking Fund subsidy 6's	1910	2,747,000	M & N	.....	.....	*90	.....
Peoria, Decatur & Evansville 1st 6's	1920	1,287,000	J & J	119	108	113½	114½
do Evansville division 1st 6's	1920	1,470,000	M & S	111½	108	.....	110
do 2d mortgage 5's	1927	2,088,000	M & N	.....	.....	.....	84
Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	112	106	111	.....
do do 2d mortgage 4½'s	1921	1,499,000	M & N	.....	.....	.....	75
Central Pacific gold bonds 6's	1906	J & J	118½	112½	115
do do	1896	J & J	115
do do	1897	25,883,000	J & J	115
do do	1898	J & J	115

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				High.	Low.	Bid.	Ask'd
do San Joaquin branch 6's.....	1900	6,000,000	A & O	112	107½	112
do California & Oregon 1st 6's.....	1888	6,000,000	J & J	106	100	100
do do Series B 6's.....	1892	5,840,000	J & J	.....	.....	102½	104½
do land grant 6's.....	1890	9,436,000	A & O	107½	102½	103	.....
Western Pacific bonds 6's.....	1894	2,735,000	J & J	116	109	114	.....
Nor. Ry. (Cal.) 1st 6's, guaranteed.....	1907	3,941,000	J & J	121	116½	118	119
Southern Pac. of California 1st 6's 1905-12	1905-12	38,147,000	A & O	114	109½	115	115½
Southern Pac. of Arizona 1st 6's 1909-1910	1909-1910	10,000,000	J & J	112	109½	111½	112
South'n Pacific of N. Mexico c. 1st 6's 1911	1911	5,000,000	J & J	109½	100	107½	.....
Union Pacific 1st 6's.....	1896	.....	J & J	119½	114	114½	115½
do do.....	1897	27,229,000	J & J	.....	.....	114½	.....
do do.....	1894	.....	J & J	.....	.....	115	115½
do do.....	1899	.....	J & J	.....	.....	115½	.....
do land grant 7's.....	1887-9	1,270,000	A & O	106½	101½	103½	.....
do sinking fund 8's.....	1893	123½	M & S	121	116	115	.....
do registered 8's.....	1893	14,348,000	M & S	121	117	118	115
do collateral trust 6's.....	1908	4,423,000	J & J	108½	101	106	.....
do do 5's.....	1907	5,583,000	J & D	.....	.....	95	.....
Kansas Pacific 1st 6's.....	1895	2,240,000	F & A	114½	110½	112½	.....
do 1st 6's.....	1896	4,063,000	J & D	116	110	110	112½
do Denver division 6's, ass'd.....	1899	6,242,000	M & N	118	113	115½	.....
do 1st consol. 6's.....	1919	14,855,000	M & N	109½	99½	104	104½
Central Br'ch U.P. fund coup. 7's.....	1895	630,000	M & N	.....	.....	108	.....
Atchison, Colorado & Pac. 1st 6's.....	1905	3,672,000	Q F	107	101½	106	107½
Atchison, Jewell Co. & West 1st 6's 1905	1905	542,000	Q F	105	100	105	107½
Oregon Short Line 1st 6's.....	1822	14,931,000	F & A	109	97½	102	102½
Utah South'n general mortgage 7's 1909	1909	1,950,000	J & J	90½	85	91	92½
do extension 1st 7's.....	1909	1,950,000	J & J	84	72½	80	.....
Missouri Pacific 1st consol. 6's.....	1920	20,184,000	M & N	117	108	113	117
do 2d mortgage 7's.....	1908	3,328,000	M & N	127½	116½	128	.....
Pacific R. of Mo. 1st mortgage 6's.....	1888	7,000,000	F & A	107	102½	103½	104
do 2d mortgage 7's.....	1891	2,573,000	J & J	118	109	109½	.....
St. L. & S. Francisco 2d 6's, class A.....	1906	500,000	M & N	118	108	113	.....
do 6's, class C.....	1906	2,400,000	M & N	117	105½	118	118
do 6's, class B.....	1906	2,764,500	M & N	118	105½	118	.....
do 1st 6's, Pierce C. & O. b.....	1906	1,090,000	F & A	117	111½	118	.....
do equipment 7's.....	1895	650,000	J & D	.....	.....	101	.....
do general mrg. 6's.....	1931	7,732,000	J & J	114	99½	113½	.....
do gen'l m. & term. trust receipts.....	1911	5,000,000	J & J	.....	.....	99	99½
South Pacific (Mo.) 1st 6's.....	1888	7,144,500	J & J	106	103	100½	101
Kansas City & Southw'n 1st 6's, gold 1916	1916	744,000	J & J	107½	105	101	106
Fort Smith & Van B. Bdg. 1st 6's.....	1910	475,000	A & O	.....	.....	101	109
St. L. Kansas & Southw'n 1st 6's 1916	1916	733,000	M & S	.....	.....	101	.....
Texas & Pacific 1st 6's.....	1905	3,784,000	M & S	105½	103½	.....	111
do ex coupon.....	.....	.....	M & S	.....	.....	111	.....
do consolidated 6's, trust receipts.....	.....	\$9,816,000	J & D	108½	90	100	101½
do inc. l. gt. ass't trust receipts.....	.....	7,922,000	July	67½	53½	50½	53
do Rio. G. 6's, 1930, trust receipts.....	.....	13,028,000	F & A	75	72½	70	78
do gen'l m. & term. trust receipts.....	.....	\$2,859,000	F & O	71	49	65	66
Pennsylvania Railroad Company.	.....	.....	.....	.....	.....	.....	.....
Penna. Co.'s guar'd 4½'s, 1st coup. 1921	1921	15,000,000	J & J	108½	102½	104	104½
do do do registered 1921	1921	.....	J & J	108½	101½	104	105
Pitt., C. & St. Louis 1st coupon 7's.....	1900	2,708,000	F & A	121	120½	119	.....
do 1st registered 7's.....	1900	4,157,000	F & A	.....	.....	*119	.....
do 2d 7's.....	1913	2,500,000	A & O	.....	.....	.....	*124
Pitts., Ft. Wayne & Chicago 1st 7's.....	1912	5,250,000	J & J	145	141	139	140½
do do 2d 7's.....	1912	5,180,000	J & J	142½	138	137	.....
do do 3d 7's.....	1912	2,000,000	A & O	138	133½	135	.....
Clev. & Pitts. con. sinking fund 7's.....	1900	2,292,000	M & N	131	125	128	.....
do 4th do 6's.....	1892	1,105,000	J & J	111	109	109½	.....
St. L., Van. & Terre H. 1st guar. 7's.....	1897	1,894,000	J & J	122	120	112	115
do do 2d 7's.....	1898	1,000,000	M & N	.....	.....	109	.....
do do 2d guar. 7's.....	1898	1,600,000	M & N	.....	.....	*112	.....
Phila. & Reading Inc. m. coupon 7's.....	1896	10,000,000	J & D	.....	.....	.....	.....
do trust receipts.....	.....	.....	J & D	.....	.....	.....	.....
do debent. coupon 6's.....	1893	670,500	J & J	.....	.....	.....	.....
do trust receipts.....	.....	.....	J & J	.....	.....	.....	.....
do debent. conv. 7's.....	1893	10,385,900	J & J	.....	.....	.....	.....
do trust receipts.....	J & J
do pfd. 1st series con. 5's.....	1922	6,000,000	M & N
do trust receipts.....	M & N

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				High.	Low.	Bid.	Ask d
do 2d series con.....	1938	5,000,000	F & A
do trust receipts.....	F & A
Pine Creek 6's.....	1892	3,500,000	J & D
Pittsburgh, Cleve. & Toledo 1st 6's.....	1922	2,400,000	A & O	110%	108%	114	.....
Pittsburgh Junction 1st 6's.....	1922	1,440,000	J & J	.....	.....	*122	.....
Pittsburgh, McKeesport & Y. 1st 6's	1892	2,250,000	J & J	.....	.....	.....	*130
Rome, Watertown & Ogd. 1st 7's.....	1891	1,021,500	J & D	117	108%	108%	110
do do consol. 1st ex. 5's.....	1922	6,317,000	A & O	108	87%	.....	101%
Rochester & Pittsburgh 1st 6's.....	1921	1,300,000	F & A	117	113%	120	.....
do do consolidated 1st 6's.....	1922	3,920,000	J & D	112	105%	113%	115
Richmond & Alleghany 1st 7's.....	1920	.....	J & J	.....	.....	*71%	.....
do Trust Co's receipts.....	.....	5,000,000	J & J	80	85	67	70
do do stamped.....	.....	.....	J & J	.....	.....	67	.....
Richmond & Danville consol. gold 6's.....	1915	6,000,000	J & J	119%	111%	.....	111%
do do debenture 6's.....	1927	4,000,000	A & O	114	86	.....	111
do do do assented.....	.....	.....	.....	113%	108%	.....	*94
do do consol. m.g. 6's.....	1936	1,500,000	A & O	.....	.....	.....	90
Atlanta & Charlotte 1st pref'd 7's.....	1897	500,000	A & O	.....	.....	114	.....
Atlanta & Charlotte income.....	1900	750,000	A & O	.....	.....	*105	.....
Rich. & W. Point terminal trust 6's.....	1897	8,500,000	F & A	.....	.....	.....	97
San Antonio & Aran. Pass 1st g. 6's.....	'85-1916	1,750,000	J & J	.....	.....	86	91
do do 1886-19.6	.....	1,808,000	J & J	.....	.....	*90	.....
Scioto Valley 1st consolidated 7's.....	1910	603,000	J & J	72	47	*85	.....
do do do coupons off	.....	.....	J & J	.....	.....	55	65
St. Joseph & Grand Island 1st 6's.....	1925	7,000,000	M & N	110%	104	102%	102%
St. Louis & Iron Mountain 1st 7's.....	1892	4,000,000	F & A	118	110	117%	112%
do do 2d 7's.....	1897	6,040,000	M & N	119	111	114	.....
do Arkansas branch 1st 7's.....	1896	2,510,000	J & D	116%	112%	109%	.....
do Cairo & Fulton 1st 7's.....	1891	7,555,000	J & J	113	108%	105	108
do Cairo, Ark. & Texas 1st 7's.....	1897	1,450,000	J & D	116%	109%	109	111%
do gen'l con. r'y & land g't 6's.....	1931	38 201,000	A & O	100	90	94	94%
St. L., Alton & Terre Haute 1st 7's.....	1894	2,200,000	J & J	119%	115	*115%	.....
do 2d mortgage preferred 7's.....	1894	2,800,000	F & A	114	110%	.....	115%
do 2d mortgage income 7's.....	1894	1,700,000	M & N	108	103%	107	.....
Belleville & Southern Illinois 1st 6's.....	1896	1,041,000	A & O	117%	116%	*115	.....
Bellevue & Carondelet 1st 6's.....	1923	485,000	J & D	110%	110%	*110	113%
St. Louis, Ark. & Tex. 1st cfs. 6's.....	1898	10,374,000	M & N	.....	.....	98%	.....
do 2d cfs. 6's.....	1898	11,804,000	F & A	.....	.....	.....	45%
St. Paul, Minn. & Manitoba 1st 7's.....	1909	5,250,000	J & J	116	112	.....	112%
do do small.....	.....	.....	J & J	.....	.....	.....	.....
do do 2d 6's.....	1909	8,000,000	A & O	122%	116%	119	120
do Dakota extension 6's.....	1910	5,676,000	M & N	122	116%	119	119
do 1st consolidated 6's.....	1933	.....	J & J	125	115	116%	117
do do registered.....	.....	21,144,000	J & J	119	114%	*120	.....
do do reduced to 4½'s.....	.....	.....	J & J	.....	.....	88%	.....
do do do registered	.....	.....	J & J	.....	.....	*100	100%
Minneapolis Union 1st 6's.....	1922	2,150,000	J & J	.....	.....	*113	.....
St. Paul & Duluth 1st 5's.....	1891	1,000,000	F & A	.....	.....	111	113
South Carolina Railway 1st 6's.....	1920	5,000,000	A & O	113	102	98	98%
do do 2d 6's.....	1891	1,500,000	J & J	90	81	.....	80
Shenandoah Valley 1st 7's.....	1909	2,270,000	J & J	100	70	.....	107
do do Trust Co. receipts.....	.....	.....	J & J	.....	.....	.....	107
do do gen'l mtge 6's.....	1921	28,212,000	A & O	49%	29	40	50
Sodus Bay & Southern 1st 5's, gold.....	1924	500,000	J & J	105	101	.....	.....
Texas Central 1st sinking fund 7's.....	1909	2,145,000	M & N	80	68	*79	80
do 1st mortgage 7's.....	1911	1,254,000	M & N	.....	.....	*79	.....
Toledo & Ohio Central 1st gold 5's.....	1935	8,000,000	J & J	102%	92%	95	96
Toledo, Peoria & W'n 1st 7's.....	1917	4,500,000	Q J	.....	.....	*108	.....
do do Trust Co. receipts.....	.....	.....	.....	108	91	105	108
Toledo, Ann Arbor & No. Mich. 1st 6's.....	1924	2,120,000	M & N	95	90	99	108
Toledo, Ann Arbor & G.T. 1st 6's, gold.....	1921	1,280,800	J & J	107	101	106	108
Toledo, St. Louis & Kan. City 1st 6's.....	1916	2,000,000	J & D	.....	.....	.....	96
Texas & New Orleans 1st 7's.....	1905	1,620,000	F & A	.....	.....	110	.....
do do Sabine div. 1st 6's.....	1912	2,075,000	M & S	107%	100%	109	.....
Virginia Midland mortgage inc. 6's.....	1927	4,000,000	J & J	100	58%	.....	96
do gen'l mortgage 6's.....	1936	3,195,000	M & N	.....	.....	.....	98
Wabash, St. L. & Pac. gen. mtge 6's.....	1920	16,000,000	J & D	63	45	.....	*90
do Trust Co. receipts.....	.....	.....	J & D	67	44	49	51
do Chicago division 6's.....	1910	4,500,000	J & J	97	85	99	100
do Havana division 6's.....	1910	1,600,000	J & D	88	88	*90
do Indianapolis division 6's.....	1921	2,275,000	J & D	*90

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				High.	Low.	Bid.	Ask d
do Detroit division 6's.....	1881	2,052,000	J & J	98	78	94
do Cairo division 5's.....	1881	3,857,000	J & J	55	55	*50
Wabash mortgage 7's.....	1879-1909	2,000,000	A & O	91	70	85	.....
Tol. & Wabash 1st extended 7's.....	1890	3,400,000	F & A	115½	110	118	115
do 1st St. Louis division 7's.....	1889	2,700,000	F & A	111	100	110	118
do 2d mortgage extended 7's.....	1893	2,500,000	M & N	105½	97	99	.....
do equipment bonds 7's.....	1883	600,000	M & N	8	4	.....	4
do consol. convertible 7's.....	1907	2,600,000	Q F	100	84½	90	95
G't Western 1st mortgage 7's.....	1888	2,500,000	F & A	114	109½	114	.....
do 2d mortgage 7's.....	1893	2,500,000	M & N	108	98	99	100
Quincy & Toledo 1st mortgage 7's.....	1890	500,000	M & N	97	94	102	100
Hannibal & Naples 1st 7's.....	1909	500,000	J & D	.....	.....	.....	.....
Illinois & So. Iowa 1st exten. 6's.....	1912	300,000	F & A	.....	.....	.....	*96
St. L., Kan. C. & N. R'l E & R'y 7's.....	1895	3,000,000	M & S	116	108½	112	113½
do Omaha div. Trust Co. receipts	.....	2,298,000	A & O	.....	.....	121½	123
do Clarinda br. 6's.....	19 9	284,000	F & A	76½	65	.....	*90
do St. Charles bridge 1st 6's.....	1908	1,000,000	A & O	103½	94	106½	.....
North Missouri 1st mortgage 7's.....	1895	6,000,000	J & J	120	112½	111	118
Wabash, St. L. & P. Iowa trust receipts..	.....	2,289,000	M & S	.....	.....	.....	60
West Shore 1st guaranteed 4's.....	.....	50,000,000	J & J	106	100½	99½	99½
do do registered.....	.....	.....	J & J	105½	101½	99	100
Western Union coupon 7's.....	1900	3,920,000	M & N	123	116	118	117½
do do registered.....	1900	.....	M & N	125	117	118½	.....
North Western Telegraph 7's.....	1904	1,250,000	J & J	.....	.....	*102	.....
Wheeling & Lake Erie 1st 5's.....	1826	3,000,000	A & O	.....	.....	101½	101½
Mutual Union Tel. sinking fund 6's.....	1911	5,000,000	M & N	90½	75	85½	.....
Colorado Coal & Iron 1st 6's.....	1900	3,500,000	F & A	101½	90	102	113
Tenn. Coal, Iron & R. consol. 6's.....	1901	620,000	M & N	100	97	*105	.....
do South Pittsburgh 1st 6's.....	1902	720,000	F & A	98	96	*107	105
do Bir. div. 1st consolidated 6's.....	1917	4,000,000	J & J	.....	.....	.....	85
Col. & Hocking Coal & Iron gen'l 6's.....	1917	1,000,000	J & J	.....	.....	.....	.....
INCOME BONDS. Interest payable if earned, and not to be accumulative.							
Atlantic & Pacific West'n div. income.....	1910	10,500,000	A & O	81½	20¼	80	81
do do do small.....	.....	2,100,000	A & O	.....	.....	.....	26
do do Cent'l div. income.....	1922	629,000	J & D	.....	.....	.....	.....
Central Iowa coupon debt certificates.....	.....	1,000,000	A & O	.....	.....	*21	.....
Chicago & Eastern Illinois income.....	1907	1,000,000	D	.....	.....	*100	.....
Des Moines & Fort Dodge 1st inc. 6's.....	1906	1,200,000	J & J	.....	.....	*57	.....
Detroit, Mack. & Marquette income.....	1921	1,500,000	.....	43½	12	*54	.....
Elizabeth City & Norfolk 2d income.....	1970	1,000,000	.....	.....	.....	.....	.....
Green Bay, Winona & St. Paul 2d inc.....	1911	3,781,000	.....	43½	24½	88	40
Ind., Bl'n & W'n consol. inc. trust receipts	.....	4,560,000	J & J	.....	.....	26	27
Indp's. Decatur & Springfield 2d inc.....	1908	2,850,000	J & J	39	22	.....	*33
do do Trust Co. receipts.....	.....	.....	J & J	41	20	.....	45
Lehigh & Wilkesbarre Coal Co.....	1888	1,119,200	M & N	100	90	97	.....
do do small bonds.....	1888	.....	M & N	.....	.....	.....	.....
Milw., L. Shore & Western income.....	.....	500,000	M & N	107	88	.....	104
Mobile & O. 1st preferred debentures.....	.....	4,763,000	.....	74½	53	45	50
do 2d do do do.....	.....	1,850,000	.....	44½	32	28	.....
do 3d do do do.....	.....	600,000	.....	35	30	15	23
do 4th do do do.....	.....	900,000	.....	31	25	10	.....
N. Y., Lake E. & Western income 6's.....	1977	508,000	.....	76	56	70	.....
N. Y., Penn. & Ohio 1st inc. acc. 7's.....	1906	35,000,000	J & J	.....	.....	*48½	.....
Ohio Central (Min'l division) inc. 7's.....	1921	300,000	.....	.....	.....	*30½	.....
Ohio Southern 2d income 6's.....	1921	2,100,000	J & D	49½	34	37	38½
Ogdensburg & L. Champlain income.....	1920	800,000	Oct	.....	.....	*40	.....
do do small.....	.....	200,000	Oct	.....	.....	*84	.....
Rochester & Pittsburg income.....	1921	1,970,000	.....	.....	.....	*60	.....
South Carolina Railway income 6's.....	1931	3,000,000	Feb	83	22½	12½	18
St. Louis, I. M. & S. 1st 7's pref. int. ac'e..	.....	348,000	Mar	.....	.....	.....	.....
Sterling Iron & Railway (series B) inc.....	1894	418,000	Feb	.....	.....	.....	.....
do plain income 6's.....	1896	491,000	April	.....	.....	.....	.....
Sterling Mountain Railway income.....	1895	476,000	Feb	.....	.....	.....	.....
St. Louis, Alton & Terre H. div. bds.....	1894	1,387,000	June	50	33	41	45
St. Joseph & Grand Island 2d income.....	1925	1,680,000	J & J	77	56½	65	70
Shenandoah Valley income 6's.....	1923	2,500,000	Feb	16

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COAL AND MINING.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886.		AUG. 1, 1887.	
				High.	Low.	Bid.	Ask d
American Coal Co	PAR 25	1,500,000				*25	
Consolidated Coal Co. of Maryland	100	10,250,000				*20	24
Cumberland Coal and Iron Co.	100	500,000					
Colorado Coal and Iron Co.	100	10,000,000				44	46
Cameron Iron and Coal Co.	100	2,72,900					42
Columbus & Hocking Coal & Iron Co.	100	4,700,000				31	32
Marshall Consol. Coal Co.	100	2,000,000				*24 3/4	
Maryland Coal Co.	100	4,400,000				11	14
New York & Perry Coal and Iron Co.	100	1,500,000				50 3/4	51 1/4
New Central Coal Co.	100	5,000,000				12	15
Pennsylvania Coal Co.	50	5,000,000	Q F				27 1/2
Quicksilver Mining Co.	100	5,708,700				6	7
do do preferred.	100	4,291,300				30	31
Silver bullion certificates							
Tenn. Coal, Iron & R. R. Co.	100	10,000,000				32 3/4	34

EXPRESS.

Adams Express.....	Par 100	12,000,000	Q M	150	139 1/4	149	153
American Express.....	" 100	18,000,000	J & J	111	101 1/4	108	110
United States Express.....	" 100	7,000,000	Q F	88	81	67	70
Wells Fargo Express.....	" 100	6,250,000	J & J	120	119	123	132
Pacific Mail Steamship Co.	" 100	20,000,000		87	45 3/4	40 1/4	40 3/4

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph.....	100	3,000,000		45	30		
Albany City 6's							
Albemarle & Chesapeake 1st 7's.....	1909	500,000	J & J			*115	
Alabama Central Railroad 1st 6's.....	1918	1,000,000	J & J				
Allegheny Central 1st mortgage 6's.....	1922	600,000	J & J				
Atlantic & Pacific (W'n div.) 1st m. 6's.....	1910		J & J				
Boston, H. & Erie 1st mtg 7's	1900	348,000	J & J }				
do do guaranteed							
Boston & New York Air Line.....	100	1,000,000					
Bradford, Bordell & Kinzua	100	500,000					
do do 1st 6's.....	1932	500,000	J & D			*55	60
Bradford, Eldred & Cuba	100	500,000					
do do 1st 6's.....	1932	500,000	J & J			*37	42
Brooklyn City R. R.	10	2,000,000	Q F				
Brooklyn Gas Company.....	25	2,000,000					
Brooklyn, Bath & Coney Island 1st 6's.....	1912	200,000	F & A				
Buffalo & Southwestern	100	471,900					
do do preferred.....	100	471,900					
Carolina Central 1st mortgage 6's.....	1920	2,000,000	J & J			107	107 1/4
Cedar Falls & Minnesota	100	1,586,000		19 1/4	11	11 1/4	13 1/4
Cincinnati, Sandusky & Cleveland.....	50	4,500,000		51	32		
do do preferred		429,000	J & D				
do do 1st 7's.....	1890	1,072,300	M & S				
Cincinnati, Lafayette & Chic. 1st 7's	1901	900,000	A & O			*118	
Cin. & Sp. 1st mort. C., C., C. & I. 7's.....	1901	1,000,000	A & O	119	114	*119	
do. 1st m. g'd Lake S. & M. S. 7's.....	1901	1,000,000	A & O	121	117 3/4	*121	
Cincinnati, Hamilton & Dayton	100	3,500,000		149	105 1/4	120	
do consol sinking fund 7's.....	1905	1,000,000	A & O	120	120		*105 1/4
do do consol. 6's.....	1920	1,000,000	M & N				
Cin., W. & Baltimore prior lien 4 1/2's.....	1893	500,000	A & O				
do 1st 6's.....	1931	1,250,000	M & N			*115	
do 1st 4 1/2's guaranteed.....	1931	5,922,000	M & N	106 3/4	103 1/4	*104	105 1/4
do 2d 5's.....	1931	3,040,000	J & J				
do 3d 3 1/2's.....	1931	2,270,000	F & A				
do 1st income mortgage.....	1931	3,040,000	F & A				
do 2d income mortgage.....	1931	4,000,000					
do preferred stock.....	100	12,993,000		12	5	7	7 1/2
do common stock.....	100	5,886,100		6 3/4	2 1/4	4	5
Citizens' Gas Company	20	1,200,000					
Columbus, Springfield & Cin. 1st 7's	1901	1,000,000	M & S				
Consolidation Coal convertible 6's.....	1897	1,250,000	J & J				

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FREE LIST—Continued.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAY- ABLE	YEAR 1886.		AUG. 1, 1887.	
				High.	Low.	Bid.	Ask d
Cumberland & Penn. 1st 6's.....	1891	903,500	M & S			102	.....
do do 2d 6's.....	1888	392,000	M & N			101	.....
Cumberland & Elk Lick Coal.....	100	1,000,000					.....
Chicago City 7's.....	1890	220,000	I & J				.....
Charlotte, Col. & Augusta 1st 7's.....	1895	2,000,000	J & J				.....
Chicago & Atlantic 1st 6's.....	1920	6,500,000	M & N				*104½
do do 2d 6's.....	1923	2,500,000	F & A				.....
Dubuque & Dakota 1st 6's.....	1919	630,000	J & J				.....
Duluth Short Line 1st 5's.....	1916	500,000	M & S				.....
Danbury & Norwalk.....	50	600,000					.....
Detroit, Hillsdale & Southwestern.....	100	1,350,000		82	79		.....
Eighth Avenue.....	100	1,000,000					.....
Erie & Pittsburgh.....	50	1,998,400	Q M			112	.....
do do consolidated 7's.....	1898	\$2,485,000	J & J				.....
Farmers' Loan & Trust Company.....	25	1,000,000				440	.....
Frankfort & Kokomo.....	50	600,000					.....
do do 1st 7's.....	1908	200,000	J & J				.....
Fort Worth & Denver City.....	100	3,880,000		25½	15	44½	45
Galveston, H. & H. of '82, 1st 5's.....	1913	2,000,000	A & O	79	71	77	.....
Gold & Stock Telegraph Co.....	100	5,000,000	Q J				.....
Grand Rapids & Indiana 1st 7's.....	1899	505,000	A & O			*105	.....
do 1st guaranteed 7's.....	1899	3,934,000	J & J			*116	.....
do 1st extended land 7's.....	1899	1,010,000	A & O			*113	120
Henderson Bridge Co.....	100	1,000,000					.....
Ind., Decatur & Sp. 1st coupon 7's.....	1900	187,000	A & O				.....
Iron Steamboat Company 6's.....	1901	500,000	J & J	90	85½		*94
Int. & Great Northern 2d income.....	1909	370,000					.....
Jefferson R. R. 1st mortgage 7's.....	1889	2,000,000	J & J	107	102½	101	.....
Jerome Park Villa Site & Imp. Co.....	100	1,000,000					.....
Keokuk & Des Moines.....	100	2,600,400		16	5½	*6	8
do do preferred.....	100	1,524,600		38½	26	*31	31½
Little Rock & Fort Smith.....	100	4,096,135					.....
do 1st 7's.....	1905	3,000,000	J & J				.....
Louisville City 6's, act. of Leb. bra'h.....	1886	225,000	J & D				.....
do 6's, Leb. branch extension.....	1893	333,000	A & O				.....
Long Island Railroad.....	50	900,000		100	80		.....
{ Brooklyn & Montauk.....	100	1,100,000					.....
do do preferred.....	100	600,000	M & S				.....
{ Smithtown & Port Jefferson 1st 7's.....	1901	2,272,700				*24½	25
Louisiana & Missouri River.....	100	1,010,000				*55	.....
do do preferred.....	100	329,100	F & A			*120½	124
do do preferred g'd.....	1921	2,240,000	J & J				.....
Louisiana Western 1st 6's.....	1892	500,000	J & D				.....
Lac. & Sus. Central 1st E. side 7's.....	1892	500,000	J & D				.....
do do W. side 7's.....	1892	500,000	J & D				.....
Metropolitan Elevated.....	100	1,136,000	Q J				.....
Mariposa gold convertible 7's.....	1886	250,000	J & J				.....
Memphis & Charleston.....	25	5,312,725		69½	29	53	56
do 1st consol'd Tenn. lien 7's.....	1915	1,400,000	J & J			*128	.....
Missouri, Kansas & Texas.....	100	2,296,000	J & J	38½	21		.....
{ Union Pacific (South branch) 1st 6's.....	1899	347,000	J & D				.....
Tebco & Neosho 1st mortgage 7's.....	1903	32,000	M & N				.....
Hannibal & Central Missouri 2d 7's.....	1892	1,000,000	M & N				.....
Boonville Bridge Co. 7's, guarant'd.....	1906	209,000	J & J				.....
Milwaukee & St. P. con. sink. f'd 7's.....	1905	89,000	J & J				.....
do 1st m. Hastings & Dakota 7's.....	1902	520,000					.....
Milwaukee & Lake Winnebago.....	100	780,000					.....
do do preferred.....	100	1,430,000	J & J			*106	.....
do do 1st 6's.....	1912	520,000					.....
do do income 5's.....	1912	1,000,000	F & A			580	.....
New York Life & Trust Co.....	100	2,604,000					.....
Norwich & Worcester.....	100	300,000	J & J				.....
Nash., C. & St. L. 1st 6's, T. & P. branch.....	1917	220,000	J & J				.....
do 1st mort. 6's, McM., M. W. & A. b.....	100	1,500,000					.....
New London Northern.....	100	3,500,000					*100
New York Mutual Gas Light.....	100	1,449,600	J & J	101½	91	97	99
N. J. Southern Int. guaranteed 6's.....	1899	4,000,000					.....
New Orleans, Mobile & Texas.....	100	1,500,000		180	149½	*161½	.....
N. Y. & Texas Land Co., limited.....	50	2,946,400		57½	50	*37
do do land scrip.....	1912	2,103,000	A & O			
N. Y., Texas & Mexico 1st 6's.....	1912					

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				High.	Low.	Bid.	Askd
N. Y., Brooklyn & Man. Beach pref....	100	650,000	A & O				
Nevada Central 1st mortgage 6's.....	1904	720,000	A & O				
Oswego & Syracuse.....		1,320,400					
Ohio Central incomes.....	1920	642,000				*1½	
Panama.....	100	7,000,000	Q F				
Pullman's Palace Car debenture 7's.....	1888	1,000,000	A & O			*108½	
Phila. & Reading con. coupon 6's.....	1911	7,204,000	J & D				
do registered 6's.....	1911	663,000	J & D				
do coupon 7's.....	1911	7,310,000	J & D				
do registered 7's.....	1911	3,339,000	J & D				
do imp't mtge. coupon 6's.....	1897	9,294,000	A & O				
do general mtge. coupon 6's.....	1903	19,686,000	J & J				
do def'd inc. irredeemable.....		34,300,000					
do do small.....							
Pittsb'h, Bradford & Buffalo 1st 6's.....	1911	800,000	A & O	82½	70	*80	85
Rensselaer & Saratoga R. R.....	100	7,000,000		170	155		
Second Avenue R. R.....	100	1,199,500					
Sixth Avenue R. R.....	100	1,500,000					
do 1st mortgage.....	1889	415,000	J & J				
Savannah & Charleston 1st 7's.....	1889	500,000	J & J				
Sandusky, Day'n & Cincinnati 1st 6's.....	1900	608,000	F & A				
St. Louis, Jacksonville & Chicago.....	100	1,448,800					
do do preferred.....		1,034,000					
St. Louis Southern 1st gold 4's.....	1931	550,000	M & S				
do 2d income 5's.....	1931	525,000	M & S				
Sterling Iron & Railway Co.....	50	2,300,000					
Scioto Valley Railway.....	50	± 2,500,000		17	6½	*10	11
Spring Valley Water Works 1st 6's.....	1903	+ 7,000,000	M & S				
Terre Haute & Indianapolis.....	50	1,988,000	F & A			*97	100
Third Avenue R. R.....	100	2,000,000				*230	240
do coupon bonds.....		2,000,000	J & J				
do registered bonds.....							
Tonawanda Valley & Cuba.....	100	600,000				*85	
do do 1st 6's.....	1931	500,000	M & S				
Union Trust Co.....	100	1,000,000				425	
United States Trust Co.....	100	2,000,000				560	
Vermont Marble Co.....	100	3,000,000					
do do sinking fund 5's.....	1910	1,200,000	J & D				
Warren Railroad.....	50	1,800,000				*130	
do 2d mortgage 7's.....	1900	750,000	A & O			122	127
Williamsburgh Gas Light Co.....	50	1,000,000	Q J				
Wabash funded interest bonds.....	1907					*100	
Toledo & Illinois Division 7's.....		126,000	F & A			100	
Lake Erie, Wabash & St. Louis 7's.....		350,000	F & A			100	
Great Western 1st mortgage 7's.....		350,000	F & A			100	
Illinois & Southern Iowa 7's.....		42,000	F & A			*95	
Decatur & East St. Louis 6's.....		47,500	F & A			80	
Quincy & Toledo 6's.....		37,500	F & A			*80	
Toledo & Wabash 2d mortgage 6's.....		127,500	F & A			*85	
Wabash & Western 2d mortgage 6's.....		262,500	F & A			*85	
Great Western 2d mortgage 6's.....		437,500	F & A			*85	
Consolidated convertible 6's.....		637,000	F & A			*95	
Central Arizona Mining.....	10	3,000,000					
Excelsior Water & Mining Co.....	100	10,000,000					
Homestake Mining Co.....	100	12,500,000	Mo.	23	11	14	15
La Plata Mining & Smelting Co.....	10	12,000,000					
Little Pittsburgh Consol. Mining.....	100	10,000,000					
Mariposa L. & M. Co., California.....	100	20,000,000					
do do preferred.....	100	6,000,000					
Ontario Silver Mining Co.....	100	15,000,000	Mo.	30	22	24½	25
Robinson Consolidated Gold Mining.....	50	10,000,000					
Standard Consol'd Gold Mining Co.....	100	10,000,000					
Silver Cliff Mining Co.....	50	10,000,000					

NOTICES OF NEW BOOKS.

AMERICAN STATESMEN. *Life of Henry Clay*, by CARL SCHURZ, in two volumes. Boston and New York, Houghton, Mifflin & Company. The Riverside Press, Cambridge, 1887.

The chief reason why Henry Clay never attained the height of his ambition by being elected President of the United States, was that he had Jackson for an antagonist, and the success of the latter was due to the triumph of ignorance and prejudice over intelligence and liberal views. Not that Clay was an educated man in the ordinary sense. He was born in poverty, and had few educational advantages, but he had natural aptitude of mind and the influences he fell under from his association with George Wythe, Chancellor of the High Court of Chancery of Virginia, a man wise and liberal minded, were exceedingly fortunate.

Mr. Schurz remarks in substance that in the early days of the Republic the American people were, owing to circumstances, uneducated and ignorant and had a reverential respect for superiority of talent and breeding, and this habit was sufficiently strong to permit a succession of Presidents to be taken from the ranks of professional Statesmen; but that there always comes a time in the life of a democracy, when the masses grow impatient of all pretensions or admissions of superiority, when there arises a vague distrust of professional Statesmen, and it is thought safer to put in the highest places "men of the people" rather than skilled Statesmen. This was first faintly manifested when Jefferson was elected, but came out in all its strength in the history of Jackson. The politicians, in the view of the masses, get too sharp, over-trained in fact, and a new stock of raw material has to be secured. This sort of thing is a political storm clearing the atmosphere, though it may destroy many valuable institutions, political, financial and industrial. Mr. Schurz seems to regard such convulsions as necessary and perhaps desirable, and by a similar mode of reasoning periodical war and pestilence may be looked at in the same light. The advanced thought of the present day looks to a time when war and pestilence may be suppressed as evils, and it is rather retroactive to regard these manifestations of political and social ignorance and suspicion as in any sense desirable. He intimates a parallel between the election of Jackson and Lincoln, but the difference both in the training and the character of the men and the object of their election forbid the acceptance of any similarity. Lincoln was a trained politician, Jackson a hereditary Indian fighter, with all the courage and audacity and all the capacity for treachery and vice of that character. Lincoln was elected for a great purpose, Jackson's election was an act of idolatry based on an ignorant suspicion of trained statesmen. Jackson had no capacity as a Judge or a Legislator; in attempting to speak he "choked with rage." As a military man he had an intrepid spirit, a natural gift of command, but was impatient of restraint, had a reckless disregard for law and an uncontrollable temper. In private life he delighted in broils and encounters. Against his faults his friends offset his courage and his alleged honesty. His integrity was said to be unimpeachable, and when he acted savagely, unjustly and even basely, he was excused on the ground of a sincerity of purpose said to spring from love of country: a wonderful man because from mistaken moral purpose he did unjust and mean acts with vigor. Yet this excuse becomes even more weak if on examination it is found that his temper far from being an uncontrollable defect was often used by him as a means, which he had cultivated and encouraged, to accomplish his purposes, and that the intrigues and wiles which his friends and admirers ascribe to his subordinates and satellites were really winked at and relished if they were not conceived and prompted by him. His history as a backwoods lawyer, the circumstances of his duel with Dickinson, the affray with the Bentons, all show as much cunning as courage. In those early days he was the gatherer up of, to say the least, rather doubtful affidavits to sustain his high-handed acts, and there was as much bandying of vituperative falsehood on the part of his satellites then as on that of his partisans in the days when he was President of the United States. It seems incredible that any one can believe that a man surrounded as Jackson was at all times in his career by a maze of political chicanery could have been himself a man of unimpeachable integrity in any wide sense.

Such was the great antagonist of Henry Clay, and in no occurrence does the plausibility, the willingness, the treachery and the persistent falseness of Jackson's character appear, with no support from his acknowledged intrepidity, as they do in the history of the accusation of corruption brought against Clay in 1824. In that year

there were six candidates for the presidential office. Clinton and Calhoun withdrew before November, and Crawford, Jackson, Adams and Clay received the votes of the people. There was no choice and the election was thrown into the House. Clay of the four had received the least number of electoral votes, and as the House could only vote on the three highest candidates he was thrown out, but with his thirty-seven votes he held the balance of power. In 1817, during the Seminole war, Jackson had, without warrant of law either civil or military, hung Arbuthnot and Ambrister. The House of Representatives moved a resolution disapproving his proceedings, which failed to pass, but of which Clay was the most earnest supporter. From this time until after the election of 1824, there had been non-intercourse between Jackson and Clay. The former had been very haughty and had almost given Clay the cut direct when meeting him accidentally in 1819. But after the election Jackson became more conciliating, Clay could be of service to him and Jackson and his friends made advances to Clay, which the latter received with his usual courtesy. When however it was found that Clay had already made up his mind to give his vote and influence to Adams, all this designing friendliness was changed. Jackson and his friends sought to drive and to frighten him. He received menacing and abusive anonymous letters, but was of course not affected. Jackson and his friends induced an insignificant, simple, uneducated and eccentric Pennsylvania Congressman named George Kremer, who was principally distinguished by a variegated overcoat made from a leopard skin—in fact a man little more than half-witted—to send a letter which they prepared, to a Philadelphia newspaper, stating that Clay had corruptly agreed to vote for Adams in consideration of being made his Secretary of State. Consider the vile ingenuity of this scheme, and that it was winked at and affected to be believed by Jackson, and where does his vaunted integrity stand. The fact is that all investigation of the subject convinces the investigator that if there was any offer made, it was made by Jackson and his friends to Clay, and failing in this attempt, like the wife of Potiphar they revenge themselves by accusing the man they failed to gain of the act they attempted to commit. They well knew that if Adams became President, he could not avoid making Clay Secretary of State, and by ascribing to corruption that which was about to happen in all honor, they made that honorable and proper transaction when it afterwards actually occurred, a plausible proof of its own dishonor. A vilely cunning trick and one from the effect of which Mr. Clay never was able to recover.

On the publication of the letter in his first anger Clay published a card, denouncing the statement as a lie and offering to fight the one who made it. Kremer, good innocent, having implicit faith in what his instigators told him, published a counter card, avowing the authorship. Mr. Clay could not fight an idiot, so he withdrew his general challenge and demanded a committee to investigate the matter. Kremer consented to this and said he could prove the charges. He doubtless at the time believed it, having been so told by Jackson and his friends, but Clay's demand for a committee had been too sudden to enable his instigators to see him. It was far from their design to permit an investigation, and they deflected it by writing another letter for their tool which he sent to the committee, stating that the House had no constitutional authority to assume jurisdiction over the case. He was going, he said, to communicate his proofs to his constituents. This get-off was plainly Jacksonian, the usual arrogant personal interpretation of the constitution backed by an appeal to the people on the stump. When Adams became President, Clay became Secretary of State. "Did we not tell you so," said the Jackson people? If he had not accepted, their cry would have been, that "fear only prevented him from claiming the corrupt reward." An address of Kremer to his constituents, was used in an attempt to prevent Clay's confirmation by the Senate, and Jackson then a member of the Senate voted against confirmation. No one of those opposed to the nomination dared open their mouths to charge a corrupt bargain on Clay. If any one had, a committee of investigation would have been demanded for Clay. Does any one believe that had Jackson at this time believed what he asserted and acted on in private, he would have feared to assert the same thing in the Senate. His friends may say he was no speaker, but he could at least have "choked with rage," as he was accustomed to do. Jackson knew that the whole thing was a lie, and yet with the merciless spirit of an Indian he used it not only to defeat but to torture his great antagonist until his dying day. On the day of the inauguration he congratulated President Adams. But in Tennessee he claimed in every public place that he had been cheated out of his rights by a corrupt bargain. Mr

Schurz says: "Nobody believes that lie now. But it defeated his (Clay's) dearest ambitions and darkened the rest of his public life. It kept him refuting and explaining, explaining and refuting, year after year." Yes, it is admitted to be a lie, but it is not so generally admitted that it was a lie, instigated if not actually invented, by that great hero, that man of unimpeachable integrity Andrew Jackson.

This history of the "corrupt bargain and sale" business indicates the usual methods pursued by Jackson and his friends. The history of his attack on the Bank of the United States similarly shows the power of audacious and reiterated statement upon the minds of an ignorant and prejudiced public. This story is well told by Mr. Schurz. No man hated another as fiercely as Jackson hated Clay. The sentiment was doubtless returned, but there is a great difference in intensity between the hatred of a narrow and ignorant bigot, and that of a broad and liberal minded man who has other things to reflect on than his personal likes and dislikes. The triumph of Jackson and his election to the Presidency was due to the ignorance of the populace, and to no real fault on Clay's part. Mr. Schurz speaks in several places deprecatingly of Clay's desire for the Presidency, and makes the rather gratuitous assertion that "men who want very much to be President are often not fully conscious of their motives." This is a genteel renewal of a gag which is so old as to be particularly nauseous. It also somewhat savors of the envy with which the ordinary native born citizen who has at least theoretically rights to the Presidency equal to those of any other citizen, regards those favored individuals who seem to lie closest to the providential hand that is periodically thrust into the great lottery wheel. But why Mr. Schurz should feel envy of this kind is not so plain seeing that he cannot possibly be a participator in these divine chances. He speaks of Albert Gallatin as one of the few princes of finance that this country has had, ranking him second to Hamilton, and remarks, "Gallatin during his long career, had much to suffer on account of his foreign birth, etc., etc." He was denounced, "as an impertinent foreigner who should go home."

But why should it be a disgrace to crave to be elected President of the United States, and who have a better right to claim the office than those who gifted with natural aptitude have devoted their lives to the study of politics. Why study and labor, which in every other sphere are regarded as honorable stepping-stones to the highest success, are derided in political life is not far to seek. It comes from that suspicious ignorance characteristic of large masses of men, which should not be regarded as a virtue but as a fault to be cured, if ever, by the advance of education and culture.

Eighteen Hundred Dollars deposited with the Fidelity National Bank by the Government to be paid on the fulfillment of a contract for furnishing coal to the Custom House was lost. The bank was not a designated depository of the United States. Bankers generally do not seem to be aware of the provisions of section 5497, United States Revised Statutes, which make it an act of embezzlement for the officers of any bank not a designated depository to receive deposits of public money from any officer or agent of the United States.

Proposals were opened recently at Hartford, Conn., for a new 3½ per cent. \$1,000,000 loan of the State, due in ten years, and payable earlier at the option of the State Treasurer, the highest numbers to be payable first. An award was made of \$500,000 of the lowest numbers to the Aetna Life Insurance Company at 108.27, and the second \$500,000 to the Williamsburgh Savings Bank, of Brooklyn, N. Y., at 102.25. The total of the bids was nearly \$7,000,000. This indicates the large amount of money ready to be invested in good stocks.

The Union Savings Bank, of Lincoln, Neb., seems to be a thriving institution. The object of the bank is to afford a secure investment to persons of either sex who receive money in small sums and are desirous of saving it, to assist and encourage the industrious and frugal to lay by such part of their earnings as they may be able to spare, and to provide for the safe keeping of money. Its deposits amount to \$115,520.28. As will be observed by consulting the bank changes published in the present number of the JOURNAL, banking business appears to be thriving in the State of Nebraska. The establishment of commercial banks merely may indicate nothing more than general activity in business, without, of necessity, any guaranty of profit or permanency; but if a Savings bank can do a thriving business it indicates that the people are prospering.

BANKERS' OBITUARY RECORD.

Boardman.—Isaac H. Boardman, the President of the Merchants National Bank of Newburyport, Mass., died on July 10th. He was a director in the bank for forty years. President for the last ten. He had been Mayor of Newburyport, and had served both as State Senator and member of the State House of Representatives.

Clague.—John Clague, President of the Bank of Benson, Minn., died in May last.

Cooke.—Jay Cooke, banker and broker of Washington, D. C., son of the late Governor H. D. Cooke and nephew of Jay Cooke, the famous Philadelphia banker, died on July 15th in Georgetown, D. C., of Brights disease.

De Rivas.—Manuel E. De Rivas, a member of the stock exchange, died on July 18th.

Harvier.—Calixte Harvier, an old resident of New York City, and well known foreign exchange broker, died during the month at the age of 79. He was at one time a director in the Bank of the State of New York, the old Union Bank, the Sterling Insurance Company and other prominent institutions.

Herschmer.—G. S. Herschmer, Manager of the branch of the Central Bank of Canada at Brampton, O., is dead.

Hill.—A. B. Hill, Vice-President of the stock exchange, died suddenly on July 15th, at the stock exchange, while making the announcement of the death of another member.

Parry.—Charles T. Parry, who had for sixteen years been a member of the Board of Directors of the National Bank of the Republic of Philadelphia, Pa., died on July 18th. At a meeting of the Board of Directors of the bank resolutions expressive of the high appreciation in which he was held were passed and ordered to be put on record.

Perkins.—Wm. Perkins, President of the Tremont National bank of Boston, Mass., died on July 13th, at the age of 82. He was also President of the China Insurance Company. He was a representative of the very highest type of old-time Boston merchants and his career was marked by modesty, honesty and unostentatious benevolence. He was largely interested in the India and China trade.

Sargent.—Ignatius Sargent, President of the Machias Bank, Machias, Me., died on August 1st, at the age of 72. He had been county Treasurer thirty-one consecutive terms.

Sibley.—Geo. R. Sibley, President of the National Bank of Augusta, Augusta, Ga., died suddenly on July 15th, at Summerville, Ga.

Sturgus.—Z. B. Sturgus, Cashier of Farmers & Merchants' Bank, New Concord, Ohio, died July 18th.

Thomas.—George R. Thomas, Cashier of the Second National Bank of Utica, N. Y., died July 25th at the age of sixty-five. He was also Treasurer of the Episcopal fund of Central New York and of most of the charitable institutions of Utica.

Vance.—James M. Vance, a director of the Union National Bank of Philadelphia died on July 26th. The next day resolutions of respect and condolence were passed by the Board of Directors and entered on the minute book.

NATIONAL BANK STATISTICS.—Statement of the Comptroller of the Currency on August 1, 1887, showing the amounts of National Bank notes and of Legal-Tender notes outstanding at the dates of the passage of the Acts of June 20, 1874, January 14, 1875, and May 31, 1878, together with the amounts outstanding at date, and the increase or decrease.

NATIONAL BANK NOTES.

Amount outstanding June 20, 1874.....	\$349,894.123
Amount outstanding January 14, 1875.....	351,861.450
Amount outstanding May 31, 1878.....	322,755.965
Amount outstanding at date*	276,204.523
Decrease during the last month.....	2,759.231
Decrease since August 1, 1886.....	30,311.815

LEGAL-TENDER NOTES.

Amount outstanding June 20, 1874.....	\$382,000.000
Amount outstanding January 14, 1875.....	383,000.000
Amount retired under Act of January 14, 1875, to May 31, 1878.....	35,313.984
Amount outstanding on and since May 31, 1878.....	348,686.016
Amount on deposit with the Treasurer of the United States to redeem notes of insolvent and liquidating banks and banks retiring circulation under Acts of June 20, 1874, and July 12, 1882.....	106,901.094
Decrease in deposit during the last month.....	433.319
Increase in deposit since August 1, 1886.....	45,056.797

*Circulation of National Gold Banks not included in the above, \$242,754.

W. L. TRENHOLM, *Comptroller of the Currency.*

RHODES' JOURNAL OF BANKING.

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SOME misunderstanding exists as to the manner in which the rebate of 2 per cent. is to be computed which is to be granted to the Government by the holders of fours and four and a half per cents, who accept the payment in advance of six months' interest on their bonds. Some seem to have been under the impression that they would be required to surrender two of the four or four and a half per cent. and receive only two or two and a half per cent. from the Government. Mr. Fairchild has taken pains to give to the public the following illustration. An application for prepayment of interest being made on August 18 by the holder of \$100,000 four and a half per cents. would receive a check for \$2,242.90, based upon the following computation: Two quarters' interest on \$100,000 at $4\frac{1}{2}$ per cent. is \$2,250; rebate at two per cent. for the 12 remaining days in August on \$1,125, one quarter's interest, 74c, and for 12 days and 3 months on the remaining \$1,125, \$6.36; total rebate, \$7.10.

We have always regarded the prepayment of interest in this manner by the Government as one of the best measures that could possibly be adopted by the Treasury to palliate the worst effects of the locking of the redundant revenues. There is no class of bondholders in better condition to avail themselves of the offer than the banks, particularly at the season of the year which is now approaching. There is hardly any National or other bank holding U. S. bonds that cannot make more than two per cent. on the advance interest they receive from the Government. Any of them can loan it immediately at five and six per cent. and many of them for much more. It would seem to be especially advantageous to the banks in the Western States where the interest rates are highest. Assuming that a bank can use the amount received at six per cent. a computation based on the one already given will show the profit to be derived from the acceptance of the Secretary's offer.

If a bank holding \$100,000 of $4\frac{1}{2}$ per cent. bonds accepted the Secretary's offer on August 18th, it would, as before seen, receive a check of \$2,242.90, having granted a rebate of \$7.10. Loaning the

money say within four days and getting six per cent., it would have the use of \$1,124.26 of the sum for eight days longer than it would if had waited until September 1st for payment. Interest at six per cent. for eight days on \$1,124.26 would be \$1.47. On the September interest, allowing four days in which to loan the money, there would be a gain of 73 cents. On the \$1,125, otherwise payable December 1, the bank would allow a rebate of \$6.36 and receive \$1,118.64, and could loan this at six per cent. for three months and twenty days longer than if retained by the Treasury until December 1, and receive a total interest of \$20.42. Deducting the rebate from this leaves a net gain of \$14.06, and adding the 73 cents gained on accepting the September interest, the total net gain on the whole transaction is \$14.79. The bank, moreover, goes to no other expense and trouble than that involved in ordinary correspondence. The gain in accepting interest on the fours is greater than on the four and a half. The bank accepting on August 18th prepayment of quarterly interest on \$100,000 fours would pay a rebate of 2 per cent. for one month and twelve days, viz.: \$2.32, on \$1,000 due October 1st, and would receive \$997.68. On the \$1,000 due January 1st it would pay rebate for four months and twelve days, viz.: \$7.32, and receive \$992.68. In all it would grant a rebate of \$9.64 and receive \$1,990.36. Of this, \$997.68, allowing four days' delay, could be loaned for one month and eight days at six per cent., and \$992.68 for four months and eight days at the same rate. The interest on the first sum would be \$6.30 as against a rebate of \$2.32, and on the second \$21.15 as against a rebate of \$7.32, being a profit of \$3.98 in the one case and of \$13.83 in the other, or a total profit in acceptance of advanced interest on \$100,000 in fours amounting to about \$18, more than would be made if interest were received at the usual time. Where rates of interest are higher the profit would, of course, be greater.

Very likely the policy of advanced interest payments, having now been inaugurated, will be continued. When September 1st arrives, the Secretary can then offer to prepay the interest on the four and a half from December 1st to March 1st, and on October 1st offer, in the same way, the interest on the fours from January 1st to April 1st, renewing offers every quarter on each class of bonds, thus making the acceptance more advantageous both to the banks and the Government, the full period of six months being granted to each.

THE SUBJECT OF uniformity in check and draft forms, which has been brought so prominently before the bankers of the country by the action of the Bankers' Club of the city of Chicago, mentioned in the August number of the JOURNAL, has since received the indorsement the newly organized Iowa Bankers' Association held at Des Moines. We see that it is announced that the subject will receive further consideration at the convention of the American Bankers' Association

to be held at Pittsburgh in October. We trust that this eminently practical subject will receive the attention it deserves, and that the Bankers' Association, which has it perfectly in its power to do so, will take action securing the uniformity desired, which will no doubt lighten the labors of banks and bankers at least one-third. Another important subject for discussion and possible settlement is that of the "country exchanges," how they may be made uniformly profitable to all the banks. These collections have heretofore served more as a lure to the public in capturing business from rival banks than as a source of profit. The JOURNAL, having observed from the proceedings of former bankers' conventions, the great extent to which bankers deprecated the present system, has given much attention to the subject. Some months ago we offered a prize for the best descriptive essay on the subject of "Country Collections." Our first idea was to have the successful essay determined by five judges, but the number of essays received complying with the conditions of our offer being limited, we have been enabled to present to the JOURNAL'S readers all of them containing new and practical ideas. The seventh and last appears in this number. As stated in the June number we ask the JOURNAL'S readers to indicate on a postal card the one entitled to the prize—each subscriber being entitled to one vote—indicating the essay by the name or motto below the heading. The voting is limited to four weeks' after the publication of this number, or to fix the date more exactly, the vote must be received here on or before the eighth of October, 1887. These essays contain many valuable ideas on the subject, and are all evidently written by practical bankers. These essays have, as we have reason to know, been read with much attention and interest, and while they may not cover all the ground, they are certainly very suggestive and form a good basis for a perfect system.

Another subject which will excite much interest at the convention, will be that of bank circulation. Under the present laws governing the National banking system and the bonded debt of the United States, it is plain that bank circulation, assuming that State banks will never regain the right to issue notes, will soon become a thing of the past. It is very doubtful whether in the present condition of the National debt it is possible to perpetuate a circulation based on United States bonds. In some respects, particularly as regards distribution, no currency is equal to a bank currency. This subject in its entirety has never been adequately considered.

Undoubtedly the Silver question will occupy some of the time of the Convention. It always does. It has been the favorite subject for those who desired to exploit themselves to expatiate upon. It is an important question, but bankers should consider it practically from a banker's standpoint. Undoubtedly the continued coinage of the silver dollar is a standing threat to the gold standard. By a gold standard we do not mean the use of gold or of paper redeemable in

gold to the exclusion of silver or paper redeemable in silver, but only that the value of the silver and paper based on silver shall be measured by the gold. We believe in a use of silver as liberal as is consistent with the maintenance of such a standard. We think to maintain it gold funds strictly must predominate, and fear that by the continued coinage of silver we are risking the paramount position of gold. When the silver end of the teter-board goes down from excessive weight, then will come a change of standard. The thing for bankers, simply as bankers to know, is when this change is likely to occur, so they may prepare for it; but as citizens they should endeavor to maintain the standard best for the general interests of the country.

Above all, we hope the Convention will meet in a serious spirit, feeling that they have business to transact of vital importance to the banks and bankers of the country, and that the Convention is not called for social or junketing purposes. We trust each delegate will do his utmost to make this coming Convention one that in practical benefit to banking interests has never before been equalled. It is too much the custom to look on such meetings as a method of relaxation and amusement, and to show a lack of appreciation for the reason for having any Convention at all. This is why the American Bankers' Association has never accomplished the usual results which are supposed to follow united effort. There is no class in the country that includes among its members a larger proportion of men of ability than the men who run our banks, but heretofore they have failed to show any consistent unity of purpose.

COMPTROLLER TRENHOLM recently sent a circular very courteously worded to the bank officers of the country, including those of State banks, requesting information, to be used in his annual report to Congress, relative to the distribution of bank stock. In reply to one of these circulars he received the following letter :

OFFICE LAFAYETTE COUNTY BANK, }
Lexington, Mo. }

SIR:—As the Comptroller is simply legal counsel and lobbyist for the National banks, is an enemy of the State banks and the Constitutional coinage, it is a sufficient trial of our patience to be taxed to pay his salary, and as I believe any statistics furnished him would be distorted into an argument for perpetuating the public debt in order to keep alive the undemocratic Federal bank-system, I must decline to honor the draft you make on my good nature in your circular asking information.

Very respectfully,

GEORGE WILSON, President.

This is an extreme view, and possibly based on the ideas and banking experiences of former times; but in view of the fact that the National banking system does not, under the financial laws now in force, at all fulfill what at one time was regarded as a principal function of banking, and that the State banks are prevented from doing it, there is some apparent ground for dissatisfaction. The Federal Government, with its banking system, neither permits the National banks to give any elasticity to the currency nor permits the State banks to do so. Naturally an old State banker regrets the time

when, by the issue of bills, he could send the crops to market without waiting for the slow return of currency from the money centres. There was doubtless a tremendous element of danger in the loose way in which many State banks were permitted to enlarge the circulating medium of the country, but there is also something unsatisfactory both to the banks and their customers in the present hide-bound system of currency. The full inconvenience of the present paper money system is somewhat palliated by the immense increase in the metallic circulation, including both coin and coin certificates, which has taken place within the past few years, but a drain of coin would soon show the great rigidity of legal-tender notes and National bank notes issued under present conditions. While the National system has lost its usefulness as a supplier of currency, its history has shown how creditably banking may be carried on under a uniform Federal law, and how safely and profitable for those who have dealings with the banks in any capacity. When we make comparison, however, between the National banks and the State banks now doing business, we cannot say that it is at all unfavorable to the latter. Most of them are conducted with conservative ability and are in every respect equal to National banks of the same capital. This is due, perhaps, to the example set by the banks in the National system. It is as a system of banks without currency, simply of deposit and discount, that the National system has won its chief laurels.

If, however, the banks in the city of New York for instance, when money was tight, could issue bills to a reasonable extent on their credit as the State banks formerly did, it would certainly remove much of the apprehension which is based on what is called a bad bank statement. The surplus reserve, as it is called, simply represents the height of the cash above the zero point, as in other words above the point at which their legal loaning power ceases. The power to issue bills without a deposit of bonds on a reserve of say twenty-five per cent. of specie or legal-tender notes would increase the loaning power of the banks just four-fold, provided the total issue did not exceed the limit permitted.

Of course our Missouri banker naturally regards the National system as the cause of all his woes, and the Comptroller as the personification of the evil. He is not to be tempted by mere suavity of diction to give any aid or comfort to the enemy. Even if there is a certain aggressive tone of defiance in the Missouri banker's reply, it savors of old-fashioned independence, to say the least.

THE ACTION of the Secretary of the Treasury in paying interest in advance and in soliciting proposals for the sale of U. S. four per cent. bonds, seems to have been finally determined on after much hesitation, which euphuistic reporters delight in calling reflection and consideration. When determined upon it was announced with excuses and

apologies. The Secretary regarded this plan as the best thing to be adopted under the circumstances. He is well within the law on the purchase of bonds, for they must be purchased for the sinking fund, and the payment of advance interest at a rebate is only what any good business man would do if he had money on hand to discount his obligations. The sinking fund requirements for the year are \$26,000,000 in addition to the \$20,000,000 of redeemed three per cents. already applied to that fund. It would appear from these statements that the Secretary of the Treasury has determined not to buy bonds to any greater extent than is authorized by the sinking fund, and this amount, assuming that so many bonds will be offered, is \$26,000,000. This and the semi-annual interest of \$22,000,000 gives an exit for Treasury surplus amounting to \$48,000,000. On January 1st the Secretary can anticipate another \$22,000,000 of interest, and on July 1, 1888, still another installment; but it must not be lost sight of that, although three or more installments are paid, he gains actually six months' time on one only. The most ingenious insinuation yet made in regard to the whole matter is contained in the intimation said to have been given by Mr. Fairchild, that the surplus can only be put out through the co-operation of the bondholders. That is if the Treasury through any cause does not get out its surplus, but through keeping and hoarding it causes a disturbance in the business finances of the country, the bondholders are to be held responsible, inasmuch as they will not sell bonds, which they are legally entitled to keep, at the Secretary's price. The bondholders, of whom the National banks form an important proportion, will doubtless see that patriotism requires them to sacrifice their interests in order that the Secretary of the Treasury may have the credit of great financial ability. The bids opened on the 10th and 17th and the first acceptance of \$260,000 offered at 1.10 flat by the Suffolk Savings Bank of Boston, and the next acceptance of the \$1,000,000 coupon and \$1,500,000 registered bonds offered at 1.09 44-100, by Harvey Fisk & Sons, New York, looks like a scheme to refuse any price which is not below the lowest bid at the last bidding. In other words, a bidder, to have any chance, must bid something below the price previously accepted. This is a very ingenious plan to force the market down. The holders of $4\frac{1}{2}$ per cent. bonds ought to form an association for mutual protection, and they could very easily keep the market to at least 110. The advance purchase of enough of the four and a halfs, renders more certain the payment of what remains on the day they become due. If all the holders should stoutly refuse to sell, a large portion of the bonds will necessarily run beyond that time. It would be very beneficial to all, if such an association should enter the lists as against the Government, buying at a slight advance on what the Government might be willing to give, though never more than the calculated value of the bond as an investment, say as compared with

four per cents. The Government would thus have to give at least what the bonds were worth, and not be able by its immense influence to push prices down.

THE PRACTICE of over certification of checks by the banks, both State and National, in New York City is one that results in much evil to the customers of the banks and the community at large not to say the banks themselves. It should be discontinued by the New York Clearing-House Association, who have it in their power to suppress its most dangerous features if not to do away with it altogether. Not even the banks which most indulge the practice will deny the risk that is run. Hardly any bank president who has permitted it to any extent, but has passed many a bad quarter of an hour fearing these loans of the bank's credit might be dishonored. No one will pretend that over-certification is necessary to the advancement of any mercantile, manufacturing, or commercial business. Its defenders claim only, that the business of dealing in stocks cannot be carried on without it. That it is a great aid and in fact a principal inducement to over speculation in stock no one will deny, but it is equally certain that any legitimate business in stock could be carried on with equal efficiency to any extent by other methods, as is already proved by that followed by one of the Stock boards of New York City, and by those which have always been followed in London, and other European money centres. The real truth is that in order to deal in stocks under the present rules of the stock exchange it is necessary to have temporary use of large sums of money, and this fact affording as it does an excuse for the practice of overcertification, enables the banks who do the brokers business to share in the brokers profits. But rules which require so large a use of cash to effect what may be done more simply and safely must be regarded as much an instance of financial barbarism, as it would be to do away with the operations of the Clearing-House itself and return to the original custom of presenting checks at each bank. A bank which consents to overcertify a brokers check, usually does so at an enormous risk. It takes none of the usual security which banks require for loans, being as a rule dependent on the honor, and honesty of the broker. But the desire to share in the profits of stock speculations is doubtless in many cases the secret motive which impels bank officers to permit the funds of their stock-holders and depositors to be risked in this manner. Many bank managers appear to be possessed of such a hankering after transactions of this sort that they neglect other customers, and deprive merchants and traders of money that they need for carrying on the solid and paying enterprises in which they are engaged, probably of much more real value to the community than the ordinary operations of the stock board. We desire in this connection to call attention to the statements in the letter of our Chicago Correspondent who makes some remarkable statements as to the growth of that city as a financial centre, especially to the fact that the deposits

of the First National Bank of that city recently exceeded those of any bank in New York City. There is too, it would appear from our correspondent a freedom from the speculative methods indulged in by some of the New York Banks, which has made money easier for legitimate business enterprises in Chicago, than in New York City.

The Comptroller of the Currency should do all in his power to enforce the law against overcertification by furnishing the evidence which he either has or may obtain if he desires, against banks which practice it, to the Department of Justice, and not let political affiliations overcome the inflexible devotion to law and duty he professes, and seems to manifest in other directions. Legal methods alone may not stop a practice which is so profitable to those who engage in it, as the federal law does not apply to State banks. This does not however excuse the Comptroller from doing his duty.

The only way in which overcertification can be made a thing of the past, is to have the more conservative bankers use their influence in the Clearing-House to bind the Associated Banks to refuse all certifications which are beyond the drawers balance at the time the check is presented. There could be no better time for action of this kind than the present when speculation in stocks is dull, and the temptations to overcertification, presumably less.

THE PROPOSITION TO return the surplus revenues of the general Government to the States has been revived by Mr. Edward L. Andrews, a lawyer, who represents certain holders of State and municipal bonds which the States have found it inconvenient to pay. This method of relieving the Federal Treasury of superabundant resources was first suggested in 1827 by Mr. Dickerson, of New Jersey, who introduced in Congress a bill for the distribution of \$5,000,000 per year for four years. This was premature, as the debt of the Government was not, at that time, fully paid, and the proposition received little attention. President Jackson revived it in 1829, but, doubting its constitutionality, suggested that the Constitution be amended so as to permit such a distribution. It was not until 1836 that final action was taken by Congress, and in the meantime Jackson had changed his views, and strenuously opposed the measure. In 1835 a Senate committee, of which Webster and Calhoun were members, reported a resolution approving a distribution, and in 1836 a bill authorizing such a disposal of the surplus revenues passed the Senate, supported by Mr. Clay and Mr. Webster. The House regarded a *distribution* as unconstitutional and altered the bill to a measure authorizing the *deposit* of the surplus with the States subject to the call of the Secretary of the Treasury, and it became a law in this form June 23, 1836. The surplus over \$5,000,000 on January 1, 1837, was to be deposited in four quarterly installments, the first on January 1, 1837. The amount turned out to be \$37,468,859, and consisted of

that sum to the credit of the Government with some eighty-nine State banks. The first three installments were withdrawn from the banks and deposited with the States, the first two in specie or its equivalent. The second installment, paid in April, 1837, exhausted the deposit banks, which suspended specie payments, and the third installment was deposited in depreciated bank notes. The great panic of 1837 began with the failure of the deposit banks, revenues ran down, and the fourth installment was due October 1st. A special session of Congress met on September 4th. The Secretary of the Treasury reported a deficiency of \$10,000,000 in the revenues. If the fourth installment were deposited it would have to be drawn back immediately, therefore it was better not to deposit it. Most of the funds the Government had were in the failed banks and unavailable. The available funds did not equal the fourth installment by \$4,000,000. If the deposit was to be made the money must be borrowed. A bill was introduced by Silas Wright to postpone the transfer of this last amount to the States. It was hotly debated. The States counted on the money, had expected it, to complete public works already begun. Mr. Buchanan proposed an amendment to the law, taking from the Secretary of the Treasury the power to recall any of the three installments already deposited. The bill—as it finally became a law—contained this amendment and postponed the payment of the fourth installment until January 1, 1839. From that day to this Congress has never authorized the Secretary to recall the deposits then made with the States. Technically and constitutionally they are a part of the funds of the Government to-day the same as are the public funds in National bank depositories. No State can be said to be free from debt until it returns these deposits to the United States; but no State has, of its own volition, ever offered to return them. In return for the money the Secretary of the Treasury received from the Treasurer of each State, not a receipt, but a certificate of deposit, subject to the future call of the Government. No appropriation of the money was ever made by Congress, nor was any warrant ever issued by the Secretary of the Treasury, which is the only way in which Federal funds can be constitutionally disbursed. In 1860, Secretary Dix suggested that Congress authorize the withdrawal of these moneys from the States to meet the pressing exigencies then existing.

This is a brief history of the deposit of the surplus with the States condensed from an interesting chapter on this subject in "United States Notes," by Hon. John Jay Knox. The differences between that time and this are: 1st. The United States in 1836 had no debt, now we have a debt of over \$1,000,000,000. The surplus then deposited was over and above all indebtedness and expenditure. A distribution now would involve paying away money which may be need hereafter to meet the bonds when they become due. 2d. It was believed in 1836 that to give the money outright to the States was unconstitutional.

Is it any less so now? 3d. It was objected in 1836, that to make the States dependent on the revenues of the general Government is to make them subservient to the central power, and must destroy the balance between the States and the Federal power, thought so desirable in our institutions. Does not this reasoning apply with even greater force now? 4th. It was objected that the distribution of the revenues among the States would give to any existing administration an immense patronage. If this was feared with \$40,000,000 would it not seem to be worthy of apprehension with \$400,000,000? 5th. There was no *distribution* or gift of money among or to the States in 1836-37. The surplus was deposited with them until Congress should authorize it to be called for. It is still in the United States Treasury. A self-respecting State, desiring to announce itself out of debt, cannot do so until it returns to the Treasury of the United States this deposit of public money and receives back from the Secretary of the Treasury the certificates of deposit, signed by its own Treasurer, which are held as a part of the Government assets at Washington. Luckily these certificates do not call for interest, or a liquidation of these honest debts of the States to the United States might place the Federal Treasury in a dangerous condition of plethora.

RECENTLY THE COLLECTION of coins made by Dr. Linderman, formerly Director of the United States Mint and now deceased, was offered for sale, and the sale was forbidden by the present Director of the Mint, apparently on the ground that Dr. Linderman had used his position to have coins struck for his collection from Government dies, either on soft metal or in gold, silver, or copper. At the same time the present Director of the Mint issued a circular declaring it to be contrary to law to emit impressions of experimental dies, whether in soft metal or not, except in the case of pattern pieces of coin that are coined for circulation during the calendar year of their date. The law is intended to prevent the coinage of pieces in one year which bear date of a different year, and to preserve the authenticity of the coinage. For instance, a die for coining silver dollars was prepared in 1804, and a few pieces were struck from it in that year, but for some reason were melted down before issue, so that actually no dollars of 1804 coined in that year, and therefore no authentic pieces of that date are in existence. The die was, however, preserved, and a few pieces were struck from it as curiosities at some later date. This, were there no law to prevent it, might happen with any pattern or authorized coin. When experiments are made to select new coinage designs, several dies may be prepared and specimen pieces struck, although the designs of all but one will be rejected. The law is intended to prevent these specimens pieces not finally adopted from getting into circulation. Whether the obtaining such pieces for private collections is an infringement of the spirit of the law may be a

question. Dr. Linderman, when a Director of the Mint, evidently did not regard it as a violation of the statute to procure such specimens for his own cabinet, and his action in making such a collection, being an expert in such matters, may readily be defended on the ground of advancement of knowledge. The action of the present Director of the Mint, though perhaps characterized by a laudable zeal for the observance of law, is somewhat harsh in that it may, without due cause, asperse the memory of his predecessor.

THE PROPOSED LAW FOR restricting the investments of Savings Banks in New Hampshire largely to securities within the State, now before the New Hampshire Legislature, has doubtless been suggested by the fact recently shown by the report of the Bank Commissioners of that State, that the Savings Banks have invested quite largely in Western farm mortgages, about which there has been of late a spirit of inquiry, indicating some distrust in them as an investment. In another part of the JOURNAL we give an exhaustive article on the subject. There is doubtless some reason for calling a halt in Savings bank investments of this kind, not so much for the purpose of condemning them altogether, but to take stock, as it were, and to reform some of the methods known to prevail in making loans on securities of this kind. Such a sweeping remedy as that proposed in the New Hampshire Legislature is, it seems to us, calculated to do more injury in one direction than it will accomplish good in the other. We do not believe that the confining of fifty per cent. of Savings investments within the State will work any benefit either to the business of the State or to its Savings banks. We do not believe that taking the capital already invested in business enterprises there, as probably nearly sufficient for all requirements, that fifty per cent. of the Savings bank funds could, in addition, be profitably and safely employed within the State. The bill, the substance of which is given in the news department of the JOURNAL, provides that investments may be made in stock and bonds of railways, incorporated by the State, although located outside of it. The result of such a provision would apparently be to encourage the building of new railroads under New Hampshire charters for the purpose of having stocks and bonds in which to invest the means of the New Hampshire Savings banks. Similarly the Savings banks would be tempted to furnish capital for commercial banks and other moneyed corporations in order to be able to invest in their stock, etc., etc. New Hampshire would then be well provided with railroads, banks, etc., but it might not be so well provided, immediately, at least, with business for them to do.

UNDER THE HOLIDAY ACT of May 6, 1887, the first Monday in September, to be known as Labor Day, became a legal holiday, the same as Fourth of July or Christmas. The first Monday this year was the 5th.

LOANS ON WESTERN MORTGAGES.*

Some interest, not to say apprehension, has recently been excited by the proportions to which the business of loaning on mortgages on Western farm lands has grown. It is represented that in Kansas and Nebraska alone one hundred and thirty-four companies have been incorporated for the purpose of making such loans, and there are in the East a large number of insurance companies, mortgage loan companies and savings banks that engage in the same business. The great development of the agricultural interests of some of the Western States—notably Kansas and Nebraska—has afforded a basis of apparent security that has been made the most of. The fact that a large proportion of the loans of this description are made through agents at a distance has thrown into the business a conflict of interests which has tended to much looseness of method, and which may result in serious disaster to many. When an individual or corporation loans money on real property in their own locality they cannot be easily carried away by any wild tales as to the present or prospective value of the same. Distance always lends a certain enchantment. Money seeking secure investment has been plenty in the East, good bonds and stocks have sold at rates realizing very little to the investor; sound real estate investments in the East produced but little more. Offers of bonds of municipalities, counties, cities, or States, having good credit, have generally been subscribed for three times over. There has been an absence of speculative spirit but a desire for long and sure investments. This being the state of things in the East, those who desired larger returns but still under conditions compatible with safety, naturally listened appreciatively to the offers of investments in mortgages on Western farm lands. The basis of value was the rapid development of the country, and the consequent increase of value of the farms loaned upon. Every one who notes the rapid growth of population in the United States, and the tendency of the more energetic portion with their way to make to settle the better agricultural localities of the Western States, sees that land in some of those sections must have a very rapid and sure increase in value. There can be no doubt about this. The actual loaning, both for mortgage companies and individuals, is usually done by the Western agent who lives on the spot and is supposed to know the character and prospects of the property loaned on. Where a business offers so many prospects of present and prospective profits there is going to be fierce competition for the prizes. The business of investment broking in farm mortgages is doubtless very profitable to the brokers, for they have become in numbers like the grasshoppers. The arguments contained in their circulars and advertisements have a broad basis of truth, but in many respects are simply plausible and taking. Loans are alleged to be made on real estate to the amount of one-third of its estimated value. Annual interest of eight per cent., payable

*The authorities from which much of this article is derived are the address of Mr. H. M. McDonald, President of the Traders' Bank, Pierre, Dakota, before the Third Annual Convention of Dakota Bankers, published in the proceedings of that convention, and an article in the *Chicago Inter-Ocean*, stating the results of answers received to questions sent out by Chicago capitalists to persons residing in various counties in Kansas and Nebraska as to the state of existing mortgage loans.

semi-annually, the lender has no expenses to pay, the borrower pays all. Titles are said to be rigidly searched. The brokers agree to pay interest on money from the time it is received until it is invested. All laws of the locality relative to real estate, etc., are set forth minutely and interpreted for the investor. All is so plain that the latter needs not exert any thought whatever, the energetic and accommodating broker does all that for him. All he needs to do is to send on his money and eight per cent. per annum, payable semi-annually, rolls right in upon him. If he does not desire to take the risk of loaning on a mortgage on a particular piece of property, he can buy debenture bonds issued by the mortgage loan company, which are secured by a mass of mortgages placed with some large trust company.

The money advanced by Eastern investors on Kansas and Nebraska real estate mortgages is not less than \$50,000,000, and the total on the same security in all the West is estimated to be at least \$150,000,000 yearly. In Dakota thirty-seven mortgage companies have been incorporated under Dakota laws, fifteen of which are in active business with a capital of \$1,000,000. Ten other companies incorporated by other States also do business in Dakota. They have \$750,000 capital. They do, it is estimated a business of over \$8,000,000. In addition to the business done by the companies there is a large number of firms and individuals who put out money for Eastern investors. As to the extent to which these mortgages have been given, we learn that an examination of the records in Dakota, shows that on June 1, 1886, there were 17,708,388 acres of farm lands in the territory, and one of our authorities estimates that of this 18,778,191 acres were subject to mortgage. Estimating the value of the mortgages on Dakota farms on June 1, 1886 to have been \$44,000,000, the same authority places their value in 1887 at \$45,000,000 at least. Answers received by the Chicago *Inter-Ocean* from forty-four counties in Kansas and Nebraska would indicate that on an average nine-tenths of the land in each county were under mortgage. Other answers received indicated that the loans ranged in the proportion of from fifty to ninety per cent. of the cash value of the lands. There is no doubt that the anxiety of agents to make their commissions induces them to offer excessive inducements to borrowers. They it is alleged even solicit farmers to take loans on their lands, and often induce them to take loans for speculation.

The chief element of strength in this class of investment, is the advance in value of Western farm lands which is surely though unequally taking place. Among all the newer Western States there is none where the prices of farm lands fail to advance materially in market value every six to ten years. In Western Iowa lands that in 1880 sold for \$8 to \$10 per acre or less now being ten to fifteen, and lands in Eastern Dakota that brought only four to six dollars in 18-3, now command from eight to ten dollars. The strongest elements in the increase of value are immigration and the extension of railroads. How much this element of strength in which all others are involved will prevail against the dangers of over loaning, caused by the competition of large sums seeking investment, the greed of agents and mortgage companies, remains to be seen. It is plain that the farmers of the new West have little surplus capital. They depend for money to pay interest on the produce of their farms. One or two bad crops usually makes it necessary to foreclose the mortgage. What the result of a large number of foreclosures of mortgages resulting from

a general failure of crops would be may be judged from the usual answer received to a question of this kind sent out by the *Chicago Times*. "There is no accumulation of capital in the hands of farmers, and in the case of a failure of crops the loaners would have to buy the lands." This means loss of interest until they can sell them again unless they can rent or work the farms, although a final sale may realize enough to make up for the temporary loss of interest. A general foreclosure of mortgages and abandonment of farms might result in a large depreciation in the lands of an entire section of the country.

There is hardly any doubt that there have been, to say the least, serious over-valuation of some of the farms loaned on. That is while ostensibly loans are not made to a greater extent than two-thirds of the value of the property, cases are cited where farmers have obtained loans of amounts greater than they have previously demanded for an absolute sale of their farms. Of course where a farmer has the worth of his farm in a loan, there is a temptation to retain the produce for the one or two years which may elapse before foreclosure and then abandon the farm more especially as long as there opportunities to take up new land further West.

On the whole it is plain that if the business had been wisely and cautiously conducted investments in Western mortgages would have been safe and profitable. The method of loaning through agents and mortgage companies at a distance and the competition among these companies and agents, has given the borrower undue advantage over the lender. The general safety of the business as it now stands depends on the extent to which unwise methods have prevailed. We are inclined to think that some unnecessary alarm has been created by sensational reports, and that the majority of these investments are sound. Nevertheless the tendency is to recklessness in investment. Investors, both individuals and mortgage companies, should be more cautious and demand a thorough reform of all unsound practices and this reform should begin with the agents they employ. We quote from Mr. McDonald: "Such agents are necessary, but their duties should be well defined. They work for a commission. They are interested in having the mortgage company which they represent, accept every loan tendered, and at the highest possible amount; since, thereby their commission will reach the largest possible sum. The local agent may be honest, usually is, but his interests are diametrically opposed to those of any company, which intends to furnish in every instance a strong security, since the agent is pecuniarily interested in having the largest average amount loaned upon a given line of security, while the company should aim to keep the average loan in amount to a minimum. The office of the local agent should, therefore, merely consist in taking the application for a loan or in other words writing out the statements made by the applicant for submission to the managing officers of the mortgage company. A conservative, competent, tried, salaried examiner of the company should then visit and thoroughly examine the property upon which the loan is desired; he should also make the acquaintance of the applicant and inform himself fully as to his financial condition, habits and general character. The knowledge thus obtained should be submitted to the mortgage company. Then, and then only are the managing officers of the company in a position to pass intelligently and safely upon the application.

This is an expensive method of conducting the business; but I am positive, through a knowledge gained by a somewhat costly experience, that it is the

only safe and satisfactory way in which farm mortgage loans can be made." If the above very proper reforms are inaugurated in time and Eastern investors refuse to deal with companies or individuals who refuse to do their business in a conservative way, we believe that this form of investment will be comparatively safe and and surely profitable. We advise all those who desire to inform themselves more fully on the subject to read the address quoted above.

NOTE.—It is not the object of this article to advertise mortgage companies nor to discredit those which are prudently managed and backed by sufficient capital to make them safe beyond question. In the JOURNAL's advertising department will be found the advertisements of a number of companies and firms which we believe conduct their business on the right basis. Owing to the rapid extension of this class of business we have taken some pains to satisfy ourselves as to the methods, management, and financial strength of those who apply for space herein.

INTEREST ON DEPOSITS.

It is not the purpose of the JOURNAL to condemn the payment of interest on deposits when legitimately managed. As an inducement to encourage savings it has effected an immense amount of public good. Nor are its benefits confined to Savings bank. Commercial banks have a class of accounts on which they can afford to pay interest, inasmuch as the depositors never expect or ask for any return in the shape of bank accommodations. The balances are permanent and can be counted upon. The question of the payment of interest should, however, be determined by the permanency of the account, and the rate by the state of the money market. A depositor must know that a bank cannot afford to pay a greater rate for money than it loans it for. As the rates received fluctuate, so should the rates paid. If a depositor is aware that a bank customarily pays more interest than can be obtained in the open market, he has only to blame his own lack of judgment if he finally loses by the failure of the institution.

Of course as a bank is a machine especially fitted for dealing in money, its opportunities in the profitable use of funds are immensely greater than are those of an individual. Therefore a depositor who becomes such, simply to get a greater return for his money through a bank than by his own efforts in the market, is really not a borrower but a lender of money. In his relations with the public and the banks he stands more in the attitude of a stockholder than of a depositor in the ordinary sense, who is supposed to be a borrower rather than a lender. In fact a depositor for interest is really a partner in the institution with about half the liability of an ordinary stockholder. An individual with ten thousand dollars may invest it in bank stock. In any well established institution he would have to pay a considerable premium for the stock, so that it would not realize more than six per cent. As a stockholder he incurs a liability to double the amount of his stock. If he elects to simply deposit the money, he can get three or four per cent. perhaps, and run no risks as to further liability in case of failure, and at the worst becomes a creditor of the institution with an average chance of recovery from the proceeds of the liquidation. Moreover his money is within his own control, ready if a more profitable investment should at any time warrant. The bank benefits by the arrangement as it is under no obligations to this class of depositors, and can loan their money in any direction it may see fit without doing them any injustice. The capital of an ordinary commercial depositor is invested in his

business. His deposits are usually the proceeds of his sales either in the form of cash or commercial paper. He is at all times more or less of a borrower, and the surpluses of his account at one time are counter balanced by its deficiencies at another. He benefits the bank, but equally the bank benefits him, and in exchange for the use of his money he receives accommodation when he needs it. There is no doubt, however, that the large deposits made by depositors for interest are of great benefit to the commercial community. Business men get the use of more money, and where the payment of interest on deposits is properly regulated, at less rates than they would otherwise.

There is, however, another side to this argument. Competition among banks has a tendency to increase the rate of interest paid on deposits until some institutions offer inducements not warranted by the current rates for commercial loans. Of course cautious and experienced depositors are not influenced by such offers as they are well aware of the safety limit. To very many, however, the rate of interest offered is the only thing considered. For quick returns they are willing to take the risk. The bank offering the high rates gets the money. Its managers are supposed to be men who have special gifts in transmuting one dollar into two, or even three, and all apparently goes well for a time. What greater temptation can there be to bank officers to indulge in grand speculative operations than to see a heavy interest account eating up more than all the legitimate profits? One successful speculation, one wheat deal resulting fortunately, will place the institution on its feet for a time, until the inexorable tooth of extravagant interest compels a liquidation, or a new financial exploit which may either postpone or hasten the final explosion. The profit and expense including interest account of such an institution would be an instructive exhibition, and we do not think the Comptroller of the Currency could do better than to publish an analysis of that of the Fidelity National Bank from the date in 1886, on which it commenced business, to that of its failure. We think that as a measure of protection both to themselves and the public, banks in any locality should have some common understanding as to the amount of interest to be paid on deposits and the circumstances under which it should be allowed. Any bank paying excessive rates, or under circumstances where it must necessarily lose, should be regarded with suspicion.

The Prize Essay.—We publish the seventh and last of the essays on "Domestic Exchanges" received in response to the offer heretofore made by the JOURNAL of a prize of \$100 for the best essay on this subject. Two were published in the June number of the JOURNAL, two in July, and two in August. The several essays which have now been published are all that were received strictly complying with the conditions of our offer. At first it was proposed to have the merits of the various papers decided upon by five gentlemen prominent in banking circles, who had consented to act as Judges. Various causes intervened to prevent this course being taken, and it was finally concluded to leave the decision to the subscribers to the JOURNAL. The publication of the seven best essays having been completed, we now ask the JOURNAL's readers to indicate on a postal card the one entitled to the prize—each subscriber to be entitled to one vote. The voting will be limited to those who are subscribers on September 25th. The cards to be counted must reach us by October 10th. Each subscriber should indicate the essay he selects as worthy of the prize by the name or motto below the title. After October 10th the cards will be counted, and the name of the successful contestant duly announced in the JOURNAL.

THE GOLD AND SILVER COMMISSION.

[From the *London Economist* of August 6, 1887.]

Last week we showed that no definite information either as to the amount of the production of, or demand for, gold and silver has been elicited by the inquiry of the Commission; nor have we gained from it any further insight into the movements of the prices of commodities. The result to which the investigations on this point have thus far led is, that the series of index numbers published in the *Economist* are about as reliable an indication of the movements in the prices of wholesale commodities as can be obtained. These index numbers are not to be taken as a perfectly accurate reflex of the variations in prices, both because they deal with only a limited number of commodities, and because it is impossible, in compiling them, to make exact allowance for the relative importance of the different articles. No one can be more fully sensible of their imperfection in these respects than we are, and we follow with interest the attempts that others have made to draw up a better record. What the Commission has found, however, is that, although there are points of difference between the *Economist* index numbers and those which other statisticians have drawn up, the broad results brought out are the same. And as regards what may be called the natural movement in prices, the *Economist* record is a much better guide than the records of prices which have been compiled in Germany and the United States, since prices in those countries have been materially influenced during late years by tariff changes. It may be well, therefore, to reproduce the table of index numbers for the past seventeen years:

"INDEX NUMBER" REPRESENTING THE COMBINED PRICES OF TWENTY-TWO LEADING COMMODITIES.

Close of 1866	..... 2,059	.....	Close of..... 1878	..... 2,202
Close of 1865	..... 2,023	.....	Close of..... 1877	..... 2,529
Close of 1864	..... 2,068	.....	Close of..... 1876	..... 2,728
Close of..... 1863	..... 2,221	.....	Close of..... 1875	..... 2,711
Close of..... 1862	..... 2,342	.....	Close of..... 1874	..... 2,778
Close of..... 1861	..... 2,435	.....	Close of..... 1873	..... 2,891
Close of..... 1860	..... 2,376	.....	Close of..... 1872	..... 2,947
Close of..... 1879	..... 2,588	.....	Close of..... 1871	..... 2,885
			Close of..... 1870	..... 2,591

Briefly stated, this shows a great rise of prices between 1870 and 1878, followed by an almost continuous fall till 1886, in which year there was a slight improvement. Unfortunately, there is no comprehensive record whatever of the movements in retail prices. We are thus left in doubt as to how far the purchasing power of gold in retail transactions has increased, and it is just in this retail business that the employment of gold is largest. The general conclusion, however, to which all available evidence on the part of the subject points is that, although retail prices have fallen, they have not fallen to the same extent as wholesale prices.

Passing from the evidence as to the movements in prices to that portion of the inquiry which was directed towards eliciting information as to the alleged adverse effect upon trade of the fall in the gold price of silver, we come upon fresher ground, and to more definite conclusions. This is, of course, the most important part of the investigation, because, unless substantial injury can be shown to have resulted from the fall in silver, the schemes of the bi-metallists

have no *raison d'être*, and on such a crucial point as this, it may be well rather to let the witnesses speak for themselves, than to put any interpretation of our own upon what they did say. The first witness examined on this point was Mr. Henry Waterfield, the Financial Secretary at the Indian Office, whose evidence was brought to a point by Mr. Chamberlain thus :

1838. I understand that you consider that the fall in exchange is a great injury to the Government of India, and the people that it represents, but that it does not materially affect traders with India?—That is my view.

1839. Or producers in India?—I think that perhaps to some extent it is of advantage to the producers as distinguished from the taxpayers. In so far as they are producers, I think they may get an advantage by the greater number of rupees which they receive for their produce, but as taxpayers, the tax-paying community, I should say, has to pay more taxes for its gold disbursements, and taking the country as a whole, I think there is no advantage.

1840. But the producers in India would not receive a greater number of rupees, would they? The purchasing value of the rupee in India having practically remained the same, they would receive, *cæteris paribus*, the same number of rupees for the same amount of produce that they have done?—Quite so.

1841. Therefore, if they benefit at all, it is only by natural advantages, or the railways, or similar things, which are independent of the fall or fluctuation in exchange?—Yes.

1842. But, as far as your opinion goes, neither the producers in India, nor the purchasers of Indian produce, nor the exporters of European goods to India, nor the Indian purchasers of European imports, are materially affected by the fall in exchange?—No, I think not in the long run at all.

1843. Then there is only one other class of people who are affected, and those are the *employees* in the civil administration; but they are beneficially affected, I think?—They are paid in rupees at the old rate; but in so far as they have to remit their savings to England, or, when they come on furlough, to draw their furlough pay in England, or when they take their pensions, if the pensions are payable in rupees, they are injured by the fall in exchange. If the pensions are payable in sterling, they receive the same sterling amount as before, and therefore, I think, are benefited.

1844. But the soldiers?—The soldiers are benefited; that is, the British soldiers.

1853. Therefore we come to this, that in your opinion the one ground for interference is in the case of the Government of India?—It is the main ground, I think.

It may, perhaps, be well to add that the reason why the English soldiers are said to have benefited, is that their payment being calculated in gold, they get more rupees than before, and as the purchasing power of the rupee in India has not diminished, they have a greater command of commodities than formerly.

This is what may be called official evidence, and what we have next to deal with is the evidence of persons actually engaged in trade with the East. Amongst these, the first to be examined was Mr. J. K. Bythell, a member of a Manchester firm, who thus described the mode in which business with India is conducted :

1906. I should like just to impress upon the Commission first of all that nearly all of the business now, since telegraphic communication was so perfect, is done simultaneously. There is very little produce shipped, I believe, from India for sale, on what you might call speculation, as merchants' speculation, and there are very few Manchester goods, I think, shipped to India in that way. Business is nearly all done either in execution of orders made, or through the exporter making offers in the currency of the country in which he sells. For instance, if we sell 1,000 bales of cotton to a man in England that will be at so much per pound delivered in England. Well, we do not sell that unless at the time we can contract for the cotton in India at a price fixed in rupees, sell our bills on England at an exchange which the bank for the time being will then fix for bills to be delivered when the produce is ready, and engage our freight, so that if we can close those three operations in India, of course we have fixed

our price in sterling, and if we get the price fixed per pound simultaneously from our buyer in Europe, our transaction is closed, provided all parties to the contract fulfil it—provided we have no failure.

To this it was objected that, although the merchant might thus shift the possibility of loss off from his own shoulders, the risk would have to fall somewhere. But Mr. Bythell demurred.

1908. I do not think so, because the banks who buy the one class of bill and sell the other put one transaction against the other and keep themselves covered from day to day as nearly as possible, I believe. For instance, I believe if some bank manager here who had branches in the East had telegrams to-day that his managers at his branches had bought bills for forward delivery against produce to a very large extent, he would practically cover himself almost immediately in some shape or form here. He would either buy Council drafts from Government or he would buy silver, or he would buy from day to day bills drawn from here against shipments to India.

1909. That is, the base of the whole is on a fixed exchange?—On a fixed exchange. Of course I am only inferring what Eastern bankers' business is. I believe you would find that the exchange banks with their head offices in London and their branches in the East scarcely speculate at all. They put the imports against the exports; and the silver and the Government Council drafts, bills drawn by the Secretary of State for India, virtually finance the balance.

In other words, the transaction being completed by all parties at the exchange of the moment is practically arranged at a fixed exchange, and no party to the transaction need run an uncovered risk.

Mr. R. Barclay, who is a strong bi-metallist, agreed in the main with Mr. Bythell as to the possibility of eliminating from trade with India the speculative element, so far as exchange is concerned, his statement being:

2241. In the great bulk of your transactions you secure yourself against any speculative loss?—As much as we can.

2242. And on the whole you succeed?—Yes; and without violent fluctuations, no doubt we would succeed.

This statement, however, he subsequently qualified by explaining that if from any cause a manufacturer is unable to complete his contract within the specified time, he becomes liable for any loss on exchange that the delay may cause, and that in this way he very frequently suffers loss.

The possibility of guarding in all cases against loss on exchange was, however, denied by Mr. Paul F. Tidman, of the firm of McTaggart & Co., East India merchants, whose view of the subject may be gathered from the following:

2819. Some of the witnesses that we have examined have told us that that particular source of loss (alteration in exchange) is obviated by arrangement with the banks, and by telegraphic transfers, by which the merchant exporting to the East and from the East is saved from all loss?—Yes. I think, however, it must be evident to the Commission that there is a risk incurred if the article which a man must take in exchange for his goods falls in value between the time of the commencement of his operation and the close. That risk must be borne by somebody, and if I put it on to a bank I simply shift the risk, and the person who takes that risk makes me pay for it. But, as a matter of fact, you will find that, whereas it has been asserted that Eastern banks are always willing to take this risk, there are times out of number when they decline to do so, and when the purchase of goods is simply stopped because the merchant cannot make his arrangement for the exchange.

On the other hand, however, Mr. A. D. Provand, M. P., the only other person examined on the business side of the question, gave it as his opinion that the Indian merchant can always "cover" himself, but that in trading with China or Japan it was impossible to do so, except at a relatively high cost.

As to whether the fall in exchange has or has not stimulated the Indian

export trade, opinion differed. Mr. Bythell holds strongly (Q. 1938) that "the fall in silver or the fall in exchange, put it in which way you like, has been a very great benefit to the Indian producer, and has largely helped to develop the export trade." As to national loss or gain, Mr. Barclay is not quite clear.

2422. Well, now, taking the broad view of the trade between the United Kingdom and India, has not the course of it been that we get from India a much larger valuation of commodities than we send to India?—Yes.

2423. And we have been sending from year to year bullion to make up part of the balance?—Yes.

2424. We buy commodities that we receive from India more cheaply than before?—Yes.

2425. That is gain?—To this country, yes.

2426. We sell the commodities that we send out more cheaply?—Yes.

2427. That may be a loss?—A loss.

2428. But if we get much more than we lose, and we make up part of the balance in silver, which is cheaper, is there not, on the whole, a balance of gain to the United Kingdom?—Yes, in a sense.

2429. Whatever Manchester or Lancashire may suffer, the United Kingdom gains?—In a sense, yes; but it is not merely a matter of balance; each may gain something as against its loss, and still both be greatly worse off than if these difficulties did not exist.

2430. Well, now turn our attention to India. In consequence of the same facts, India has been able to develop a very large and increasing manufacture and export of cotton goods to the East?—Yes.

2431. Is that a gain to India?—A gain to India.

2432. And what has India as a community lost?—As against that?

2433. Yes.—Nothing, as against that individually; Lancashire has lost.

2434. But you say the United Kingdom, as a whole, has gained?—By cheap produce.

2435. The result is that the United Kingdom as a whole has gained?—No, I do not admit that. I said that the price of things that we export has gone down; besides, cheap Indian produce would not compensate England for the loss of her cotton manufactures.

2436. India has gained through the fact that silver has become cheaper relatively to other commodities. Why should we be discontented when we have a gain on both sides?—It is not easy proving things off-hand, but you would find a difference.

This evidence may be left to speak for itself. Its general tenor is to show that trade with the East is quite capable of accommodating itself to alterations in the exchangeable value of gold and silver; and that while the fall in silver has injured certain individuals and classes it has benefited others. Whether, if a balance could be struck between the losses and the gains, the preponderance would be on the side of the former or the latter is a question on which opinions differ. For our part, we are inclined to regard the net result of all such currency fluctuations as adverse. But the question is, whether the loss or inconvenience shown is so great as would warrant us in entertaining revolutionary currency schemes, and to that question the evidence laid before the Commission gives a very emphatic negative. The case for bi-metallism has, in fact, broken down completely, and in view of that fact, it is hardly worth while to discuss again the schemes of its supporters. There are, however, some further points of interest in the inquiry, to which we purpose referring at another time.

THE LOW RATES OF EXCHANGE prevailing between this country and England and France is beginning to cause importations of gold. The London *Economist* says the Bank of France sold on August 18th 5,000,000 francs of gold for export to this country; the price paid was four per mille premium. Large amounts of American stocks have been bought by London houses, and this also tends to encourage gold importations.

DOMESTIC EXCHANGES.*How Bankers Can Handle Them to Insure Prompt Returns, a Fair Profit and the Greatest Degree of Safety.**

(BY EDMUND.)

The question propounded by RHODES' JOURNAL is one that is necessarily of profound interest to bankers and the study bestowed on it is constantly evolving plans, methods and ideas that have proven of vast benefit to the commercial interests of the whole country.

Railroads perhaps, have done more than any other thing to cheapen the cost of making exchanges.

Still the cry is for cheaper means, a fair profit, and safety. Doubtless a great variety of opinions and plans will be suggested and laid before us, and out of these great good will probably result.

By the term Domestic Exchanges I infer is meant all checks upon banks and every kind of negotiable paper in use in this country, notes, acceptances, sight, demand and time drafts, etc.

In this sense I shall use the phrase, and while this view will make the scope of the question wide and intricate, it is not wholly devoid of practical solution.

A long time ago (ere the Clearing-Houses were first established) the bank labored under great and serious difficulty to effect their city exchanges. Now how easily, systematically and cheaply is this work performed. I do not, therefore, anticipate that many years will elapse before the present laborious, clumsy and expensive system will give way to a thoroughly comprehensive plan easy of operation.

But to proceed.

Let us divide Domestic Exchanges into three parts, analyze each part, find out the trouble there, if any, and offer a solution, poor as it may be.

PART I.—COLLECTIONS RECEIVED.

Collections, in the sense in which I shall speak of them first, are such classes of paper as are received by a bank for presentation and acceptance, or collection upon merchants and others.

How are these collections now made ?

Generally in this manner :

After the mail is opened, all drafts, notes, checks, etc., etc., and all paper not drawn upon the receiving bank is handed to the Register Clerk who enters them upon his collection register. There are various forms in use by the different banks but they are all substantially like Form 1.

After the registration takes place the paper is handed to the "runner" (together with that maturing the same day) for collection. (A memorandum book is kept by some banks for entry of paper such as last mentioned. This, to keep tract of. A wise plan where the runner, as is often the case is inexperienced, or is compelled to leave collections with drawees for examination, etc., etc., or on account of temporary absence of party authorized to approve, or pay.)

After the runner makes his rounds he proceeds to make out his "tickets" for what cash he has collected, and turns over the accepted or refused drafts to the Correspondence Clerk for attention, and then marks off on the register and the memorandum book before mentioned what disposition has been made of the paper in his hands that day.

* One of a series of articles on "Country Collections," in competition for the prize of \$100 offered by the Publishers of the JOURNAL. Subscribers are invited to vote on the best when the series is completed; for particulars see page 884 of this issue and page 574 of the June number.

Form No. 1.

COLLECTION REGISTER.

" Bank.

OUR NO.	DATE.	DRAWER.	DRAWER.	DESCRIP- TION.	DATE.	RE- MARKS.	AMOUNT.	EX- CHANGE.	THEIR NO.	PAY- ABLE AT.	TO WHOM SENT.	DATE OF SENDER'S LETTER.	OWNER.	RESIDENCE.	DATE.	DISPOSAL.
7,000	1886 Nov. 6	Jones & Smith	A. Robinson	Demand	Oct. 22	Protest	\$500	\$2 50	2,301	Athens		10 22	1st Nat. B'k	Dickens, Ga.	11 6	Remitted
1	" "	Brown Mer. Co.	T. Copeland	60 d | d	25	No pro.	\$20 25	1 60		do.		10 25	T. Copeland	Marlboro, N. Y.	11 6	Returned

The "tickets" referred to above are printed in the following form :

Collected by THE CITY BANK OF ATHENS, For Account of

NO.	NAME.	AMOUNT.
	<i>Exchange</i>	

These tickets are then compared with the cash by the Teller. If found all right are entered by him on his cash book and then put on the city book-keeper's spindle, or the general book-keeper's spindle, or the correspondence clerk's spindle, most generally the latter, particularly when the items are subject to advice or remittance.

When the letters have all had proper attention the tickets are rapidly passed up to the bookkeepers, for entry on their books. The next day these tickets are taken by the collection register clerk and the items are entered "credited" or "remitted," as the case may be. The items "returned" are gotten out of the letter book.

With all due regard for the banks pursuing this system I desire to say that it is a laborious, clumsy and expensive work. What is the difficulty?

Too many clerks "hammering" away at the same thing, for in addition to the handling above mentioned there is the copying of the letters and then the addressing, stamping and mailing. There is also a thorough lack of combination in the work and a scattering of the forces in the bank over a wide field. This should not be. I suggest an innovation. But there will be objections raised if innovations are suggested even.

I shall endeavor to anticipate and overcome those objections in what I shall have to say.

If one clerk can do the duty of two within the same time and quite as well then it is good policy in a bank to have but the one clerk. "The way to resume is—to resume." The way to cheapen collections handled by a bank is—to cheapen the handling.

A great many banks claim that they do not make any money in handling collections. I do not doubt it. They are generally banks pursuing the system I have outlined above. But some bank friend will stop me here and say that I am off my foundation, that the "exchange" is a considerable source of revenue on collections. I deny it. First, because not one in five collections are paid. There is time, there is stationery, there is postage thrown away. I have been employed in two banks, for eight years in the largest State bank in my native State, and the last three years in a country bank. In the first mentioned institution the system I have spoken of above was in vogue; in the last, it is not, and yet the last bank I venture to say made nearly as much money on this branch of its business as the former, doing only one-fifth of the volume. Secondly, the rates for Eastern exchange are less now than they have ever been. This is caused by cheaper express rates, by insurance on registered (money) packages, and by sending money in ordinary mail. This last is risky, but it is done to a considerable extent I understand. The competition, therefore, in the collection business is very great, and the money that is made is often found on the left-hand side of the ledger appropriately displayed under the heading of Dr. Here is a calculation that is not far astray. On each letter written on the subject of a collection, whether it be credited, or paid, or held for goods, or whatever action has been taken, there is paid by the receiving bank.

1. 2½ minutes in writing (correspondence clerk, \$5.00 per day).....	\$0.0825
2. 1½ minutes in copying and addressing letter.....	0.0175
3. Postage and envelope and sealing.....	0.0216
4. Stationery (letter paper)	0.0400
5. Time in mailing.....	0.0200
Total.....	\$0.1816

So on each collection (not taking into consideration the cost of opening the mail, arranging the letters, registering the collections, and getting reports on these collections, probably 5 cents more,) the cost is 18 cents. I think I have underestimated the amount rather than computed it too high. I have said that a great many banks claim they do not make any money in handling collections. After studying the matter over considerably I really believe they do not. But there is a way to cheapen the handling of collections. It is by throwing a greater variety of work and under less pressure upon the clerks in our banks.

To show clearly what I mean, a form is introduced on page 892.

Section 1 is the stub. It contains all the essential headings necessary in a register.

Section 2 is the remittance letter.

It is brief and pointed.

If a mistake should be made the receiving bank would simply refer to the number, and the error could at once be discovered and corrected.

Section 3 is the acknowledgement.

If a paper is "held for maturity," "for arrival of goods," "accepted," "credited," "party out-of-town to-day," or for any other reason, or if it is to be returned for any reason, this sheet is to be used. (On the line of "Remarks" in Section 1 such like reports are to be made).

A great many banks use rubber stamps with above expressions and also dating stamps. They could be used on this blank and thus save considerable time. If such rubber and dating stamps are used all that would then be necessary would be the filling in of the date of the correspondent's letter and the correspondent's name on the third line. And even this latter work can sometimes be saved by using rubber stamps with the correspondent's name when it is understood that in both Section 1 and 2 the name of the bank, its Cashier and location, as also the collection number, are all printed. It can readily be seen what a small amount of work is to be done and what a saving in time can be effected.

Form No. 2.

Sec. 1.

IMPROVED COLLECTION REGISTER.

DATE..Nov. 6 | 86..	AM'T..500..	No..7,000
DRAWER.....A. Robinson,	Oct. 22 | 86.....	
DRAWEE.....	Jones & Smith.....	
OWNER.....	First Nat'l Bk, Dickens, Ga.....	
OWNER'S LETTER OR NUMBER	Oct. 22 | 86, 2,301	
MATURITY.....	Demand.....	
REMARKS.....	Remitted Nov. 6 | 86.....	

Dec

CITY BANK OF ATHENS,	
<i>Athens, 11 | 6...188..6..</i>	
<i>First Nat'l Bank, Dickens, Ga.....</i>	
FOR YOUR NO.... <i>2,301.....</i>	<i>\$500...</i>
LESS EXC.	<i>2 50</i>
WE..... <i>inclose check.....</i>	<i>497 50</i>
NO..7,000..	<i>T. Carlton..CASHIER.</i>

Sec. 3.

No. 7,000.. ..*T. Carlton*. CASHIER.

ENCLOSURES.....

YOUR FAVOR OF.....RECEIVED, WITH

.....

.....188

IMPROVED COLLECTION REGISTER.

DATE. Nov. 6 | 86..	AM'T. \$20.25..	No. 7,001
DRAWER.....	T. Copeland,	Oct. 25 | 86.....
DRAWEE.....	Brown Mercantile Co.....	
OWNER.....	T. Copeland, Marlboro',	N. Y.....
OWNER'S LETTER OR NUMBER..	Oct. 25 | 86..	
MATURITY.....	60 d | d.....	
REMARKS.....	Returned Nov. 6 | 86.....	

CITY BANK OF ATHENS,
Athens, 11 | 6...188..6..
T. Copeland, Marlboro', N. Y.....
 YOUR FAVOR OF *.25th..* RECEIVED, WITH
 ENCLOSURES...*Returned. No reason....*
Brown Merc. Co. \$320.25.....
No..7,001.. *T. Carlton..CASHIER.*

The copying of the letters is totally unnecessary in the writer's opinion, every item in them having its counterpart on the stub, or the other books of the bank. Still banks desiring to copy such letters could of course do so but it is a barbaric custom. I do not claim that Form No. 2 is the best that could be devised but as far as I have seen it is the best yet printed. I have introduced it here for the purpose of provoking study. If I succeed only partly I shall feel that my time and thought has not been entirely thrown away.

PART II.—CASH EXCHANGES.

Here is a branch of the business that year in and year out has shown a satisfactory exhibit for the banks. It is quick work and paying to discount a check one quarter of one per cent. and sell the amount the next minute at even a sixteenth advance. There need be absolutely not the veriest minimum of risk, where thousands and thousands of dollars are handled daily, and millions a year a fractional part of a fraction profit pays handsomely. But there is great competition and the fear may well be expressed that the large profits will soon be dwindling down to zero. Fixed rates by all the banks in the large cities for buying and selling both banker's and merchant's exchange should be made. In a large number of cities this is the case. In others it is not, and here the competition is fierce, and the profits small.

Sometimes, too, our bank friends have been caught with forged bills of lading, for which it may as well be understood, the railroads are not responsible, and so the Courts have declared in numerous instances.

I believe that the rates for buying and selling exchange cannot well be permanently fixed. They are bound to be more or less affected by crop movements, etc., etc., and change with the varying tides of commerce.

But the method of making these exchanges let us inquire into.

Here is a form before me. It is in common use.

Form No. 3.

REMITTANCE REGISTER.

DATE.	NO.	DRAWER.	WHERE DRAWN.	ENDORSE.	DRAWEE.	WHERE PAYABLE.	TO WHOM SENT.	AMOUNT.		EX-CHANGE.	WHEN AC-KNOWLEDGED.		REMARKS.
1886 Oct. 22	1,000	O. Thompson	Athens, 10 | 22	I. Riggins	Nat. Park B'k	N. Y.	Chemical	5 000		25	10	26	Or'd
"	1	I. T. Finley	Maypole, Ga., 10 | 8	Brown Mer. Co.	Atlanta Nat.	Atlanta	Atlanta Nat.	25 02			10	25	Remitted

Another form will be found on page 894. The advantages of this latter are :

- 1st. It embraces a register, a charge ticket for the bookkeeper's spindle and a letter, all in one.
- 2ndly. It requires only the same amount of work to fill out Form No 4 as No. 3, and nearly three times the advantage is gained.
- 3rdly. The letter does not need to be copied.
- 4thly. There is a combination and effectiveness in the method not observable in the other form.

Form No. 4.

IMPROVED REMITTANCE REGISTER.

DATE.. Oct. 22 | 86.. \$.5,000.00. No..1,000
 DRAWER.....O. Thompson, 10 | 22.....
 DRAWEE.....Nat. Park Bank.....
 LAST ENDORSEER.....J. Higgins.....
 TO WHOM SENT.....Chemical Nat.....
 REMARKS.....Cr. 10 | 26 | 86.....

Charge:
Chemical.....
 No.....1,000....
 ON.....Nat. Park.....
 AMOUNT.....\$5,000.....

Athens, 10 | 22..1.88. 6..

CITY BANK OF ATHENS,
Athens, 10 | 22..188. 6..
 WE INCLOSE FOR.....Cr.....
 No.....1,000..... \$.5,000.....
 ON.....Nat. Park Bank.....
Protest.....
T. Carleton..CASHIER.

IMPROVED REMITTANCE REGISTER.

DATE.. Oct. 22 | 86.. \$.25.02.. No..1,001
 DRAWER.....J. T. Finlay.....
 DRAWEE.....Atlanta Nat.....
 LAST ENDORSEER.....Brown Merc. Co.....
 TO WHOM SENT.....Atlanta Nat.....
 REMARKS.....Oct. 25.....Remitted.....
Chemical.....

Charge:
Chemical.....
 No.....1,002....
 ON.....
 AMOUNT.....\$23.77.....

Athens, Oct. 27..188. 6..

CITY BANK OF ATHENS,
Athens, 10 | 22..188. 6..
 WE INCLOSE FOR..Remita. to Chemical Nat.
 Bank, N. Y. for our Cr.....
 No.....1,002..... \$.25.02.....
 ON.....You.....
No protest.....
T. Carleton..CASHIER.

5thly. If the exchange is not cashed of course the charge ticket is not made out (until the exchange is heard from), consequently it is a constant reminder to the clerk that it has not been reported on.

6thly. Books like the above can be made for each correspondent and one for "miscellaneous" as in draft books thus still further lessening the work, I believe.

There are objections to the form, I know, but the merits must be undoubtedly great.

The principal objection appears to be to the charge ticket. A great many bookkeepers make their entries from the register itself and never use "charge" or "credit" slips. This plan is an old one and only has its age to recommend it. In my humble opinion it would be better to divorce everything from the Tellers' except their legitimate work of keeping an exact account of the *cash*, the dollars, dimes, etc. This can be done by the use of charge and credit slips. A great many banks entail a double work upon their Tellers by forcing them to do a species of miserable bookkeeping. And oftentimes this affords a glorious opportunity for swindling.

PART III.—COLLECTIONS FORWARDED.

These are items that are received by the bank for collection on outside points.

No money has been advanced upon them. It may be that a doubt has crept into the mind of the bank official as to the good fortune awaiting their presentation; on the payer's not being sufficiently responsible, the bank will not attempt the risk of cashing, or for various other reasons the preferable way is to await returns.

Oftentimes a merchant who makes large shipments all over the country deposits his drafts in bank for acceptance or collection, or both. It cannot be as cheap a way for him to get returns as if he forwarded his own drafts. The bank immediately becomes responsible for the proper handling of the paper and is entitled to a charge proportionate to the risk and amount for its services. This depends a great deal upon the course the draft takes. If it is sent direct to a bank in the drawee's town, drawn "with exchange," it is handled strictly for the exchange, no charge being made to the forwarding bank. Otherwise every bank through whose hands it passes is entitled to a charge. Some do not charge but most of them do. I have in my mind's eye a note that passed through five banks' hands before reaching us. A banker's directory should have been sent to four of those banks.

The following is the routine pursued in handling this class of paper. The form of register most generally in use is similar to No. 1 and 3, differing only in the space reserved for "To whom Sent". Some prefer to class all collections together, while others prefer to enter collections forwarded in their Exchange or Remittance Register. The form No. 4 I have shown above can be used for this purpose.

In reference to No. 2 and 4, I must say that I have seen nothing in all my experience as a bank clerk or as an officer that is at all like No. 2, and that some bank use a form a trifle, though only a trifle, like No. 4. The forms I refer to have a stub for Registering collections, and a letter very much more voluminous than the one attached to No. 4.

I must admit that these two forms have but lately been put to use in our bank, but the rapidity with which the work has been done has but confirmed the confidence I first had in them. They have undoubtedly been a labor saving thing for us. There can be no doubt be improvements made on them, and none would more gladly hail these improvements than the parties who are the authors of the original ideas, if they can be called that.

In regard to collections of merchants in large Cities a friend suggests the use of the Cleaning House for the purpose. A "Collection Department" might be established whereby a direct system might be put into operation and in the end, by throwing a vast amount of this character of business into its hands, proving of great practical benefit at much reduced cost perhaps.

I have not given the matter sufficient attention to justify an unprejudiced opinion but from a hasty view, imagine that the benefits to be derived would

certainly claim an attempt, if nothing more. By combining together, the members of the Clearing Houses throughout the Country could force all their depositors and customers to collect such items through the Clearing Houses as those they were not willing to "Cash". In this I do not refer to the collections received by mail.

SAFETY.

With reference to the word safety in handling collections I have only a few words to offer.

The "direct" system is the best. If you have an exchange on a certain town, send it to that town, or if there is no bank in the place sent it to the nearest banking town. In order to be able to do this invest in a Directory the cost is a trifle compared to the advantages, and the risk you run by sending your items all over the country.

It is the cheapest plan too, what is the risk ?

You are liable to lose the full amount of a draft sometime by simply delaying presenting. The law gives you a reasonable time in which to present a check, either in person, or by forwarding to an agent through the mails, but it does not allow you an unreasonable time.

An indorser, if he be a good one, is a good thing to have on a note but unless he be legally notified on the maturity of a note his liability on the note ceases in some States.

I have several time noticed the tardiness of paper. Have seen notes of a large amount with many indorsers reach our hands a day too late for the owner's good.

It may be argued on the other hand that the sender bank does not know the responsibility of the other bank, the one to whom the paper is to be sent, and therefore does not care to assume the risk in intrusting paper to a stranger's hands. I hardly think this is a valid excuse. The banking business is getting very extensive, most "cross roads" towns have a bank now a days, and when the vast amount of business now transacted by these banks is taken into consideration I think it will be found upon investigation that the failures among them are fewer in number proportionately than those of larger capital in the Cities of the country. A hasty survey of the failures in my native State, a comparatively new one, of this class of banks, reveals not one half dozen in twice that number of years. Again I say adopt the direct system. It is less risky to you, and less expensive to your customer.

A few words upon a Fair Profit, what is a Fair Profit ?

Surely a hard question to decide for the banks, what may be a fair profit in a country town might be considered extortion in the large Cities. It is custom with nearly all banks to charge simply the exchange in making collections.

This did not use to be the case. I have in my mind's eye a rich banker who made his "first start" by charging ten per cent. This was before Railroads had entered our State and transfers of funds were rather difficult, and dangerous to make. He is doubtless now satisfied with one fourth of 1 per cent.

THE VARYING RATES OF EXCHANGE AND WHAT CAUSES THEM.

I have barely mentioned one cause, the crop movements.

It is probably the principal one in the South and West.

In the South bank exchange on the East fluctuates considerably. I have seen it sell at three fourth of per cent discount, and as high as three fourth of per cent premium.

The cause of the first was an extraordinarily heavy movement of cotton within a few days.

In the latter case there had been no shipments of consequence for nearly six months and the rate had advanced gradually until it reached the figure I have mentioned.

It was about the time of the former rate when one day there entered the bank in which I was employed a tall heavy-set man, wearing a huge overcoat and carrying in his right hand a travel-stained bag. His whole appearance denoted a man of small means, if we are to judge humanity by outward looks, but the sequel proved otherwise.

It was Mr. L., a banker from a growing, thriving City of 20,000 people two hundred miles west of our City (we were fifty miles from the coast), upon opening his bag there came to view over one hundred thousand dollars in crisp bills, which he had brought from New York City by rail, two thousand miles away. Questioning him the Cashier discovered that Mr. L. had bought more exchange on the East than he could profitably get rid of in his town and so had taken the very great risk of going after the money and bringing it back by hand. He probably made six hundred dollars by his venture, but think of the anxiety, the great risk of such an undertaking.

The nearer he got home the more anxious he was to get rid of his precious bag, and so left it with us.

He said he slept with it, he ate with it, he drank with it, he smoked and chewed with it. He never got out of its sight and a good six shooter buckled around his waist was his only friend and companion during the whole trip. Four days of restless thought! Four days of sleeping with "one eye" open!

In the past few years there has been a gradual decline in the margin on exchange in the South. This has been caused by several things. In Texas, shipments of cattle by rail in the spring, of wool in the early summer, and again in the fall, cotton in the winter, and grain from May first.

Formerly the cattle went overland and the exchange was not brought back until late summer, when cotton shipments would begin. The grain shipments were small, and the wool went only from Corpus Christi, and not a great deal at that.

Now it amount to (40,000,000) forty millions pounds a year, I believe, and the grain shipments are yearly becoming larger.

The more varied are its industries, the better for the State.

Alabama and Georgia, and several of the other Southern States are seeing the good effects of such a policy.

I cannot speak with any great authority, in fact with none scarcely as to the varying rates of exchange in the West. There is but little difference in reality throughout the seasons. I opine this is caused by the following:

1st. Nearness to the Eastern Seaboard.

2nd. Cheapness of Railroad transportation.

3rd. Cutting of Express rates down to a very narrow margin.

4th. Equalization of shipments to and from the East. During the seasons when three of these four causes operate throughout the South we shall in time witness the same effect and the small range of prices for exchange as in St. Louis, Chicago, etc.

Until that time the margin will be as great as now.

Counterfeits.—Notwithstanding the scientific methods which are followed in the preparation of the paper, the engraving of the plates for and the printing of the paper money in this country all of which both for the National bank notes and for the notes issued directly by the Government is now done under the supervision of the latter, counterfeits still occasionally make their appearance. There is, however, much unnecessary alarm felt on this subject, and this feeling among the banks and the public is made the most of by those who are interested in the publication of counterfeit detectors. Although the ignorant and unwary may still be deceived, the average of the few counterfeits now seen show such poor execution and so many defects that no one experienced in handling money can be deceived by them. On the other hand no one should be thrown off their guard or neglect to take the usual precautions when handling money against being deceived, but as before said, there is no necessity of thinking that counterfeiting just at present is a very paying business. In the days when the State banks issued circulation, each bank having its own plates and paper, and issuing bills of very many different denominations, there was a fine field for the operations of the counterfeiter and as a consequence for the counterfeit detector. To successfully counterfeit any of the present paper money issues require great skill and the command of some capital. The risks are exceedingly great and the chances of profit are small. Everything including the very small number of even poorly executed counterfeits that now and then appear, points out that the danger to banks and bankers, and the public from this class of criminal action has been reduced to a minimum.

Notes and Comments on
BANKING PRACTICE.

SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

Responsibilities of Directors.—The responsibility of Directors for mismanagement of the affairs of a bank is often a matter of discussion, and has been passed upon by the courts in various cases. While the principles which govern the responsibility of Directors cannot be strictly considered as settled law, still they have been laid down with sufficient fullness and precision to afford persons interested a body of rules for their conduct. But the theories which have been put forward in various quarters in reference to individual responsibility of Directors seem to rest not upon a legal basis, but upon what may be called a moral theory. The responsibility that is sought to be imposed upon the Directors is generally spoken of as a "moral responsibility." Measures have been suggested from time to time which aim to make this responsibility legal as well as theoretical. For example, it has been suggested that Directors should be liable in their personal property for damages which a bank may suffer from their negligence; or, that they should be held, at least, to a larger responsibility than the other shareholders. The law, as it stands now, is amply sufficient to hold a Director responsible for criminal negligence, which, by the way, is usually very difficult to prove. The circumstances under which a man accepts a position in a Board of Directors are so various that it hardly seems possible to lay down any general rule in regard to the matter, but there is one fundamental principle which should not be lost sight of, and that is, that the Directors are nothing more than stockholders, who undertake to manage the affairs of the corporation for the benefit of all their fellow stockholders. As a rule they do this without any direct or immediate compensation. It therefore seems hardly fair that having undertaken this gratuitous service they should be held any more responsible for their acts than any other shareholder. Chosen on account of their financial ability, they are almost always busy men who have their own affairs to attend to, and very often, the affairs of a great many other people besides. Directors, as a rule, do not undertake to do more than exercise a very general supervision over the course of the business of the Institution, to give their opinions upon notes offered for discount and suggest the general lines of the policy to be pursued. They cannot be expected to give the same time and attention to the business of the bank that they do to their own. For this reason, a man is usually at the head of his own business, its Chief Manager, assuming all the responsibility, doing all the executive work, receiving all the profits, and likewise, bearing all the losses. In other words, he is the President of his own firm; but as a Bank Director, he occupies no such position. The bank employs a President who is supposed to occupy the same relations towards the business of the bank that each Director occupies towards his own affairs. The President is paid for his services, and it is reasonable to suppose that he will perform them, and while Directors should not be excused for knowingly placing in that position a dishonest or incompetent man; still Directors are not infallible, and if they chance to put the wrong man at the head of affairs, and fail to discover it until too late, they cannot be justly charged with wilful negligence; for that position, if it proves anything, proves too much; for it will logically follow that the shareholders are equally responsible for the choice of Directors, and it would be pushing the principle very

little further, to say that the depositors in the bank were likewise blameworthy in dealing with an institution having a dishonest or grossly incompetent man for its President. Instances can be cited, and too many of them, where Bank Directors have grossly neglected their duties, and, through sheer negligence, have allowed the bank to be broken; but that is an entirely different case, and one for which the law provides a remedy. As a matter of fact, it is not very easy to secure the services of competent men to act as Directors of banks unless there be directly or indirectly some compensation for their services, and if the law is made so strict that Directors will be held personally responsible for errors of judgment, the difficulty will be greatly increased.

Corresponding Banks.—The importance of exercising care in selecting one's correspondents cannot be too strongly insisted upon. So much confidence has grown up in the banking community under the operations of the National Bank system that correspondents are not selected now with the same care and discrimination as formerly. Under the old system, or rather no-system, of State Banks and private bankers, everything depended upon the character of the men at the head of the institution, and consequently before a correspondent was selected very strict inquiry was made as to the character and standing of the persons in charge; but, under the National system failures have been comparatively rare, and the very word National has become a sort of guaranty of a bank's strength and solvency. This has tended to throw careless people somewhat off their guard, and it is only when some big failure occurs that they begin to bestir themselves about the various correspondents to whom they may have sent funds. The number of banks has increased so largely in the last few years, and they are scattered over so wide an area of country, that it is impossible for anyone to keep track of them all by mere individual effort. A bank may be good to-day and five years hence its condition may be quite different and none of its correspondents be any the wiser, consequently it has become necessary to have some central agency, which can make a speciality of keeping records of the statements of all the banks throughout the country, and to be able to report on the condition of any bank from time to time. Such an agency could act somewhat in the nature of a mercantile agency, keeping records of the various banks, their officers, their published statements, and such other matters as may be of interest in connection with them. Such an agency, working on this special line would be able to accumulate a large amount of useful information, and so be in position to inform its members of impending disasters in time to save them from any harmful consequences.

Cashiers Acting as Clerks.—There is wide diversity as to how much clerical work a Cashier should reasonably be expected to perform. It is difficult to lay down any general rule in this respect, as circumstances vary greatly in every case, but it may be taken for granted that no man can do two things at once, and the Cashier who is obliged to do a large amount of clerical work, cannot at the same time have his mind properly free to attend to the executive duties of his position. It is both proper and desirable that the Cashier should take a hand in the clerical work of the bank, going first to one desk and then to another, as this enables him to keep thoroughly posted on the way the different desks are run, and how the various clerks are performing their duties. Especially might this be the case when there is absence on account of sickness or holidays; but it certainly not desirable to burden the cashier with a large amount of clerical work to be regularly performed each day. The President is the real head of the bank, and is more or less active in its management according to his disposition and the time he may have at his disposal, but the Cashier is the executive officer who is always on hand, and with whom customers become better acquainted than with the President or any of the Directors. The Cashier, therefore, should be free at all times to attend to persons who come on business connected with the institution. He should always be at leisure to give time to those who are disposed to be prolix, not to say tedious in their explanations, and should not be annoyed by the reflection that a mass of clerical work is piling up for lack of his attention. Few men can think and work at the same time, and a Cashier who is engaged in

performing all sorts of miscellaneous duties, has his hands too full to allow his head to dwell consecutively upon any one subject. It is always cheaper in the end, in such a case, to employ an extra clerk to do this kind of work so as to allow the Cashier freedom to attend properly to the more important duties of his office.

Registered Mail.—The question has been previously discussed in the JOURNAL whether it is safer to send coupons by express or registered mail, and the views which were given in regard to the safety of registered mail was not entirely in accord with the present regulations of the post office. It goes, without saying, that for absolute safety, the express company is, of course, to be preferred, but where the amount is small and the express rates high, registered mail may be resorted to without any serious risk or loss. It is true that occasionally a registered package goes astray and is never heard of after, but this happens very rarely. In the handling of registered matter, there is one rule which runs all through the system, and that is that the registered matter is receipted for by every person who receives it at any point in its passage. The receiving clerk at the post office gives the sender a receipt, and, in turn, receives a receipt from the clerk to whom he passes it. Before the registered packages leave the office, they are placed in a special registered pouch, which is receipted for by the driver who receives it, and in turn by the railway or steamboat clerk who takes it from him; and so on receipts are given and taken as the registered matter passes from hand to hand until each package or letter reaches its final destination. In other words, while the Government does not guarantee the safe delivery of registered mail, yet, there is used the greatest care to insure absolute safety in the handling of this class of post office matter. As a precaution, it is better for a bank to protect itself in the first instance by getting explicit instructions from the customer as to how he wants his coupons or bonds sent forward for collection.

Interest or No Interest.—Whether a bank should or should not pay interest upon balances is a question upon which bankers have differed for many years. There are those who contend that the practice of paying interest is not only an advantage to the bank but of great benefit to the commercial welfare of the whole city. Many New York bankers take the position that much of the commercial prosperity of their city is due to the bank balances which are attracted there by the inducement in the way of interest on balances. The money thus attracted to New York being lent out to the merchants there enables them to extend their operations far beyond the limits to which their own capital would necessarily confine them. The reply to this usually is that it simply makes money plentiful in New York at a time when nobody can use it; and as soon as money becomes of value and commands high rates, then the country banks call it home to use it themselves. The interest payers also contend, and not unreasonably, that it is perfectly legitimate to borrow money at a low rate in order to lend it to more advantage, comparing their position, for example, to a person who would lease a large block of houses on very reasonable terms, in order to let them out singly at a profitable rent. There are some banks that never have, and never will pay interest to anybody, under any consideration. They make the non-payment of interest an ironclad rule, and hold out this regulation as an inducement to depositors, claiming, not perhaps very justly, that a bank cannot pay interest on deposits and at the same time do a perfectly safe business.

Some managers adopt an intermediate course and pay interest only on even sums of \$5,000 or \$10,000, adopting this as sort of a compromise between paying interest on all balances and not paying at all. In the larger cities the banks are, to a certain extent, almost forced into paying some interest on account of the competition of the trust companies, which have, partly by this inducement, and partly by other means, succeeded in building up large lines of deposits, to the envy of the regular banks. Occasionally a strong effort is made to induce all the banks to come into some special agreement not to pay interest to anyone, but it is very difficult to enforce such a rule, even under favorable circumstances and in the face of the competition of the trust com-

panies it is almost impossible either to adopt it or to enforce it when adopted. The payment of interest is one of those questions which every bank must decide for itself according to circumstances. It is rather stretching the argument against interest payments to claim that there is anything unsafe in the system, for many banks have grown very prosperous under it, and it is difficult to see where any loss could come in by hiring anything at a low rate, and hiring it out again at a sufficiently high rate to cover expenses and probable loss. The theory about inflation of business, and blowing speculation bubbles, and all that sort of thing reads very well on paper, but, somehow, it is difficult for a practical man to understand exactly where it all comes in.

About Identification.—The system of requiring identifications of holders of checks drawn to order has, for some time, been done away with in London. The banks there found that it was practically impossible to get through the day's work if every one who presented a check drawn to order had to be personally identified to the teller; and so a special Act of Parliament was passed relieving the banks of this necessity. The English banks then are justified in paying checks to any person presenting the same provided the endorsements appear to be in regular form there being nothing in other circumstances of the kind calculated to put the bank upon its enquiry. Englishmen do not understand how we manage to get along with the old-fashioned system of requiring personal identifications, and are rather surprised that, in a country where so much enterprise is shown in public matters, commercial people should still be content in this respect to go along in the old-fashioned way. It cannot be denied that there are certain advantages attaching to the identification system which disappear under the English rule, but whether those advantages are sufficient to outweigh the attendant disadvantages is worthy of consideration. It is often highly inconvenient to holders of checks to furnish the necessary identification, and this is particularly the case with that class of persons who from the fact of not having bank accounts themselves are most frequently under the necessity of having the checks cashed directly at the teller's counter. We do not, in this country, clearly perceive all the disadvantages which grow out of our present system because business has, to a large extent, accommodated itself to the present state of affairs, and persons have suffered the inconvenience so long as not to be aware of its existence. It would perhaps be rather difficult to get the English rule adopted in this country because it seems to be very troublesome to get even the most necessary legislation attended to either in Congress or the State Legislatures. Any one who attempts to push any small reform of this kind to a successful issue is likely to find himself in the position of the charity boy, after he had learned his alphabet; "whether it is worth while," he remarked, "going through so much, to get so little is a question."

Signing for Corporations.—In the January number of the *JOURNAL* there were two, and, in the May number, one case, which are very interesting to those who have occasion to sign commercial paper in their capacity of corporation officers. The principles embodied in the decisions were not specially new, but were, perhaps, presented in a somewhat novel light. The Courts deciding these questions were the Supreme Courts of Ohio, Maine and Iowa. In one case a draft was drawn by a certain coal company upon "John A. Robinson, Agent" and was accepted by him, "John A. Robinson, Agent K. & O. C. Co." It was held, no doubt to Mr. Robinson's surprise, that the acceptance was that of Mr. Robinson individually, the words: "Agent K. & O. C. Co." being merely descriptive of his person. In the Maine case the signature to a promissory note was "D. P. Livermore, Treas., Hallowell Gas Light Co.;" and in the Iowa case the signatures to a promissory note were as follows, the names being directly under each other: "Independence Manufacturing Company, B. I. Bromwell, President, D. B. Sanford, Secretary." In both these cases the signatures were held to be individual signatures, the added words being merely descriptive of the persons signing. The Courts do not seem in these cases to have laid down any rule as to what ought to have been done, but contented themselves, as is not unusual, with informing the

defendants that they ought not to have done it just as they did. The rule, however, is not so very difficult of observance if one understands the principles upon which these decisions are based.

The law requires in a promissory note, above all other things, the element of certainty, and therefore it is the duty of persons drawing up and signing such instruments to do so in such a way as to leave no doubt as to the precise meaning of the words that they use. If the note is the note of a corporation it should be distinctly expressed on the face of the instrument that such is the case, for example: "New York Publishing Co. promises to pay." Worded in this way there can be no reasonable doubt as to who it is that undertakes the payment of the note. The signature should be equally definite and exact, the signers meaning not only what they say but saying it in such a way that they can not be made to mean anything else. A note, for example, should be signed "New York Publishing Co., by Thomas Brown, Treasurer and William Jones, Secretary." This may seem too nice a refinement for the "practical" business man, but as was once tersely remarked by an English judge, "Lombard street does not make the law for Westminster Hall." It may be added that in the Ohio case the Court was considerate enough to remark that the decision laid down would not apply to the case of a Cashier signing for his bank.

Dead Head Collections.—The following has been received from Mr. William Post who is the Discount and City Collection Clerk of the Central National Bank of Philadelphia, Pa.

"We have been interested in noting the communication in the April Journal, relative to "Dead Head Collections" and "Collection Abuses", and also Mr. Herman Freese's letter in July Number relative to the same subject.

The abuse complained of is not confined to banking in the country alone, but obtains with the city banks as well. This bank makes no effort whatever to secure transient collections and yet numbers of these drafts or "duns" from out-of-town concerns, find their way into our mail bag, and we must either return them without presentation (a course which we hardly think courteous) or we must present for payment and run our chance of remuneration for the trouble and labor taken. If the draft is paid we can of course deduct from the remittance, but unfortunately not over twenty-five per cent of such items are collected, hence the question; how to be rid of this unproductive portion of our business or rather how to place it upon a paying basis, is a *live one* with us as it is with your other correspondents.

The plan adopted with us during the past year, and we do not offer it as the best, is to request the maker of these drafts to *return twenty-five cents for each draft presented and refused* and in doing so the following slip is used:

Please remit the Central National Bank, Philad'a, 25 cents to cover expense and labor incurred in endeavor to collect draft herewith returned.

The proportion who have complied with this demand has been about fifty per cent and those who have made no return are *black-listed* and if any further collections are received from them the same are returned uncollected.

It is our conviction that if this plan were universal with the banks a very large proportion of this business would be forced back to the *home bank* where the makers keeps his account and where he should pay for his accommodation according to the value of his account, and the remainder could then be handled at some profit to the distant bank making collections for a transient customer who wants a quick return for his draft and who will not object to the charge made where the draft has been presented and refused."

Draft Forms.—We present the following from Mr. H. G. Townsend connected with the Fitchburg National Bank of Fitchburg, Mass.:

"I would like to offer some suggestions relative to the improvement of the usual form for drafts upon individuals or business houses. Having had a

number of years' experience in the banking business, I feel that I shall not be out of place in suggesting a change of this kind.

In my own experience as teller I have many times been puzzled to determine the date of an acceptance, because in writing across the face of the draft the figures of the date came directly over some writing or printing of the draft. I think that Tellers and Book-keepers who have so frequently to handle such drafts, will generally agree with me that an acceptance which does not cross or otherwise conflict with the rest of the draft would be desirable.

I enclose herewith two forms drawn according to my ideas.

FORM A.

No. printed. Accepted _____ 188- Payable at _____	No. _____	Pittsburg, Mass. _____ 188-
	A. _____	

	_____ Pay to the order of _____	
	_____ Dollars.	
value received, and charge same to account of _____		

FORM B.

No. printed. Accepted _____ 188- Payable at _____	A. _____	Pittsburg, Mass. _____ 188-
	_____ No. _____	
	_____ Pay to the order of _____	
	_____ Dollars	
	value received, and charge same to account of _____	
Accepted _____ 188- Payable at _____ } _____		

To my mind they possess two marked advantages. 1st: The name and address of the drawee are very prominent. 2nd: The form for acceptance is a part of the draft, and yet does not conflict with any other portion of it. Of the two forms, that marked A, I think is preferable, as it is more easily examined, and seems more a part of the draft than the other.

The position of the figures of the amount I think also an advantage, it being the same plan recently adopted by the Chicago banks in printing their checks.

If you find my suggestions worthy of your attention, I would thank you to call attention to the matter in your JOURNAL. I think an improvement in this respect is desirable, and perhaps some of your other subscribers may have something better to offer."

Stopped Checks.—The check "lost, mislaid or stolen" is a standing nuisance in the banking community. Why people should lose, mislay or allow anybody to steal so many checks is a mystery, and it is equally puzzling to tell what becomes of these numerous estrays, for very few of them are ever pre-

sented, notwithstanding the haste and trepidation with which the drawers and holders come to the bank with instructions to stop payment. A convenient form for keeping a record of these stopped checks is shown below. It can be made up in the shape of a small tickler to lay conveniently at the teller's hand, original order being filed for reference in case of need. It is just as safe and much neater to keep a record in this way than to have the ledger folios marked up with marginal memoranda.

STOPPED CHECKS.

When stopped.		Drawer.	No.	Date.	Amount.
1887				1887	
July	1	Merchant & Co.	3150	June 30	\$27.63
"	1	J. B. Trader.	412	" 25	104.63
"	2	Brown Publishing Co.	9672	" 30	19.57
"	5	Trader, Merchant & Dealer.	23	" 30	43.64
"	6	Northern R. R.	15763	" 15	73.46

The Notary Public.—The exact relations which subsist between a bank and its notary public, and how far the latter is the agent of the former, are questions which the courts are often called upon to decide, and about which there is considerable difference of opinion, according to the varying circumstances of each case. In some respects the notary acts upon his own responsibility, and whether correct or in error, his acts do not bind the bank as its representative. On the other hand, there are times when the notary acts directly as the agent of the bank, knowledge in such case brought home to the notary is properly chargeable to the bank. It is sometimes a very nice question to determine to which of these two classes any special case belongs, but it may be laid down as a general rule that a bank cannot be too careful in selecting its notary public. Not every one who hangs out his sign is competent to perform the duties of his office. These duties frequently require not only a theoretical but a practical knowledge of the law merchant. It sometimes comes in the range of a notary's duties to advise the bank as to its course in regard to protesting commercial paper, and it is undoubtedly a great assistance to a bank manager to have a notary upon whose opinion he can rely with some confidence.

A Scrap Book.—A good many years ago a certain bank clerk, whose name need not be mentioned, invested a small sum of money in an artist's sketch book, the pages of which he decorated from time to time with illustrations of scenes and incidents which came under his observation. As a matter of prudence, this little book was reserved for the amusement of himself and a few chosen friends; but, outside of this charmed circle, very few escaped his pencil. The chief officers of the bank, with, perhaps, a little exaggeration of peculiarities, came in for the lion's share, and a series of illustrations commencing with "Our President" and ending with "Our New Director" was pronounced the master-piece of the volume. The unsuspecting customers were fixed upon the pages as graphically as though they had been taken by the camera; and even now, though the little circle of artists has long been broken, a contemplation of this book serves to awaken many pleasing reminiscences. It might not be amiss to add that in addition to the artist there was a literary member who contributed sketches in prose and verse, much of which would have been received with little favor in higher official quarters. This was a sort of a clerk's scrap book, but not exactly the kind of one that has been recommended in the pages of the JOURNAL; for such clippings from newspapers, magazines and so on which found a place on its pages were calculated rather to amuse and entertain than to instruct. While the practice of making merry over the defects of one's superiors is rather to be reprov'd than recommended, still allowance must be made for the lightness and indiscretion of youth.

BANKING LAW.

* LEGAL DECISIONS AFFECTING BANKERS.

CARELESS DRAWING OF CHECK—ALTERATION TO LARGER AMOUNT BY HOLDER AND TRANSFER TO BONA FIDE PURCHASER WITHOUT NOTICE—AS BETWEEN SUCH PURCHASER AND THE DRAWER WHO STANDS THE LOSS? A REVIEW OF THE AUTHORITIES AND ARGUMENTS ON BOTH SIDES OF THIS VEXED QUESTION.

This action was founded on a check drawn by the officers of the Texas & St. Louis Railway Co. on the Commercial Bank of St. Louis, payable to Peter Vaught or bearer. As originally signed and prepared it was a check for \$8.40, and was so drawn as to leave space between the figures "8" and "40" in one corner thereof, sufficient for the insertion of a cipher without crowding, and in the body of the check where the amount was written, sufficient space was left after the word "eight" and the word following to add to the word "eight" the letter "y", without giving it the appearance of being added after the check was written. After the execution and delivery of the check, without the authority, consent or knowledge of the drawer, a cipher was inserted between the figures "8" and "40", and the letter "y" was added to the word "eight", and the amount of the check was thereby fraudulently changed from \$8.40 to \$80.40, and in that form, and with no mark or indication of alteration observable by a man of ordinary prudence, was negotiated to Kosminski and Co. before maturity for a valuable consideration in due course of trade and without notice of the forgery. They having brought suit on the check against the receiver of the drawer, the lower court gave judgment against such receiver, who appealed.

Held: It is contended by appellees that appellant is liable to them on the check for the full amount of the same as altered. This contention is sustained by many authorities, which lay it down, as a general principle of the law merchant "that when the drawer of a bill or the maker of a note has himself, by the careless execution of the instrument, left room for any alteration to be made, either by insertion or erasure, without defacing it, or exciting the suspicion of a careful man, and the opportunity which he has offered has been embraced, and the instrument filled up with a larger amount or different terms than those which it bore at the time he signed it, he will be liable upon it as altered to any *bona fide* holder without notice." But upon this proposition there is an irreconcilable conflict of authority, and the authorities which sustain the doctrine are not agreed as to its basis. In casting about for some principle on which it can be based, several have been suggested which we will notice:

1. It is said by some that the true principle upon which this doctrine rests is "that the party who puts his paper in circulation invites the public to receive it of any one having it in possession with apparent title, and he is estopped to urge an actual defect in that which through his act ostensibly has none." It is true as between the maker of negotiable paper, which he has voluntarily and intentionally executed and placed in circulation, and an innocent party acting upon the faith of the paper, that the maker as a general rule would be precluded from showing that the paper was not intended to have the effect its face indicated, for it is upon the representation he has made by his paper that he has authorized and induced the innocent party to act. But

*All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL'S Law Department as early as obtainable.

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

this reason only applies to paper as made and issued by him, or as authorized by him to be made or issued. When the paper is a complete legal instrument, as issued, he does not thereby make any representation that he will be bound by any alteration made without his authority. To hold him bound by the contract as altered by such forgery, involves the idea that the person committing the forgery was his agent in committing it, (a ludicrous absurdity,) or at least he had authorized innocent third parties to so treat him.

2 Some authorities sustaining the doctrine contended for by appellees say it is based on the ground that the maker is estopped to allege that the paper has been altered. This idea originated in a misconception of *Young vs. Grote*, 4 Bing. 258, which was the case of a check drawn by a customer upon his bankers. The plaintiff, Young, having occasion to be absent, left with his wife certain printed checks upon the bankers, signed by him in blank, to be filled up by her, and drawn as his business might require. She delivered one of these checks, so signed, to the plaintiff's clerk to be filled up by him with the sum of fifty pounds and some shillings and pence. The clerk filled out the check beginning the word "fifty" with a small letter and in the middle of the blank line left for the same, and showed it to the plaintiff's wife, who directed him to draw the cash. Before presenting it to the bankers this clerk altered the check by inserting before the word "fifty" the words "three hundred and" thus making it a check of three hundred and fifty pounds instead of fifty pounds, all in the same handwriting, and then himself presented the check to the bankers, and drew the whole larger sum. The action against the bankers was not, of course, brought by Young upon the check, but for money which he claimed had been paid out by the bankers without authority. Under the circumstances stated the court held the plaintiff was not entitled to recover.

In commenting upon that case in *Swan vs. North British Australasian Co.* 2 Hurl. & C. 175, Chief Justice Cockburn said: "The case of *Young vs. Grote* on which so much reliance has been placed and which is supposed to have established the doctrine of estoppel by reason of negligence, when it comes to be more closely examined turns out to have been decided without reference to estoppel at all. Neither the counsel in arguing that case, nor the judges in deciding it, refer once to the doctrine of estoppel. The question arose on a disputed item in an account between the banker and his customer which had been referred to arbitration; and the question raised by the arbitrator was on whom the loss which had arisen from the payment of a check in which, by the carelessness of the customer, an opportunity had been offered for increasing the amount, should fall. It was held not that the customer was estopped from denying that the check was a forgery, but that as the loss, which would otherwise fall on the bank who had paid on a bad check, had been brought about by the negligence of the customer, the latter must sustain the loss. As the question arose on an account submitted to arbitration, the matter was decided without reference to any technicality; but I am disposed to think that technically looked at the matter would stand thus: The customer would be entitled to recover from the banker the amount paid on such a check, the banker having no voucher to justify the payment. The banker on the other hand would be entitled to recover against the customer for the loss sustained through the negligence of the latter. Possibly to prevent circuitry of action, the right of the banker to immunity in respect of the loss so brought about would afford him a defence in an action by the customer to recover the amount." And in *Halifax Union vs. Wheelwright*, L. R. 10 Exch. 188, 192, which was very similar in its facts to *Young vs. Grote*, and in which the alteration of certain drafts was made by a clerk entrusted with the duty of filling them up, the Court of Exchequer, after advisement, expressed the opinion that the ground assigned by Chief Justice Cockburn of avoiding circuitry of action was certainly the most exact ground.

3. The doctrine contended for is sometimes based on the principle that "where one of two innocent parties must suffer by the fault of a third, he shall sustain the loss who put it in the power of the third to occasion it," or as expressed in *Isnard vs. Torres*, 10 L. Ann. 108, "where one of two parties, neither of whom has acted dishonestly, must suffer, he shall suffer, who by his

own act, has occasioned the confidence and consequent injury of the other." In investigating the nature and extent of this principle, by tracing it through many cases in which it has been applied, Chief Justice Richardson, speaking for the court in *Goodman v. Eastman*, 4 N. H. 457—a case like this, the question involved and decided being the same—said: "We are inclined to think that the true rule to be extracted from all the cases is that, where one man reposes in another a special confidence, and a loss arises from an abuse of that confidence, if the question, who shall bear the loss, arises between an innocent third person and him who reposed the confidence, the law will throw the loss upon the latter." The same conclusion was reached in *Wade v. Withington*, 1 Allen, 562. It being correct, it will necessarily follow that the principle that where one of two innocent parties is to bear a loss it must fall on him who put it in the power of the third to occasion it, can have no application to negotiable paper which has been fraudulently altered in material particulars by third persons, as in this case, holding no relation of agency to the maker, and after it has been executed and delivered as a binding contract.

4. Another reason assigned is: "It is the duty of the maker of commercial paper to guard not only himself, but the public against frauds and alterations by refusing to sign negotiable paper made in such a form as to admit of fraudulent practices upon them with ease, and without ready detection." The idea is, the failure to discharge this duty is negligence on the part of the maker, and that he should be held liable for losses suffered by innocent holders on account thereof. The effect of such a doctrine, if carried into practice, would be to require the maker to anticipate and provide against the many ways through or by which forgery is committed and to compel him to perform a contract he never made, because some one has committed a forgery by altering a contract he did make. If this be a correct principle, then the owner of goods stolen through his negligence, should not have the right to recover them after they have passed into the hands of a *bona fide* purchaser.

In reply to an argument like this, in *Holmes v. Trumper*, 23 Mich. 427, which was an action on a promissory note which consisted of a printed blank, with the amount and the time and place of payment filled in with writing, and was altered without the knowledge or consent of the maker by adding after the printed words "with interest at" at the end of the note, the words "ten per cent.," Mr. Justice Christiancy, speaking for the court, said: The argument amounts simply to this: that by the maker's awkwardness or negligence, his note was issued by him in a shape which rendered it somewhat easier for another person to commit a crime than if he had taken the precaution to erase the word "at" and draw a line through the blank which followed it; and that a forgery committed by filling this blank would be less likely to excite suspicion than if committed in some other way. But how such a crime, whether committed in this or in some other way, could create a contract on the part of the maker, we confess ourselves unable to comprehend; nor are we satisfied that forgery committed in this way would be less liable to detection than if committed in many other ways. The negligence, if such it can be called, is of the same kind as might be claimed if any man in signing a contract, were to place his name far enough below the instrument to permit another line to be written above his name in apparent harmony with the rest of the instrument; or as if an instrument was written with ink, the material of which would admit of easy and complete obliteration or fading out, by some chemical application, which would not affect the face of the paper; or by failing to fill any blank at the end of any line which might happen to end far enough from the side of the page to admit the insertion of a word. * * *

Whenever a party in good faith signs a complete promissory note, however awkwardly drawn, he should, we think, be equally protected from its alteration by forgery, in whatever mode it may be accomplished; and, unless perhaps when it has been committed by some one in whom he has authorized others to place confidence as acting for him, he has quite as good a right to rest upon the presumption that it will not be criminally altered, as any person has to take the paper on the presumption that it has not been; and the parties taking such paper must be considered as taking it upon their own risk, so far as the question of forgery is concerned, and as trusting to the character and credit of those

from whom they received it, and of the intermediate holders. If promissory notes were only given by first class business men, who were skilled in drawing them up in the best possible manner to prevent forgery, it might be well to adopt a high standard of accuracy and precaution which the argument of the plaintiff in error would require. But for the great mass of the people who are not thus skilful, nor in habit of frequently drawing or executing such paper, such a standard would be altogether too high and would place the great majority of men, of even fair education and competency for business, at the mercy of knaves, and tend to encourage forgery by the protection it would give to forged paper."

5. It has been said the free interchange of negotiable paper requires the establishment of the rule insisted on by appellees. But we do not understand the law in giving peculiar sanction to negotiable paper in order to secure its free circulation, and to protect *bona fide* holders for value before maturity, to go to the extent of holding the maker liable on a contract into which he never entered or gave his assent. On the contrary, the well settled doctrine is that a material alteration in a negotiable instrument, after its execution and delivery to the payee as a complete contract, avoids it, except as against parties consenting to the alteration. This doctrine rests on the principle that parties are only liable on their contract as made and entered into by them. If the contract has been changed by a material alteration, without the privity of the party liable on it, it ceases to be his contract and he can no longer be held by it. (*Overton vs. Matthews*, 35 Ark. 154; *Wade vs. Withington*, 1 Allen, 562; *Greenfield Sav. Bank vs. Stowell*, 123 Mass. 198.)

The authorities upon the question involved in this case are reviewed at length by Chief Justice Gray in *Greenfield Savings Bank vs. Stowell*, 123 Mass. 198, in a very able and elaborate opinion; and after deliberate advisement and careful examination he concluded that the preponderance of authority was to the effect that the alteration in negotiable paper, after it has been signed and delivered as a complete legal instrument, by increasing the amount for which it was made by the insertion of words and figures in blank places left in the instrument in such a manner as to leave no mark or indication of the alteration, avoids the paper as to the makers not consenting thereto even in the hands of a *bona fide* holder for a valuable consideration. Mr. Justice Christiancy, in *Holmes vs. Trumper*, 23 Mich. 427, and Mr. Justice Seever, in *Knoxville National Bank vs. Clark*, 51 Iowa, 264, likewise reviewed the authorities and reached the same conclusion. See also, *Goodman vs. Eastman*, 4 N. H. 455; *Wade vs. Withington*, 1 Allen, 561; *Washington Sav. Bank vs. Ecky*, 51 Mo. 272; *Gerrish vs. Glines*, 56 N. H. 9; *Bruce vs. Westcott*, 3 Barb. 374; *Bigelow, Bills & Notes*, (2 Ed.) 573, and cases cited; 1 Rand. Com. Paper, Sec. 187.

The railroad company, the maker of the check sued on, did not authorize the alteration made in it, nor did or omitted anything to induce the belief that it had authorized any one to make it. It was not made by its consent or by any person standing in a confidential relation to it or held out as such by it. According to the evidence introduced on the trial and the findings of the trial court the check is void in the hands of appellees.

Judgment reversed.

Fordyce, Receiver, vs. Kominski and ano., Supreme Court of Arkansas, April, 1887.

FAILURE OF NATIONAL BANK—LIABILITY OF DIRECTORS FOR BAD LOANS AND EXCESSIVE DIVIDENDS.

This was an action by the Receiver of the First National Bank of St. Albans, Vermont, against the defendants Burton, Hall, Edward A. Sowles and Albert Sowles, Directors, to charge such defendants with liability for losses resulting in its failure. The bank was organized and continued in existence with a capital stock of \$100,000 under the laws of the United States relating to National Banks. It failed and stopped doing business April 8, 1884, and was soon after placed in the hands of a Receiver. The defendants, except Hall, Edward A. Sowles being President, and Albert Sowles Cashier, were Directors, with George W. Foster, now deceased, after February 11, 1880, and with H. H. Bowman until 1882, when he died, and with Hall since January 11,

1883. At the time of the failure there were among the assets of the bank large amounts of paper in various forms taken for loans and discounts to one Marshall; large amounts taken for loans and discounts to Albert Sowles for his own use, and for others for whom he was surety and indorser; and to the amount of \$30,000 for loans to Edward A. Sowles. The loans and discounts to Marshall to the amount of \$35,808.75, and all of the others were made after February 11, 1880, and all were almost wholly uncollectible and valueless when the failure came. No dividends were declared in 1880, or in the first six months of 1881, and the bank had on July 4, 1881, surplus and surplus funds to the amount of \$64,000 or thereabouts. A dividend of six per cent. was declared on that day; another of the same amount November 1st; another of the same amount December 6th; one of five per cent. July 4, 1882; one of ten per cent. December 5, 1883; one of three per cent. May 1, 1883; and one of five per cent. November 6, 1883—all of which were paid. Some of these dividends were declared when there were not sufficient assets, in view of subsequent events, to warrant making them. This bill was brought to charge the defendants, as Directors, with the losses to the bank in consequence of these bad loans and discounts, and with the amounts of these dividends taken from its assets. The Directors all resided at St. Albans where the bank was located, except Burton, who resided at Burlington. The business of the bank was managed principally by the Cashier who was of large experience, able and competent and of good reputation, and until near the time of the failure, of considerable wealth. All the loans and discounts were approved of and made by him, and he voted for and concurred in all the dividends.

The opinion of the Court is delivered by Wheeler, *J.*, who holds:

The increase of the debt of Marshall appears to have been accomplished by bills of exchange drawn against existing values, and by the discount of business paper owned by him to such an extent as not to be in violation of any express law. Those who took part in it on behalf of the bank appear to have acted, in view of the liabilities he was already under to the bank, and of the conditions of his business as then understood by them, in good faith, and as they thought would be for the best interests of the bank. They had no interest with him nor any apparent object to accomplish by increasing his accommodations aside from taking the wisest course for the interests of the bank. As these loans and discounts have resulted, they were unwise and hazardous looked back upon, but they are to be considered as they could be looked forward to, and not from the present standpoint. In this view there is no just ground upon which any of the Directors can properly be charged for that debt. (*Scott vs. Depeyster*, 1 Edw., Ch. 518; *Sperling's Appeal*, 71 Pa. St. 11; *Thom. Liab. Off.* 233.)

The loans to Albert Sowles, and some of those for which he became liable as surety or indorser, appear to have been in violation of the provisions of Section 5,200 Rev. St. U. S., by which the liability of any person to a National bank for money borrowed in excess of one-tenth of the capital stock is prohibited. None of the Directors who are living and are defendants, are shown to have knowingly participated in or assented to any of the loans or discounts constituting the debts against him, or those for which he is liable as surety or indorser.

The liability of Edward A. Sowles originated in a direct loan to him soon after February 11, 1880, of \$36,000. This loan was in excess of one-tenth of the capital stock and in direct violation of the provisions of Section 5,200. All those who were then Directors, which includes all the defendants, except Hall, knew of and assented to this loan. This is not disputed. Section 5,239 provides that if the Directors of any National bank shall knowingly violate, or permit any officer, agent or servant to violate any of the provisions of that title, which includes Section 5,200, the rights, privileges and franchises of the bank shall be forfeited; and that in case of such violation every Director who participated in or assented to the same shall be held liable in his personal and individual capacity for all damages sustained in consequence of such violation. By force of these provisions the defendants Albert Sowles and Burton, by their participation in and assent to this loan, became liable to the bank, as now

represented by the orator, for all damages in consequence of it. The loan was made to Edward A. Sowles. He procured it in his own behalf and became liable as debtor for it. He would not appear to be liable as participating in or assenting to it on behalf of the bank. (*U. S. vs. Britton*, 108 U. S. 193.)

On the question of the liability for dividends, the Court holds: This bill is not brought to charge the defendants for money received by them as stockholders from dividends, but for losses to the bank itself for unlawfully or wrongfully declaring dividends. By Section 5,204, dividends to a greater amount than net profits, after deducting losses and bad debts, are prohibited; and debts on which interest is past due and unpaid for six months, unless well secured and in process of collection, are defined to be bad debts. The assets of this bank did not so consist of bad debts, with this definition, at the time when they were made, as to make the dividends improper. There were debts which were in fact bad in result to an extent so great as to wipe out profits from which dividends could be made when the latter ones were declared. The defendant Burton is not shown to have participated in making the dividends. Those who did, misjudged as to the value of the assets. The evidence does not warrant the conclusion that they took this method of dividing the assets of the bank among themselves when they knew that dividends could not properly be made. It is not considered therefore that the defendants are liable for the amount of the dividends because they were unlawfully or wrongfully declared. Whether those who received the dividends are chargeable for the amount received, on the ground that the money from which they were paid was needed to pay the liabilities of the bank, is a question not presented in this case. (*Spring's Appeal*, before cited; *Thom. Liab. Off.*, 351; *U. S. vs. Britton*, 108 U. S. 199.)

It is strongly urged that the defendants are liable at common law for inattention to duty as directors, although not liable under the express provisions of the statutes mentioned. This ground of liability is not applicable to the Marshall debt, for the circumstances of the increase of that debt are such that those who participated in it are not found to be liable. *A fortiori* those who did not participate are not liable for that. If there is any liability in this behalf it must arise upon the manner of the loans to Albert Sowles and those for whom he became liable, and for some smaller loans to Edward A. Sowles, and to some others for which he became liable. There were some of these latter for which the defendant Burton became liable as surety or indorser, and from which he has become discharged in the course of the receivership. He was and always has since been amply good for these liabilities, and none of the Directors incurred any liability for negligence in trusting to his solvency. This question is narrowed down to whether the defendants Burton and Edward A. Sowles and Hall are liable for the loans on which Albert Sowles is liable and which were made to him, because they did not prevent these loans.

The question as to the liability of Directors of National banks for mere inattention was much considered in *Morris vs. Lee* (*RHODES' JOURNAL OF BANKING*, July, 1887, p. 702.) in the Northern District of New York, lately decided. It was there held that Directors were not liable for the acts of their associates in which they had no part, and of which they had no knowledge, and towards which they did not connive in any manner. Upon these principles these defendants are not liable on account of the loans to Albert Sowles, or of those for which he became liable, because they did not participate in them, nor assent to or connive at making them, so far as has been made to appear.

There remains the liability of the defendants Albert Sowles and Burton for the loans to Edward A. Sowles. If there were liabilities of these defendants alone, or with other defendants for other loans, or for dividends, it would be somewhat anomalous to include them in a decree with this liability, which is entirely distinct, although of the same nature. It is not necessary to consider whether the liability of the Directors, under such circumstances, is for the whole debt or only for the excess; for this loan which was \$36,000 in the first place was reduced to \$26,000, the exact amount of the excess, December 5, 1882. It then stood in the form of drafts of Edward A. Sowles—one of \$5,000 on

H. B. Weeks, due January 8th; one of \$5,000 on B. C. Hall, due January 11th; one of \$5,000 on H. B. Weeks, due February 8th; one of \$5,000 on B. C. Hall, due February 11th; and one of \$6,000 on H. E. Lewis, due January 15, 1888. These appear to have remained of the identical loan for which the money was passed over to him, with the full knowledge and assent of Albert Sowles and Burton, and of the other two Directors now deceased. This debt, was not, according to the evidence, further reduced, but was wholly lost. The damages resulting to the bank in consequence of this loan are equal to the amount of the sums due on these drafts, with interest from the times they respectively fell due. This interest to April 6th amounts to \$6,559.33, and the whole amount of the loss or damage resulting from this loan is \$82,559.33. This money was borrowed by Edward A. Sowles to pay for stock of the bank for the purpose of securing harmony among the officers and stockholders, and it is said in evidence that the transaction was reported to the Comptroller of the Currency and received his approval. Whether his approval extended beyond the organization of the Board of Directors who had lately been constituted does not appear. If it did, he could not, and probably did not attempt to, vary any liability imposed by express statutes. It is suggested also that the conduct of the Receiver who preceded the plaintiff has contributed to increase the loss from the poor assets. Such, however, does not appear to be the fact, and if it did it would not affect the liability of any of the defendants on account of this unlawful loan, unless some part of the loss resulting from the loan was due to it. When the Directors let this sum of \$86,000 of the money of the bank go into the hands of Edward A. Sowles as money borrowed by him of the bank, they placed it outside of where the law authorized them to place it, and became liable, then and there, for the excess above the legal limit at least, and chargeable for it, if in consequence, it should be lost. What occurred afterwards had no effect upon the liability, except as it may have varied the amount of the loss. The result is that the defendants Albert Sowles and Burton are chargeable for the amount of this loss. There is no occasion for an account of it as the amount distinctly appears. The defendants Edward A. Sowles and Hall are not upon these considerations chargeable for any of the losses in this suit; but they are so connected with these matters that they do not appear to be entitled to costs.

Witters, Recr. vs. Sowles and others, Circuit Court, D. Vermont, April 6, 1887.

INDORSEMENT OF NOTE FOR ACCOMMODATION OF MAKER BY PAYEE IN CONNECTICUT—NEGOTIATION BY MAKER IN GEORGIA—WHICH LAW GOVERNS THE CONTRACT OF THE INDORSER?

G a resident of Savannah, Georgia, made a promissory note payable to the order of the defendant, who was a resident of Connecticut, and mailed it to the latter in Connecticut, who there indorsed it for the accommodation of G and returned it by mail to him at Savannah. G thereupon transferred the same for value to the Citizens' Loan Company of Savannah, who for value transferred the same to the plaintiff. Payment of the note having been demanded at maturity and the same remaining unpaid, plaintiff brought suit against defendant in the United States Circuit Court for the District of Connecticut to recover its amount. The complaint alleged substantially the foregoing facts and defendant demurred thereto on the ground that there was no allegation that he had received notice of dishonor. Two questions arose upon the demurrer.

1st. Did the law of Georgia at the time of the indorsement of the note in suit, require notice to the indorser of the demand of payment and of the non payment of the note at maturity, and that the holders looked to the indorser for payment?

2nd. If the law of Georgia did not require such notice, is the contract of indorsement to be governed, under the facts stated in the complaint, by the law of Connecticut which requires such notice to the indorser, or by the law of Georgia?

On the first proposition, the Court after reviewing the provisions of the various statutes of Georgia on the subject holds: Without undertaking to decide what effect the provisions of the law of 1876 in regard to protest had

upon previous legislation upon that subject, it seems to be clear that notice of the non payment of a promissory note need not be given to the indorser unless the note is made for the purpose of negotiation, or is intended to be negotiated, at a chartered bank. This state of the law of Georgia is expressed, with considerable blindness, in the Code of 1882, which however it is said has never been enacted by the Legislature of the State.

The remaining question as to whether the indorsement of the defendant was to be governed by the law of Georgia or of Connecticut is then considered by the Court, as follows: The note was accommodation paper made to the order of the defendant, sent to him by mail, indorsed by him in Connecticut, and returned by mail to the maker in Georgia and by him delivered to the company which discounted it. It is agreed that an indorsement constitutes a new contract which is to be governed by the law of the place where it is made, though the note was made or is to be payable elsewhere. The question in this case is confined to the case of accommodation paper having been indorsed for the purpose of its being discounted, and the paper so indorsed having been delivered to the maker in another State for the purpose of negotiation, and negotiated by him in that State. The question is: In which State was the indorsement made—the State where the name was written, or the State where the note was negotiated?

The theory of the law on the subject of the place of the indorsement of accommodation paper is given in *Tilden vs. Blair*, 21 Wall. 241; *Lawrence vs. Bassett*, 5 Allen, 140; *Cook vs. Litchfield*, 9 N. Y. 279; *Young vs. Harris*, 14 B. Mon. 477; and in *Mott vs. Wright*, 4 Bliss. 58, and is to the effect that the accommodation indorsement does not become operative until the paper is negotiated. So long as the note remained in the hands of G (the maker), or of the defendant, the liability of the indorser did not arise, but commenced when the note was negotiated to a *bona fide* holder. The note was sent to Georgia for the purpose of negotiation and the maker to whom it was sent was thus constituted the agent of defendant "to initiate a liability not only of himself but also of the defendant." (*Tilden vs. Blair, supra.*) The place where the liability on the indorsement commenced is the place where the indorsement was made. This statement of the law is given in various modes of expression in the decisions which have been rendered. The turning point is the fact that accommodation paper only becomes a valid promise to pay money and binding upon the indorser when it is delivered to the person who gives a valuable consideration for it, and that consequently the place where the indorsement becomes effective is the place where, legally speaking, it was made. The Court in *Tilden vs. Blair* regards the person to whom the paper is sent for negotiation as by that act the agent of the indorser to give the note life and create the liability. The law is thus stated in 1 Dan'l Neg. Instr. Sec. 868: "Where a note is indorsed for accommodation in one State and delivered in another, the indorsement is governed by the law of the latter; for the accommodation indorser makes that party to whom he lets his signature his agent for putting the instrument into circulation, and his own contract with those to whom it is negotiated must consequently be judged on the principles of agency, which refer it to the place where the circulation commences."

Demurrer overruled.

Stubbs vs. Colt, United States Circuit Court, D. Connecticut, March 26, 1887.

TAXATION OF MICHIGAN SAVINGS BANKS—DOUBLE TAXATION—INJUNCTION.

The city of Adrian in 1885 taxed all the shareholders in the complainant's Savings bank upon their shares, and in addition thereto, undertook to tax the complainant as a corporation, for its bank fixtures valued at \$1,000 and for \$30,000, as an alleged surplus of property beyond its nominal capital stock of \$60,000. Complainant claimed it was not taxable except for real estate, and it filed a bill to restrain the city from enforcing the tax on its property which defendant was proceeding to do by seizure of the bank furniture and fixtures.

Held, Under the law of 1885 this controversy could hardly have arisen as its terms are very explicit and sustain complainant's claim; which however seems equally well based under the tax law of 1882, which is in furtherance of

the settled policy of the State. (The provisions of the tax law of 1882 are here reviewed, and the Court holds:) This statute is very full and shows with great precision how corporate property is treated. It indicates that the shares include in their value all of the property of the bank and then treats the real estate as so included, and requires it to be deducted for a separate taxation. If the shares were regarded as only covering the nominal capital paid in, it might easily happen that this capital might remain intact, and a surplus only be invested in real estate, in which case the result would be to deduct from what ought to be taxed so much as the value of the land would amount to, and if the land is worth as much as the nominal capital, that would on this theory escape taxation entirely. This would lead to absurd results.

The statute says expressly, there shall be no taxation whatever of shareholders where the corporation property is assessed to itself, and the meaning of this is obvious. A corporation is always, so far as its property is concerned, a mere trustee for its stockholders whose interests are in its corporate charge. It can make no great difference to the State whether the *cestuis que trust* pay their taxes directly in person or have them paid by their trustee out of the trust funds. But the conditions imposed by Congress on the taxation of property in National banks made it desirable for the State to make bank taxation as nearly uniform as possible; and our tax law has provided that except as to real estate, all such taxation shall be against the shareholders who are the equitable and beneficial owners of all the assets, although in law the corporation is a distinct person. Under this statute the value of the shares must necessarily depend upon the financial condition of the bank. Presumptively an earned surplus will add proportionately to the value of the stock. There may be circumstances which will make the market value larger or smaller than this proportion, depending very much on the standing of the bank and its management, as well as on the condition of the money market. But in the eye of this statute every share represents an aliquot portion of all the bank assets, and all the shares represent all the assets. This is the plain meaning of the statute and it is better adapted than any other system to avoid the risk and mischief of double taxation. Whether it is legally possible to levy double taxation under any circumstances, as it is claimed some authorities justify, there is no doubt they ought not to be levied and we have no doubt this statute has prevented banks and other shareholders from being subjected to them.

Further Held, As the bank was not liable to taxation at all on its personal property and the levy was made in such a way as to directly interfere with its business, the case comes within the analogies of the cases represented by *Osborn vs. Bank of the United States*, 9 Wheat. 738, and a Court of Equity has jurisdiction to interfere by injunction to restrain the enforcement of the tax.

Lenawee County Savings Bank vs. City of Adrian and another, Receiver of Taxes, Supreme Court of Michigan, June 9, 1887.

STATE TAXATION OF NATIONAL BANKS—RIGHT TO REMOVE CASE OF ALLEGED EXCESSIVE TAXATION FROM STATE TO FEDERAL COURT.

Plaintiff, the President of the First National Bank of Rock Rapids, Iowa, appeared before the Board for the Equalization of Assessment for taxation of the property situated within the incorporated town of Rock Rapids, and made complaint on behalf of the stockholders of the bank that the assessment of the capital stock was in excess of the amount assessed upon other moneyed capital of individuals in said town, and to that extent was illegal. The Board refusing to equalize the assessment, plaintiff appealed to the Circuit Court of Lyon County in pursuance of a State statute providing that the ruling of the Board of Equalization was subject to review by appeal to such Circuit Court within sixty days after the adjournment of the Board. Plaintiff then filed a petition in that Court demanding the removal of the cause to the Circuit Court of the United States, alleging that the amount in controversy exceeded the sum of \$500 exclusive of costs, and that the questions arising in the proceeding were to be determined under the Constitution and laws of the United States and thus involved a Federal question which it was his right to have determined by the Federal Courts. Plaintiff tendered with his petition for removal a bond

as required by law, and this bond was approved by the Court. The Court refused to order the removal of the cause, but entered an order affirming the acts of the Board of Equalization. Plaintiff then appealed to the Supreme Court of the State.

Held, It is not denied that the question involved in the case requires the application of the rule of taxation prescribed by Section 5,219 of the Revised Statutes of the United States. The controversy therefore involved a Federal question. The fact that the laws of the State prescribe the same general rule does not defeat the jurisdiction of the Federal Courts. If the contrary position were correct, a State might by re-enacting any Federal statute take away the jurisdiction of the Federal Courts. The case is clearly removable under the Act of Congress approved March 3, 1875. The parties were before the Court, a controversy existed between them in a proceeding involving a question under a Federal statute, and the order of removal should have been made.

Richards vs. Incorporated Town of Rook Rapids, Supreme Court of Iowa, June 18, 1887.

ALTERATION OF INSTRUMENTS—UNAUTHORIZED FILLING UP BLANKS IN PROMISSORY NOTE WITH INTEREST IN EXCESS OF LEGAL RATE IS A MATERIAL ALTERATION AND AVOIDS THE NOTE.

A note was made and delivered to the payee before maturity in the following form :

\$744.12.

BRECKENRIDGE, Col., February 17, 1881.

Eleven days after date we promise to pay to the order of W. W. Goodrich, seven hundred and forty-four and 12-100 dollars with interest at.....per cent. per..... from until paid.

E. J. COLLINGWOOD,
GEO. H. BRESSLER,
R. B. STAPP,
W. J. SWIFT.

Goodrich, the payee, indorsed the note to the Bank of Breckenridge and the note was then filled up by the bank without the knowledge or consent of the makers, so as to read "With interest at two per cent. per month from date until paid." The bank transferred the note to the plaintiff who brought suit thereon against the makers.

Held, Such a note, with such blanks, does not thereby carry authority to the purchaser thereof to fill the blanks in the manner shown, whereby the rate of interest was changed from the legal rate, viz. ten per cent. per annum, to twenty-four per cent. per annum, and the note is vitiated and avoided by such change in its terms by the purchaser without the knowledge or consent of the makers, for thereby it ceases to be the promise they made, and the effect is the extinguishment of the promise.

Judgment for defendants.

Hoopes vs. Collingwood, Supreme Court of Colorado, May 18, 1887.

BILL OF EXCHANGE—LIABILITY OF ACCEPTOR—PAYEE WHO DISCOUNTS BILL AFTER ACCEPTANCE BUT BEFORE MATURITY CAN ENFORCE SAME FREE FROM EQUITIES OF ACCEPTOR AGAINST DRAWER.

The action was founded upon a bill of exchange and was by the payee against the acceptors. The pleas were : not indebted, set-off and recoupment. The pleas of set-off and recoupment went upon the theory that the bill was the property of the drawers, and that the payee was their agent, seeking to collect for their benefit, or at all events, that the payee was affected by the equities subsisting between the drawers and the acceptors in regard to the consideration for the acceptance. That consideration was the final installment of the price of certain machinery which the drawers had sold and shipped to the acceptors prior to the date of the acceptance and which, save as to the amount of the bill, had been paid for. The pleas taken together alleged a breach of contract as to this machinery in two particulars. First, it was imperfect and incomplete and not suitable to the purpose for which it was sold and warranted; secondly,

it was delivered two months later than the time stipulated in the contract. From the former of these causes the acceptors incurred certain specified expenses which would have been saved to them if the contract had been complied with. These expenses amounting to something more than half the face of the bill were pleaded as a set-off. The delay to deliver resulted in deferring the completion of a certain steamboat on which the machinery was to be used and in preventing the defendants, and the steamboat company in which they were interested, from engaging in business for a period of eight months to their damage nearly twice the face of the bill. This damage they offered and prayed to recoup. It appeared from the evidence that the bill was drawn at Jeffersonville, Indiana, and sent by the payee, a bank there situated, to Columbus, Georgia, for acceptance, and after acceptance was returned to the bank and by it discounted, the drawers indorsing it in blank and receiving credit in their account with the bank for the amount of the bill, less the discount. The acceptance matured thirty days after October 14th and was discounted on the 16th of October.

Held, The effect of accepting a bill is to acknowledge that the drawer has funds in the hands of the acceptor applicable to its payment, and the payee is entitled to repose with absolute trust and confidence upon that admission, and is under no duty to inquire further. If the admission proves injurious he who made it must take the consequences. What has the payee to do, after parting with his money on the faith of the acceptance, with the state of the accounts between the drawer and acceptor? Nothing whatever. The acceptor is the party primarily liable and his dealings about consideration for the acceptance are with the drawer. The payee's dealings are with the drawer. If the payee gives value to the drawer and acquires the bill in due course of trade before maturity, he is entitled to all the protection which commercial law can afford to the most favored class of creditors.

Flournoy vs. The First National Bank of Jeffersonville, Indiana, Supreme Court of Georgia, February, 1887.

ABSTRACT OF CASES.

TAXATION OF NATIONAL BANK STOCK—DEDUCTION OF INDEBTEDNESS.

Plaintiff returned for taxation his shares of National bank stock less the amount of his interest bearing indebtedness. The selectmen refused to deduct the indebtedness and assessed taxes upon the full amount of the bank stock. Plaintiff appealed.

Held: "Money on hand, or at interest, more than the owner pays for," being a statutory limit of the taxation of such moneyed capital, and shares of National Banks not being taxable "at a greater rate than is assessed upon other moneyed capital" the plaintiff's return was correct. (Citing Gen. Laws, c. 53 Sec. 6; Rev. St. U. S. Sec. 5,219; Evansville Bank vs. Britton, 105 U. S. 322; Pelton vs. National Bank, 101 U. S., 143; Western vs. Manchester 62 N. H.) Tax abated.

Peavey vs. Town of Greenfield, Supreme Court of New Hampshire, March 11, 1887.

NEGOTIABLE PAPER—FRAUD OF PARTNER—LIABILITY OF PARTNERSHIP.

Whenever a partnership adopts and is engaged in a course of business in which the use of its commercial paper is appropriate and reasonably to be expected, or does in fact make use of it with common knowledge of the members of the firm, whenever the convenience or necessities of the firm may require, then the firm is liable upon commercial paper made in its name by one of its members to one who takes it *bona fide* in the usual course of business before maturity and for a valuable consideration notwithstanding the fraud of the partner making the paper, or misappropriation by him to other uses than those of the firm. The court holds that such liability is not restricted to the case of a trading partnership, if by that term is intended one engaged in the business of buying and selling, though it would, as a rule, include such, but extends to all cases where the nature of the business fairly and reasonably implies such

use as an appropriate incident thereto, or where the actual course of business pursued adopts the practice of issuing the mercantile paper of the firm to accommodate its necessities or convenience whenever the occasions occur, and such occasions do in fact occur and are thus provided for. (Citing *Kimbro vs. Bullitt*, 22 How., 256; *Irwin vs. Williard*, 110 U. S. 499, 505; *Johnston vs. Dutton*, 27 Ala. 245; *McGregor vs. Cleveland*, 5 Wend. 475.)

National Exchange Bank vs. White, Circuit Court W. D. Michigan, 1887.

PROMISSORY NOTE—ATTACHMENT OF MAKER'S PROPERTY—INDORSER DISCHARGED BY RELEASE OF ATTACHMENT WITHOUT HIS CONSENT.

L. made a promissory Note in favor of T. who indorsed it to the Augusta Savings Bank. The note being dishonored, notice of protest was duly given to the indorser, T. L. the maker, was sued and certain of his property was attached. Part of the property so attached was subsequently released by the bank to a party who claimed to have a bill of sale thereof and this was done without the consent of either the principal or the indorser.

Held: The bank had no right to release the attachment without the knowledge or consent of the indorser, and in undertaking to do so the bank took upon itself the risk of making the money out of the property, and must account for its value, and to that extent it should be considered as a payment of the judgment, and *pro tanto* a discharge of the indorser.

Twiggs vs. Augusta Savings Bank, Supreme Court of South Carolina, April 20, 1887.

LOAN BY NATIONAL BANK ON NOTES AND MORTGAGE—ORAL AGREEMENTS AND REPRESENTATIONS OF CASHIER VARYING CONTRACT NOT ADMISSIBLE TO BIND BANK—LOAN IN EXCESS OF STATUTORY LIMIT.

Action by a national bank to foreclose a mortgage.

The Circuit Court sustained a motion to strike out part of defendant's answer. The parts so stricken out contained allegations to the following effect:

(1) The cashier of the plaintiff represented to the defendants when the mortgage was executed that he only wanted it to show to the bank examiner, and for no other purpose.

(2) At the same time the cashier agreed that the principal defendant "might renew the note from time to time until he could make the money out of his stock then on his farm."

(3) He also agreed that the plaintiff would not foreclose the mortgage.

(4) The notes and mortgage were given for a loan of \$10,000 which exceeded the restriction of the statute of the United States upon the amount of loans which may be made by national banks. Defendants appealed.

Held: The first, second and third defenses above stated involve matters contradictory of the contracts and terms of the notes and mortgage and are based upon oral agreements which are not admissible to contradict or vary the written contract as expressed in the notes and mortgage. Besides this, these agreements were not based upon a consideration, and if in writing could not for that reason be enforced.

The fourth defense stated above cannot be urged to defeat securities given for a loan made by a national bank. (Citing *Gold Min. Co. vs. National Bank*, 96 U. S. 640.)

Mills Co. National Bank vs. Perry and o'rs, Supreme Court of Iowa, June 15, 1887.

ORDERS ON VILLAGE TREASURER—NOT NEGOTIABLE INSTRUMENTS.

Certain orders were drawn by the recorder of a village upon the treasurer in payment of certain work done and material furnished under a contract for paving one of the streets of the village, and by the order of the Common Council. These orders were regularly indorsed by the payee and were purchased by a third party in good faith for a valuable consideration, and without notice.

Held: That such orders or warrants were not negotiable instruments and while in the hands of such third party were subject to all the equities existing

between the payee and the village, or between the payee and any other person, without reference to the good faith of the holder in his purchase.

Miner vs. Vedder, Supreme Court of Michigan, May 5, 1887.

FORGERY OF MEMORANDUM OF INDEBTEDNESS ISSUED BY MERCANTILE FIRM—UNLAWFUL ISSUE NO DEFENSE.

The defendant was indicted for forging a written instrument in these words: "Due 8.50c J. D." Defendant demurred to the indictment on the ground that the instrument set out therein and alleged to have been forged was too vague and indefinite to predicate forgery thereon; and that the instrument was illegal, vague and indefinite, and hence not the subject of a legal liability, and therefore not of forgery.

The instrument as originally drawn was as follows: "Due 50c J. D." meaning that the sum of fifty cents was due to the bearer, as change, from the mercantile firm of Mayer Brothers at the store of the firm as certified to by Mr. John Daffin, a clerk in their employment who had authority to make such certificate in the regular course of business at said store.

Held: Such instrument, coupled with sufficient explanatory averments of fact, may be the subject of forgery.

Further Held: An instrument which shows on its face that it was "issued with the intent to circulate as money" though its issue is prohibited under heavy penalties, civil and criminal, (Code 1876, Sec. 1424, 4433) is not void, but may be the subject of forgery.

Nelson vs. State, Supreme Court of Alabama, June 14, 1887.

DEPOSIT BY PARTY AS GUARDIAN—DEATH OF DEPOSITOR—EXECUTOR CANNOT WITHDRAW FUNDS BY CHECK.

G deposited in the Peoples National Bank \$4,861.65 to his credit as guardian. This deposit was in fact made by G as guardian for E and others. G died leaving a will of which plaintiff was the duly qualified executor.

Plaintiff duly notified the bank of his qualification as executor of G, and demanded payment of the money deposited to the credit of G as guardian. The bank declined to pay on the ground that the money could only be drawn by the official successor of G, guardian, and that the check of the plaintiff, as executor, would not be a sufficient discharge of the bank.

Held: (Simpson C. J. dissenting,) that the executor of G had no right to draw out upon his check as executor the deposit standing in the name of G, guardian. That such money, set apart from his own by the testator, and designated specifically as the money of his wards, constituted no part of the assets of the testator's estate and cannot lawfully be paid to his executor.

Gary, Ex'r, vs. Peoples National Bank, Supreme Court of South Carolina, April 21, 1887.

LIABILITY OF BANK FOR SAFE KEEPING OF COLLATERALS AND OF SPECIAL DEPOSITS.

If bonds are held as collateral security by a bank at the time they are stolen, the bank is obliged as bailee for reward to exercise that degree of care in their safe-keeping which a reasonably prudent and cautious man would exercise in the care of his own property of the same kind. If however, the custody of the bank at the time the bonds were stolen is only that of gratuitous bailee for safe-keeping, it is not liable for the loss unless it resulted from its gross carelessness.

Prather vs. Kean, Circuit Court, N. D. Illinois, 1887.

NOTICE TO INDORSEER—SUFFICIENCY OF DIRECTION IN CASE OF FAILED PARTNERSHIP.

F. S. and B. S., copartners, carried on business at No. 268 Purchase Street, Boston, and were indorsers on certain promissory notes. Before the notes matured they made an assignment for the benefit of their creditors, and the assignee took possession of the business, and continued it for some little time

until it could be wound up. On the non payment of the notes at maturity, notices of dishonor were mailed to such copartners at No. 268 Purchase street where they had formerly carried on business.

Held: that the mailing of the notices to such address was sufficient and the indorsers were held.

Importers and Traders National Bank vs. Shaw, Supreme Judicial Court of Massachusetts, Suffolk, May 9. 1887.

CHECK—PRESUMPTION OF COMPLETENESS BEFORE DELIVERY—FORGERY OF INDORSEMENT—RECOVERY.

A check (the drawer's signature being genuine) in the hands of one not the drawer, is presumed to have been complete when signed, and to have been then delivered to the payee.

If a check payable to a payee named, or order, (it having been delivered to the payee,) comes into the hands of one not entitled to it, who forges the payee's indorsement and passes the check to another person, who receives the money on it, such other person is not liable for such money to the drawer, but may be liable to the payee.

Hensel vs. Chicago, St. P. & M. & O. R. Co., Supreme Court of Minnesota, June 13, 1887.

LAW NOTES AND COMMENTS.

LIABILITY OF NATIONAL BANK DIRECTORS.—Another decision by Judge Wheeler, of the United States Circuit Court, will be found reported in this number, bearing on the liability of National bank Directors where losses have been incurred resulting in the failure of the bank. In the July number we published an extended abstract of his decision upon the liability of the Directors in the case of the First National Bank of Buffalo, wherein the conclusion was reached that Directors were not liable for the acts of their associates in which they had no part, of which they had no knowledge, and towards which they did not connive in any manner. In the present case the Directors of the failed First National Bank of St. Albans, Vermont, were sought to be held liable for bad loans and discounts, and with the amounts of certain dividends paid to the stockholders which the bank was not in a condition to pay. Section 5,204 of the Revised Statutes prohibits dividends to a greater amount than net profits, after deducting losses and bad debts; but the Court holds that the assets did not so consist of bad debts at the time when the dividends were made as to make them improper; that the evidence did not warrant the conclusion that the Directors declared such dividends when they knew they could not properly be made, and therefore they were not liable for the amount of such dividends as being unlawfully or wrongfully declared. In the matter of the bad loans and discounts the Court, after reviewing the various transactions, fails to find any ground of liability except in the single instance of a loan of \$36,000 to one of the Directors, which being in excess of one-tenth of the capital stock was a violation of Section 5,200, and all the Directors who assented to this loan are held liable for the loss thereon. The proof showed other loans made in violation of this provision, but in all these instances the Directors are exonerated from liability, as none of them were "shown to have knowingly participated in or assented" thereto.

If this decision and the one reported in the July number be good law, a Director would escape liability even though he absented himself entirely from the bank, took no interest in its business, and acquired no knowledge of the transactions in which it engaged, and the bank was totally wrecked by bad management which his presence and supervision might have averted.

CONSTRUCTION OF SECTION 5,198 REVISED STATUTES AS TO PENALTY FOR USURY.—Section 5,198 of the Revised Statutes of the United States, providing the penalty for taking usury by National banks, has been frequently before the Courts of late upon the question of the party entitled to recover from the bank double the amount of interest paid in violation of law as therein pro-

vided. The section is as follows: "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 the 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 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 takes place."

In the case of *Barret vs. Shelbyville National Bank*, in the Supreme Court of Tennessee (*RHODES' JOURNAL OF BANKING*, June, 1887, pp. 597, 598,) the question was as to the right of the judgment creditor of an insolvent debtor to subject the forfeiture provided by the above section. The Court held that by the terms of the section the relief granted was confined to the debtor or his *legal representatives* and it did not therefore extend to the creditor of the debtor, as he was in no sense the debtor's legal representative. The Court say that the question of the right of a creditor to sue has not been before the Supreme Court of the United States.

In *National Bank vs. Trimble*, 40 Ohio, 639, it was held that "if the payer of such interest before action brought was adjudged a bankrupt, his assignee in bankruptcy became his *legal representative* and as such was entitled to bring the action."

Following this decision the Supreme Court of Ohio in *Barber vs. National Exchange Bank* (decided April 25, 1887,) holds that the principle of that case reaches the case of an action by a Receiver, who would be entitled to the relief provided by the section above given.

While, according to the Supreme Court of Tennessee, the judgment creditor of the debtor cannot sue the bank, the Receiver or assignee in bankruptcy, under the decision of the Supreme Court of Ohio, may maintain such an action.

LIABILITY FOR LOSS ON RAISED CHECKS.—A case is reported in this number where a check for \$8.40 was so carelessly drawn that the holder was enabled to raise it to \$80.40 without leaving any trace of the alteration discernible by a man of ordinary prudence, and in its changed condition it was purchased before maturity by an innocent third party. In a suit by him against the receiver of the drawer (an insolvent railroad company,) the Court relieves the estate from liability on the ground that the alteration was not authorized, or consented to, by the drawer and was not made by any person standing in a confidential relation to it. Other cases, some of which are cited in the decision referred to (generally the cases of promissory notes) go to the same length and hold the makers of a note or bill freed from liability to *bona fide* holders where the paper has been materially altered, even though the fraud is the result of the makers own negligence in the careless execution of the instrument.

We think this is carrying the rule too far. While it may be conceded that a note or bill, which has been altered in a material respect without consent of the maker, such as by increasing the amount, is not the contract of the maker, and that he should not be bound by it, still this rule should have a limit and not be extended to those cases where the loss is the result of the maker's own negligence. If a man is reasonably careful in drawing a note or bill, and then it is raised without his consent and a third party purchases it for value, it is not then the fault of the maker and he would be rightfully discharged from liability. But surely the case is different where he has drawn the instrument so imperfectly that a dishonest person is enabled to take advantage of his negligence and increase the amount in such a way that it cannot be discerned. Suppose in the case of the check above stated the forger had presented it to the bank for payment, instead of to a third party for discount, and the bank, knowing the signature of the drawer to be genuine and seeing nothing suspicious about the instrument, had paid the check. A banker would strenuously resist being charged with the loss by reason of such payment, yet the rule in the one case should hold good in the other, for there

is no more equity in the case of a banker who cashes a check raised under such circumstances than in the case of a *bona fide* purchaser before maturity. The rule laid down in the present case, ignoring the maker's negligence, and shifting the loss from the party whose fault has caused it, to the party who is entirely free from blame, will not meet with general approval.

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 on another page.

Editor Rhodes' Journal of Banking:

MILWAUKEE, August 18, 1887.

SIR:—Kindly state the interest on a note for \$100,000, dated January 2, 1886, payable 363 days after date (without grace) six per cent. The Revised Statutes of Wisconsin, Sec. 43 of Ch. 94, provide that in the computation of time 30 days shall be a month and 12 months a year. On a note for \$100,000 @ 6%, dated March 26th, and payable April 30th (no grace), a banker construes that the law allows him 35 days, *i. e.*, March 26th to March 31st, 5 days, April 30th—total 35 days, and claims \$500 on 30 days and calls 5 days 1-6 month, \$83.33; total \$583.33. According to this interpretation, taking 30 days to the month, the January 2d note would give him 12 months and 3 days, or 363-360 = \$3,050. If I would offer him \$5,987.12, the interest on 363-365 of a year, that would not content him, but he would insist on the interest for 363 days, which, although it lacks 2 days of a full year, would give him *\$50 more than for a full year*—(\$100,000 1 year, 6% = \$6,000). If that is the proper construction of the law, where is the justice? Will the law allow the construction to any individual, or is it the banker's privilege only?

G. W. MARLING.

Answer.—This question brings out the peculiarity of the Wisconsin interest law. By Section 43, of Chapter 94, of the Revised Statutes of Wisconsin, as stated on page 708 of the July number of the JOURNAL, it is provided that "in the computation of time thirty days shall be a month and twelve months a year." We see no other conclusion to come to than the one our correspondent says the banker has arrived at, than that on a note running 363 days he is in Wisconsin entitled to twelve months and three days' interest, or a year and three days' interest. That the law of Wisconsin conflicts with the calendar is not the banker's fault. For a calendar year this law gives interest for twelve and one-sixth months, or for leap year twelve and one-fifth months. The interest on the note given, at six per cent. would be for twelve months of thirty days constituting an interest year \$6,000, for one-tenth of a month \$50, in all \$6,050.

Editor Rhodes' Journal of Banking:

In California a note outlaws four years from maturity. When will a note outlaw which is drawn one year from date, with the privilege of two? Does it outlaw four years from the expiration of the first or second year? FRED M. WEST, Cashier.

Answer.—The privilege being given in the note does not necessarily imply that it was taken. It would seem that if the privilege of extension for the second year was not claimed of the holder of the note by the maker at the end of the first year, either verbally or in writing, then the note matured at the end of the first year, and the statute of limitations would run from that date. This would seem to be a question of fact.

Editor Rhodes' Journal of Banking:

GRAND ISLAND, Neb., August, 21, 1887.

SIR:—In a town where there is no Clearing-House, the Messenger of one bank presented checks on another bank for payment and received from the other bank checks on his own bank in part payment of the amount due on the checks he presented. In the absence of an agreement to the contrary, is the receipt of such checks by the Messenger absolute payment of the checks so received, and are the endorsers thereon discharged from their liability as endorsers except as to the guaranty of the genuineness of prior endorsements? Or, is the bank sending out the Messenger entitled to reim-

bursement from the other bank, if after the Messenger's return and on examination of the bank books, it should be ascertained that the drawers of the checks brought in by the Messenger had no funds or that there was any irregularity about the drawing or indorsing of the checks. T.

Answer.—If the bank receiving the checks drawn on itself brought by its Messenger, which the latter received in exchange of checks presented to another bank for payment, finds that the drawers have no funds, or that the checks could not ordinarily be paid by it because of some irregularity about the drawing or endorsement of such checks, the mere taking of them by the Messenger of the bank does not constitute payment of them. The endorsers are not released. The bank on which they were drawn is entitled to reimbursement on them.

Editor Rhodes' Journal of Banking:

MIDLAND CITY, Mich., August 16, 1887.

We have a check presented to us for collection on an out of town bank which bears date August 30th. The bank upon whom drawn declines to pay. Can payment be legally deferred under such circumstances.

W. D. MARSH, Cashier.

Answer.—A past dated check, payable to order or bearer, is legally due when the date is reached, if that is not a holiday, when rule as to holidays governs. (See "Daniels on Negotiable Instruments," Vol. 2, Sec. 1,578.)

Editor Rhodes' Journal of Banking:

DENISON, Texas, July 26, 1887.

Can a resident of Massachusetts or Missouri, owning and holding shares of stock in a National bank in Texas, pay city, county, and State taxes to the State of which he is a resident, and not to city and county where the bank may be located?

"COMMERCIAL LAW."

Answer.—Section 5,219 of the Revised Statutes of the United States distinctly provides "that the shares of any National banking association owned by non-residents of any State shall be taxed in the city or town where the bank is located, and not elsewhere."

Editor Rhodes' Journal of Banking:

YANKTON, Dak., August 20, 1887.

H. & B. drew a check on the C. Bank payable to the order of M. This check was lost, the C. Bank was notified of the loss, and a duplicate check was then issued to M. and paid by the C. Bank.

At a later date, the original check unendorsed by the payee, but bearing several other endorsements, was presented for payment by another bank, and was paid by the C. Bank, that bank overlooking the fact that it had paid the original, and neither bank noticing that the payee's endorsement was lacking.

Several days after paying it, the C. Bank discovered that the check did not bear the payee's endorsement, and demanded repayment of the bank to whom it had paid it. Is the C. Bank entitled to such repayment? And if one of the endorsers should voluntarily redeem the check, would he be entitled to collect the amount from prior endorsers?

* * *

Answer.—If the original check had been lost when properly endorsed and had been presented by an innocent holder for value the amount could have properly been credited to the drawer's account, although he had issued a duplicate check, which had been previously paid and charged to his account. The remedy of the drawer would in this case have been against the payee who endorsed and then lost the check. The original not being endorsed by the payee, and being paid by the banks through error, they have a right to correct that error within a reasonable time. If the last endorser should redeem the check, we think he can collect from prior endorsers.

Editor Rhodes' Journal of Banking:

GRAND ISLAND, Neb., August 21, 1887.

In a town where there is no Clearing-House, is it competent for banks to agree among themselves, that after making the daily exchange of checks and on or before an agreed hour, each bank may recover from the other, the amount of all checks that for any reason it may see fit to refuse? If so, what would be the legal status of

checks after the daily exchange had been made and before the agreed hour for reclamation? Would they be *paid checks*? And would their return and the reclamation of the amount that had been paid, revive them and subject all the parties thereto to the liabilities of drawers and endorsers of checks? T.

Answer.—There is nothing to prevent banks from making such an agreement, and to that extent they would become a Clearing-House Association. The checks would not be legally paid checks until after the hour for reclamation had passed. Even if reasons for recovery are not discovered until after that hour, the checks might under some circumstances be revived.

Editor Rhodes' Journal of Banking:

CHEYENNE, Wyo., August 18, 1887.

A note dated March 28, 1887, payable on or before four months after date, falls due, including three days' grace, on July 31, which was a Sunday. The maker calls at bank on Saturday and tenders payment of note, with interest for four months and two days. Is the bank entitled to interest for the full three days of grace? The maker claims that the note being payable on or before four months from date, he need not pay for the third day of grace.

J. D. FREEBORN, *Asst. Cashier.*

Answer.—If the last day of grace had not been Sunday the maker's claim would be just. The three days of grace from custom are just as much a part of the term of the note as the four months; in other words, it is as if the note read four months and three days. But assuming that in Wyoming notes falling due on Sunday are payable by law and custom on the previous Saturday, if a maker does not appear to pay such a note until Saturday he is really availing himself of the full time, and has not in any sense paid before maturity.

Editor Rhodes' Journal of Banking:

OMAHA, Neb., July 21, 1887.

SIR:—Has a stockholder of a bank, simply as such, a right to go behind the bank counter, examine the accounts of the bank, the stock transfer book, the Directors minute book, or other books of the institution? CASHIER.

Answer.—A stockholder at common law has a right to examine at any reasonable time the books and records of the corporation. The directors and officers however, being in charge may refuse him permission to do so, they may think the time unreasonable or the proposed examination vexatious. The stockholder has then as a remedy either to bring an action for damages or procure a mandamus from a competent court compelling the directors to permit him to make the examination. Before granting a mandamus the court will take into careful consideration all the facts and circumstances of the case. The condition and character of the books, the reasons for refusing the examination, the specific purpose of the stockholder and the general reasonableness of the request. If it appears to the court that the stockholder is meddling to no good purpose the writ of mandamus will not issue. It will not be granted just to gratify curiosity or to further speculation in the stock. Either the property rights of stockholder must be involved, some controversy exist, or some specific or valuable interest be in question, to settle which it becomes necessary to inspect the corporate records.

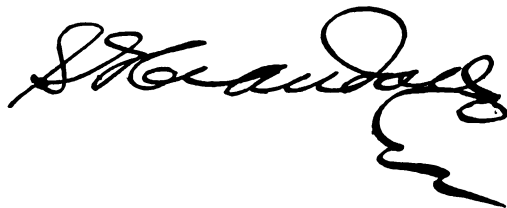
It would take a very strong case indeed to permit a stockholder to examine the directors minute book. It could not be done at all unless there was litigation. This is under the common law. It would seem that under the National Banking law inasmuch as by Section 5136, United States Revised Statutes, a National Banking Association after it has become a body corporate, has power among other things to prescribe by its Board of Directors, by-laws, regulating the conduct and management of its business, and that if these by-laws provided that a shareholder should or should not make an examination, such by-laws would control. There is nothing in the National Banking law that specifically gives a stockholder the right of examining the affairs of the bank. The directors of any banking institution with due regard to the rights and interests of all the stockholders and depositors, would be very foolish to permit any stockholder to force himself into the bank, and make a general examination unless he compelled them to do so by making a proper showing in a court of justice.

WHAT'S IN A NAME?

We have no means of knowing what symbols were used by primitive men to indicate their personal identity. The earliest historical records of Egypt and Chaldea reveal the fact that each individual had some sign or mark which stood for him. Signet rings and stamps for pressing or printing the device on clay or wax or papyrus were the earliest means of expressing and recording the consent of men to engagements and authenticating the commands and orders of rulers.

Writing was of later date. The Egyptian priests deduced a sort of script from the more ancient hieroglyphics. These priests controlled the trade and general policy of the country, and their advances in alphabetic science were largely due to the abbreviations invented by the clerks and agents they employed to watch and record the every-day transactions of the people. But the Egyptians never advanced very far. The people, it is true, improved somewhat on the hieratic or priestly script, making it still easier to write.

To the Phenicians, with their trading instincts, we are indebted for the development of the alphabet and of ordinary hand writing. They doubtless got their first hints from early contact with the Egyptians, and seizing on the demotic or popular script in use in Egypt, they still further improved upon and developed it into the form of which all modern alphabets and scripts are modifications. We do not generally reflect that we owe our literature to trade and commerce. In former numbers of the JOURNAL we have given a number of curious instances of the diversity in the manner of wielding the pen, caused evidently by differences in taste and personal temperament. The manuscript or hand writing of any individual is always as characteristic as his face. No two persons, except the two Dromios, were ever exactly alike, nor were ever the manuscripts of two persons. The signature is the most characteristic part of the handwriting of an individual, and we have given in the JOURNAL specimens which are unequaled for the ingenious distortion and confusion of the single letters which compose them. In these queer signatures we see, perhaps, some proof of the doctrine of hereditary traits. As we have seen, ordinary hand writing is a development of the hieroglyphic. There is something about these signatures which suggests their source. As children often exhibit qualities derived from long forgotten ancestors, so the modern queer signature merely "crys back" to the marks of the venerable Egyptian mummies. In the July number we imagined we had completed the list of the illegible marks made by bankers and business men, but such a number of additional ones have been received that we feel it is necessary to give a few more. A man who is ingenious enough to sign his name so it cannot be read seems always to have hosts of admiring friends anxious that his sign manual should take the jackknife from all competitors. Here is a signature which bears an appearance of legibility that is quite deceptive. A second glance makes one raise his eyebrows with an expression of incredulity. It is the signature of the Cashier of a well known National bank in Washington Territory:



The sender of the next specimen states it to be the signature "of one of the best men New England ever produced, and a man who, for a number of years, was the President of a bank in this (New York) State." The owner of the signature is not identified by the sender, and we confess that all the experience we have had reason to

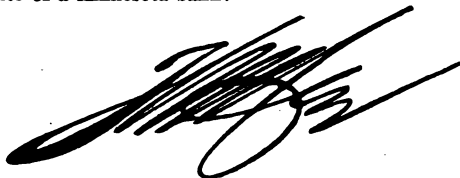
gain in cryptic lore does not enable us to decipher it. We presume some of our readers will have better luck:



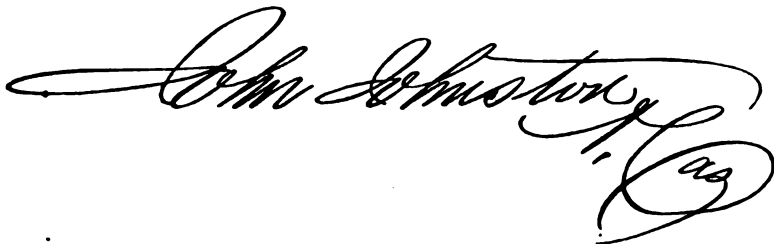
The sender of the following remarks with just pride: "I hand you herewith our Cashier's signature, which is no slouch of itself." It is that of a Cashier of a prosperous National bank in the State of Missouri, and we agree that it is "most excellently" illegible. It reminds us of an old Chaldean poem:



We have also had sent to us for publication the signature given below, which is that of the Cashier of a Minnesota bank:



As a specimen of a good, strong, legible signature, we give that of Mr. John Johnston, Cashier of the Wisconsin Marine & Fire Insurance Co. Bank of Milwaukee, Wis., and are sure that on a draft or check it adds as much to the beauty as it does to the credit of the document:



At the time the above signature was written Mr. Johnston was acting Cashier, having become Cashier since the death of the Hon. Alexander Mitchell, President of the institution.

We still have quite a number of interesting specimens of chirography, good and bad, which we will present to our readers in future numbers of the JOURNAL.

We recently received a call from Mr. E. E. Goodrich, President of a Banking Company organized under the laws of the State, located at Fairbury, Neb. The bank has a paid-in capital of \$50,000, on which its net profits the past year amounted to 33 per cent. Mr. Goodrich informs us that his advertisement in the JOURNAL has brought more business to the bank than any other investment in the advertising line he has made.

FINANCIAL MATTERS IN CHICAGO.

[From the *Journal's Chicago Correspondent.*]

The money market in this city is on a relatively lower level than the markets of the East. Calls loans are made as low as 5 per cent and the best time loans go at 6. This is quite in contrast with the old state of things, in which Chicago was about 1 per cent above New York and Boston. One reason for this is the transfer of large amounts of money from the East to Chicago in consequence of the requirements of the new reserve law. It is estimated that the National banks of this city keep on an average \$2,500,000 less than last year on deposit in the banks of New York city. Another reason is that the banks of this city are not involved in any of the current stock speculations. They have no occasion to worry about the liabilities of such a man as Ives, and therefore feel free to lend their funds on a generous scale for legitimate purposes. And then the capital available for lending is constantly on the increase in this city at a much more rapid rate than in other parts of the country. It is said that some loans have been made as low as 4 and $4\frac{1}{4}$ per cent on sharp call. There are certain concerns in the city which can borrow 1 per cent below the regular market because of their great wealth, the prestige of their business and the large deposits they ordinarily keep with the banks. Chief among these concerns is the house of Armour & Co., whose deposits in the banks of this city range from \$400,000 to \$2,000,000. Armour, by the way, is almost always a borrower and very rarely a lender. In this respect he differs from the great dry goods house of Marshall, Field & Co. The latter concern is a bank as well as a mercantile house. It receives deposits from its customers and frequently has large sums of money of its own to lend. Marshall, Field & Co., have been known to lend round amounts to Armour & Co., the McCormick Harvester Co., and others. More money than usual is now being loaned by brokers. Mercantile houses which have secured all the funds they can at their own banks go to these brokers for accommodation. This is thought to indicate that credits are being unduly extended in Chicago. The brokers, however, insist that the loans which they are making are secured by excellent collaterals, or by first-class indorsements and that the quality of the paper in the market is excellent. These brokers are finding a much larger sale for mercantile paper throughout the West than formerly. They used to rely almost entirely on the eastern cities for their purchasers, but there are many men in the West whose wealth has rapidly increased and who prefer mercantile paper for an investment to stocks or bonds.

The ease of the money market in Chicago is the more notable in view of the fact that Boston men have almost entirely withdrawn from this city as lenders. It is said that the Atchison, Topeka & Santa Fe road and its collateral lines have absorbed from \$30,000,000 to \$40,000,000 of Boston money in the last two or three years, and it is well known that immense quantities of capital from the same source have gone into real estate enterprises at home and in the West and South.

It is not believed however, that the present comparative ease in the Chicago money market will last very long. August is proverbially a dull month, but the requirements of the country for moving the crops and the revival of business which always comes in the fall will inevitably place heavy demands on our market. The westward movement of currency has begun, but it is not yet large. Nevertheless there is already a scarcity of small bills, particularly ones and twos. The banks of this city have repeatedly asked the United States Treasurer if he would send them small silver certificates on the deposit of funds to his credit in New York. His reply has uniformly been that he could accommodate them with small amounts, but not with such large amounts as they have called for. The bankers here feel that the treasury department does not appreciate the needs of the West in this respect. A few thousand dollars of small bills are of very little use to a city which from the middle of August to the first of January has to ship out perhaps \$25,000,000 of small money. It is true that silver dollars can be had to any amount and that the government charges nothing for transportation, while the expense of carrying paper money from New York to Chicago

is 75 cents per thousand dollars. But silver dollars are very inconvenient to send to the country towns and the bankers are more than willing to incur the additional expense of transporting the paper if they can only get it.

The First National Bank of this city, which has for some time been one of the first three or four banks in the country in the magnitude of its business, took the leading place during the month of August. On the 13th the deposits of the National Park Bank of New York city were \$21,623,000, after deducting checks for the clearing house while those of the First of this city were \$21,660,000. These were the two largest aggregates of deposits in the United States.

Chicago is justly proud of the management of its banks, but along with the sound institutions have grown up two or three affairs whose management is very objectionable. They are trying to get business by offering interest on deposits, which they cannot pay without resorting to methods in lending which all good bankers consider unsound and unprofessional. One of these institutions, which bears a somewhat pretentious name, pays interest on deposits and then charges borrowers from 2 to 4 per cent per month, taking as security bills of sale, chattel mortgages and other evidence of indebtedness which belong to Shylock practice. One money-lender, who calls himself a banker, has issued a circular, in which he advertises to lend to young men of good prospects sums of money ranging from \$500 to \$1,000 without security. But on making application the would-be borrower finds that it is the same old game. He must give security in the shape of goods or endorsement. Another proposes to lend any bank clerk \$50 and upwards on the endorsement of two other clerks connected with the same institution. A curious offer is that of one of the new banks which proposes to pay 8 per cent on deposits and guarantee that 75 per cent of the deposits so secured shall be kept constantly on hand. Of course the only way to make money under this arrangement is to charge exorbitant rates of interest on the other 25 per cent.

The American Exchange National Bank is recovering from the losses it suffered through the failure of the Fidelity National Bank of Cincinnati and the rascalities of the wheel deal. It will be remembered that the stockholders voluntarily assessed themselves 80 per cent to meet that loss. Some of the stock has defaulted on the assessment, and has been sold, but it went on the basis of 110 assessment paid, or 80 without the assessment, and it has passed into very strong hands. It is understood that some of this stock was that of C. B. Eggleston, a special partner in the unfortunate firm of Kershaw & Co. One of the buyers is John C. Welling, auditor of the Illinois Central Railroad, who now holds 100 shares.

Business in this city has been considerably affected by the highly unfavorable reports in regard to the corn crop. Orders for all sorts of merchandise have been countermanded, and the buying by country merchants is on a moderate scale. But business was under such good headway that an active trade is expected during the fall, and if former years are any guide the reports of damage will soon be found to have been considerably exaggerated.

The center of interest among operators in local securities is the manipulation of the gas and street railway properties. It will be remembered that a syndicate composed of Chicago and Philadelphia men got control of the gas companies of this city some months ago and formed a gas trust. They issued \$25,000,000 of gas trust certificates and also increased the interest charges on the bonded securities. Before the consolidation of these companies the annual interest and dividend disbursements amounted to \$626,000. As near as can be ascertained, the interest charges under the new arrangement will amount to \$998,000. The managers of the trust also expect to pay 4 per cent on the certificates, which will amount to \$1,000,000 a year, making a total interest and dividend account of nearly \$2,000,000 against \$626,000 under the old regime. These figures are rather startling to the Chicago people, who not only distrust the securities of the gas combination but fear that they will have to pay high prices for gas. The price has already been advanced 25 cents per thousand. A syndicate composed partly of the same persons controls the street railway system of the North Side, and is acquiring possession of the West Side system. It is presumed that these men will try to secure all there is left of the transportation, lighting, and heating facilities of the city, and Chicagoans naturally think that they have a big monopoly on their hands. These operations create suspicion as to the value of the securities involved, and not a few people expect that there will be a collapse some day.

H. C. B.

IOWA BANKERS' ASSOCIATION.

As stated in the August number of the JOURNAL, the Iowa bankers, pursuant to a call signed by some twenty-eight of the most prominent bankers of the State, met at Des Moines on July 26th, at the Grant Club rooms, for the purpose of forming a State Association of Iowa Bankers. The meeting was called to order at 10 o'clock by Mr. Geo. H. Maish, of Des Moines, who in a few well-chosen remarks nominated as temporary Chairman one of Iowa's oldest bankers, Mr. John H. Leavitt, of Waterloo. On motion of Mr. W. D. Lucas, of Des Moines, Mr. J. E. Henriques, of Marshalltown, was appointed temporary Secretary. Mr. G. L. Tremain was called upon to state the object of the meeting, which was in the main to organize a State Association of Iowa Bankers, for the better protection of their business interests. On motion of Mr. John S. Black, of Creston, a committee of nine was appointed on permanent organization, with Mr. G. L. Tremain, of Humboldt, as Chairman, to report at 2 o'clock P. M. The Chair appointed G. L. Tremain, Chairman, Geo. H. Maish, W. A. McHenry, W. T. Fenton, J. W. Reed, P. M. Casady, John S. Black, J. M. Dinwiddie and A. O. Garlock.

At 2 P. M. the meeting was called to order by the Chairman, and the Committee on Permanent Organization reported. Mr. A. O. Garlock in behalf of the committee presented the following Declaration and Constitution. The Declaration was as follows:

In order to promote the general interests of our commonwealth and welfare and usefulness of banks and banking institutions throughout the State, and to secure uniformity of action, together with the practical benefit to be derived from personal acquaintance, and from the discussion of subjects of importance to the banking and commercial interests of the State, and especially in order to secure the proper consideration of questions regarding the financial and commercial usages, customs and laws which affect the banking interests of the entire country, and for protection against loss by crime, we have to submit the following Constitution for the Iowa Bankers' Association.

The last section of the Constitution recommended that G. L. Tremain be selected as President of this Association, and that Geo. H. Maish act as First Vice-President, and that the Association select Vice-Presidents from each Congressional district.

The report was on motion of Mr. J. G. Rounds, of Des Moines, received and adopted, and Committee discharged.

Mr. G. L. Tremain was introduced as the permanent president of the Association, who with a few appropriate remarks awaited the further pleasure of the Convention.

On motion of Mr. W. A. McHenry, of Denison, a recess was taken for the selection of Vice-Presidents, one from each Congressional district represented, which resulted in the following being chosen:

Second District—J. H. Branch, Marengo. Third District—John H. Leavitt, Waterloo. Fourth District—H. Meyer, Elkader. Fifth District—A. F. Allen, Blairtown. Sixth District—W. T. Fenton, Ottumwa. Seventh District—Wallace M. Greeley, Ames. Eighth District—O. S. Stearns, Garden Grove. Ninth District—A. E. Noble, Casey. Tenth District—W. A. McHenry, Denison. Eleventh District—Noah Williams, Ida Grove.

According to the Constitution, the Vice-Presidents, with the President, form the Executive Council. Finding the First District was not represented, it was moved and carried that the Executive Council fill the vacancy when representation from that district could be had. Mr. W. A. McHenry moved an intermission for the purpose of allowing the Executive Council to select a Secretary and Treasurer, which was carried. After a short conference the President reported: J. E. Henriques, of Marshalltown, Secretary; W. T. Fenton, of Ottumwa, Treasurer. Moved by Mr. J. J. Smart that a committee of one from each Congressional district be appointed to consider the matter of exchange, collections, banking hours, etc., to report at 7 o'clock in the evening. Adopted and the following appointed:

Second District—A. M. Henderson, Marengo. Third District—H. A. Miller, Eagle Grove. Fourth District—H. Meyer, Elkader. Fifth District—Jno. W. Dobbin, State Center. Sixth District—J. H. Drake, Albia. Seventh District—W. D. Lucas, Des Moines. Eighth District—John S. Black, Creston. Ninth District—J. H. Henry,

Walnut. Tenth District—O. E. Dutton, Manning. Eleventh District—O. P. Miller, Rock Rapids.

Moved by Mr. W. D. Lucas that the Convention recommend a uniform system of checks and drafts, suggesting that all line works and perforations be abolished. This was referred to above committee. Mr. John Nollen, of Pella, was then introduced as probably the oldest banker in the State, and entertained the Convention with some reminiscences of early days in Iowa.

After remarks by Mr. W. A. McHenry, Mr. W. T. Fenton, of Ottumwa, and Geo. G. Wright, of Des Moines, the session was adjourned until 7 o'clock. The evening session was called to order at 7:30, but adjourned soon after to accept the invitation of the Des Moines bankers to dinner that evening at the Aborn House.

Wednesday morning the Committee on Resolutions presented the following, which with slight amendment were adopted:

Resolved, That the members of this Association recommend that a reasonable rate of exchange be charged on all checks drawn on their respective institutions, when received from abroad, whether the same be received for credit or remittance.

Resolved, That the members of this Association recommend a collection charge of twenty-five cents each for all sight drafts received from wholesale merchants and jobbers and returned unpaid.

Resolved, That the members of this Association recommend a charge on all drafts and other collections requiring presentation of twenty-five cents per one hundred dollars or fractional part thereof and current rate of exchange.

Resolved, That the members of this Association recommend a charge of not less than ten cents per order for cashing orders issued by the express companies.

Resolved, That this Association, as a body, and its members individually, thoroughly appreciate what Des Moines bankers have done to make our meeting pleasant and profitable, and that we take this occasion to thank the bankers of Des Moines for our cordial reception and pleasant entertainment.

Mr. J. M. Dinwiddie, in behalf of the bankers of Cedar Rapids, invited the Association to meet in their city at its next annual meeting. Mr. O. P. Miller, of Rock Rapids, called the attention of the Association to the superior advantages offered by calling the next meeting at Spirit Lake. Mr. Geo. H. Maish, of Des Moines, also advocated Spirit Lake as the next meeting place, and would like to have the call made for a four-day meeting. Mr. Joseph Sampson, of Storm Lake, extended a kind invitation for the Association to meet in his city. He would have the large camp-meeting tent raised on the banks of their beautiful lake, and he would guarantee that it would be much cooler than being penned up in some hall. The place for holding the next meeting of the Association was referred to the Executive Council.

No. 1 of Article 6 of the Constitution was amended to make membership fees three and annual dues two dollars instead of five. The following additional resolutions were then adopted:

Resolved, That in the opinion of this Association, the giving of exchange and the making of collections free of charge is not consistent with sound banking.

Resolved, That in the opinion of this Association the Executive Council should arrange for the next and each succeeding annual meeting for essays and addresses upon appropriate subjects, and to this end they should select suitable persons to prepare and deliver such essays and addresses.

Resolved, That we recommend to the banks of the State that the day in banking phraseology shall close not later than 4 o'clock P. M., and that as far as possible they should regulate themselves accordingly.

Resolved, That the Secretary of the Iowa Bankers' Association is authorized to publish the proceedings of this Association, to send one to every bank in the State, with the request that they become members of the Association.

The Bank of New Amsterdam of New York.—This institution has been delayed in commencing business longer than was expected, as it has been obliged to wait until the completion of its new building—the Holland Building—at the corner of 40th street and Broadway. Its rooms will probably be ready for occupancy on or soon after the 15th of this month. The bank starts under the best of auspices, with an exceptionally strong board of Directors, which is composed of the following well known men: J. D. Vermilye, John A. Stewart, T. D. Tappen, Thomas Denny, George G. Haven, Robert Goellet, Thomas C. Acton, Frank Tilford, James W. McLane, M.D., Jesse Seligman, James A. Roosevelt, William Dowd, John T. Terry, Elihu Root, S. D. Babcock, G. H. Scribner, Frank Curtis, J. L. Riker. The officers are Thomas C. Acton, late head of the Assistant Treasury of the United States at New York city, President, Frank Tilford, Vice-President, and William H. Mellins, Cashier. The latter, previously to his acceptance of his present position, was one of the two Assistant National Bank Examiners for New York city.

BANKING AND FINANCIAL NEWS.

THIS DEPARTMENT ALSO INCLUDES: OPEN LETTERS FROM BANKERS, THE WORLD OF FINANCE, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

New Bank Building.—A new bank building is in course of erection at Fort Gaines, Ga., to be occupied by Peterson & Co., bankers and brokers, who are doing a thriving business at that place.

Pacific National Bank Cases.—The attempts to hold the Directors of the insolvent Pacific National Bank of Boston, Mass., have so far met with poor success. There have been three bills in equity brought against them. Each has been demurred to by the defendants on the ground of multifariousness, and each time the Court has sustained the demurrer.

Counterfeit Silver Dollars.—A counterfeit of the silver dollar is made of ground glass combined with tin, lead and other metals. Experienced bank Tellers say they can easily detect this counterfeit. These glass dollars are brittle. If held in the palm of the hand and rapped vigorously with a knife-handle, the dollar is easily broken. They have the metallic ring of a genuine dollar, are the correct size and of nearly the exact weight.

The Merchants and Planters' National Bank, of Sherman, Texas, with a capital of \$800,000 and surplus of \$28,000, is one of the reliable and prosperous institutions in that section of the country. We are in receipt of a circular recently sent out by the bank, giving a list of its stockholders, together with a statement of its affairs on June 30th. On that day, in addition to its surplus the bank had \$58,985 of other undivided profits, from which to declare its semi-annual dividend. The signature of the president of this institution, Mr. Tom Randolph, appeared among the characteristic signatures given in the July number of the JOURNAL.

New Swindle.—A stranger named Powell went to J. J. Hartigan, of Tracy, Minn., and proposed to him to start a bank. After the concern was started, Powell, who had put in little or no capital, issued a certificate of deposit to an alleged brother, who presented the certificate to be cashed at a bank in New York city. The New York bank telegraphed to Tracy to know if everything was all right, and received an answer from Powell that the money was on deposit. On this it cashed the certificate, and Powell disappeared from Tracy, leaving his partner, who had furnished the capital, to meet the certificate when presented.

Resignation.—Thomas Mitchell, Cashier of the First National Bank of Lexington, Ky., presented his resignation, to take effect July 31, 1887, at a meeting of the Board of Directors of the bank held on July 15th. The resignation was accepted and a committee appointed to draft resolutions of regret at Mr. Mitchell's resignation, to be spread on the minutes of the bank, made the following report:

"The Committee appointed by the Board desire to say as expressing the sentiments of the whole Board, that in accepting the resignation of Thomas Mitchell, as Cashier it was done with the greatest regret and only after repeated efforts to get him to withdraw it. That the pleasant associations of the last twenty-two years cannot be entirely severed, and that wherever he may be he will carry with him the best wishes of the entire Board of Directors of the Bank."

Rights of Aliens to hold Real Estate in the United States.—The Attorney-General on May 20th delivered an opinion relative to the effect of the "Act to restrict the ownership of real estate in the Territories to American citizens and so forth" approved March 3, 1897. He concludes that mines are real estate and cannot be owned by aliens, that an alien can hold stock issued by an American Mining Company, but if more than 20 per cent of the stock of any such company is held by aliens, that such company can neither acquire, hold, own or hereafter acquire real estate so long as 20 per cent of its stock is so held by aliens. An alien can however legally advance money

for working mines, though they obtain no lien on the real estate, and can contract with American owners to work mines owned by the latter for a reasonable time.

California.—The Southern California National Bank, of Los Angeles, California, was authorized to commence business in the latter part of August, 1886, with a capital of \$100,000. The report of the condition of the bank, on August 1, 1887, made to the Comptroller of the Currency, indicates that the bank was needed in that locality, and that it has improved its opportunities both for itself and the community. On August 1, 1887, its deposits, individual and bank aggregated over \$500,000, its loans being over \$300,000, with available funds in reserve amounting to \$275,000. This record in building up a business within less than a year has seldom been equalled, and the confidence of the public thus indicated is warranted by the evidences of strong and conservative management shown by the report. The officers of this bank are John J. Redick, President, L. N. Breed, Vice-President, and W. F. Bosbyshell, Cashier.

Counterfeiting a Rare Coin.—It is said that no silver dollars for the year 1804 are in existence. All that were struck in that year were for some reason recalled, and recoined in some other form. In some succeeding year six pieces were struck by the Mint authorities from the die of 1804, and these are all the dollars of that year having any claim to be called genuine. To obtain one of these is the height of a coin collector's ambition. Some years ago at an auction of valuable coins, a dollar purporting to be of 1804 was offered for sale. Its genuineness was questioned, and on being tested at the Mint, it was discovered to be a modified dollar of 1806. The "6" had been drilled out and the opening plugged with a "4" taken from some other issue. An investigation of the cabinets of collectors revealed no less than 127 of these modified dollars of 1804, indicating quite a successful speculation in this ingenious method of gratifying unwary numismatists.

Exports and Imports at New York.—The exports from the city of New York for the month of July, 1887, including specie amounting to \$1,447,274, were \$29,338,888. During the month of July, 1886, they were \$31,523,188, including \$1,791,640 in specie, and during the month of July, 1885, they were \$28,452,253, including \$2,069,518 in specie. During the same month in 1887 the imports were \$38,684,574, including \$2,270,245 in specie. In 1886, \$36,989,531, including \$553,839 in specie, and in 1885, \$38,842,678, including \$616,920 in specie. In addition there were entered at New York for immediate transshipment to interior points \$1,916,579, in July, 1887, \$1,757,695 in July, 1886, and \$1,655,448 in July, 1885. For first seven months ending July 31, the imports in 1887 were \$277,937,617, and \$14,169,678 for immediate transshipment to interior points, paying duties amounting to \$86,055,440. In 1886 the imports for the corresponding period were \$255,386,805, and \$11,990,894, for transshipment to interior points, on which duties amounting to \$79,056,922, were collected. In 1885 the total imports for the same period were \$219,219,445, and \$11,896,628 entered for immediate transshipment, on which the customs receipts were \$72,985,487.31. This indicates an increase in two years of over \$13,000,000 in the customs receipts of a period of seven months, or of over twelve millions of dollars in semi-annual receipts, or about \$23,000,000 per annum.

Testing Gold.—The only wholly reliable test of the fineness of gold is by assaying it, either by means of cupellation, which is known as the dry method, or by chemical analysis, called the humid method. When, therefore, any large quantity of gold is to have its fineness tested, a small quantity of it is subjected to assay by one of these methods, which separate the precious metal from all other associated substances, and shows its proportion by actual measurement. In the case, however, of pieces of jewelry and small quantities of gold which it is impossible or inconvenient to assay by the usual way of melting or dissolving the metal, the fineness is determined by means of touch-needles and touch-stones. This method is known as "assay of the touch." Touch-needles are made of sets of gold of different degrees of fineness and differently alloyed with copper and silver. The touch-stones are usually of black basalt, but pieces of good black pottery answer the purpose well enough. The stone is marked with the piece of gold to be tested, and this mark is compared with the marks made by the needles, one by one. When the two marks are found to be exactly alike, the fineness of the two marking substances is assumed to be the same, but a further test can be made by heating the touch-stone to redness and moistening the marks with *aqua-fortis*, their appearance, resulting from oxidation, showing the nature of the alloy in the substance.

Examination of Treasury Balances.—The recent examination of the books and accounts of ex-Treasurer Jordan, resulted in discovering a shortage of \$2.50 in a bag of gold coin of that denomination. The remaining coin and currency was found to agree with the amount called for by the books. In the examination made at the time the office was transferred from Mr. Wiman to Mr. Jordan, this bag was weighed not counted as in the last examination. It will be remembered that in that examination the total coin on hand was arrived at by weighing and that there was no discrepancy discovered. If between the methods of counting and weighing the millions of dollars of coin in the Treasury there is only a chance of an error amounting to \$2.50, it would seem to be useless to put the Government to the greater expense involved by the counting method, which is really less scientifically accurate than the other. Even this error may prove when the next examination is made to have been balanced by some miscount in the case of the other bags. Mr. F. B. Daskam the experienced chief of Division of Public Moneys in the Secretary's office conducted the examination.

Circular of August 3, 1887.—This circular of the Secretary of the Treasury offered to pay, on and after August 15, with a rebate at the rate of 2 per cent. per annum, the interest due from the Government as follows:

4½ per cent., Sept. 1 and Dec. 1. 4 per cent., Oct. 1 and Jan. 1. 6 per cent., Jan. 1.

Taking the statement of the public debt published August 1, the amount of money thus placed at the command of capitalists would be as follows:

Loan.	Amount.	Due.	Interest.
4½ per cent.	\$250,000,000	September 1.	\$2,812,500.00
		December 1.	2,812,500.00
4 per cent.	787,804,950	October 1.	7,378,049.50
		January 1.	7,378,049.50
6 per cent.	64,823,512	January 1.	1,938,705.86
		Total.	\$22,319,804.86

The rebate of 2 per cent. will be about equivalent to two months' interest, or say \$111,000, which is a half of 1 per cent. on the total amount due, and less than 11-100 of 1 per cent. on the total debt (\$1,062,623,462). Of course the offer is entirely a matter for each bondholder to accept or reject as he sees fit.

Savings Bank Investments.—A bill has recently been introduced in the New Hampshire House of Representatives requiring the savings banks of that State to invest one half of the deposits they receive and make one half of their investments within the State in the notes and mortgages of individuals residing or doing business and having a place of business in the State, in stock of banks located in the State, in first mortgage bonds of railroad companies incorporated under the authority of the State which is in possession of and operating its own road, and which has earned and paid regular dividends for the two years next preceding such investments, or in the bonds of any such railroad company which is unencumbered by mortgage; in bonds or loans of this State, or of any city, county or town thereon; or in notes of individuals or corporations residing or doing business and having a place of business, in this State, with sufficient sureties or collaterals.

The last report of the New Hampshire savings banks indicated that a very large portion of their investment was in Western Farm Mortgages.

Mr. Cannon, Ex-Comptroller of the Currency, in an interview published recently in the *Commercial Bulletin*, comments on the financial situation from a banker's standpoint. He thought that there would be an active demand for money this fall, and that the rates at times would be high. He anticipated that the Secretary of the Treasury would be able to protect the business of the country from any serious effects, resulting from redundant revenues. That the dangers to be apprehended from this source had been discounted by the public. Mr. Cannon evidently was careful to confine himself to dangers apprehended from irregularity in the movement of currency. That money will be more or less plenty as far as paper aggregates can show is doubtless true. There is, however, an undercurrent of distrust that at any moment may depreciate securities. The moment securities fall off money is scarce in the true financial sense. All this year there has been a tendency to lower prices, and those who loan money have as a consequence demanded larger margins of security.

Nullification in Kentucky. In 1867, Muhlenburg County, Ky. issued bonds to provide for a subscription to a railroad. In 1874 it repudiated them. In 1876, the bond-

holders obtained a judgment against the County, in the United States Court but have never been able to have it enforced. The act authorizing the railroad provides that if any county failed to pay the interest on its bonds, it should be the duty of the County Court to levy a tax for that object. County Court was in Muhlenburg County held to mean the convocation of the Judge and Justices of the Peace within the County. The Justices of the Peace resigned whenever a levy was sought for, and the Judge refused to act alone. The bondholders applied for a mandamus to the United States Court, to compel the County Judge to make the levy. The District Judge refused it on the ground that "County Court" did mean the County Judge and Justices of the Peace. The United States Supreme Court, however, reversed this judgment on appeal, and ordered that a mandamus issue on the County Judge. The latter fled, and an attachment has been issued to bring him before the United States Court for contempt but he could not be found. The amount of bonds and interest is said to be \$900,000, equaling the value of the real estate of the County.

Capture of an Absconder to Canada.—In September, 1886, the American Surety Company of New York issued its bond for \$5,000 to the Canadian Pacific Railway Company on Clarence P. Dixon, agent of that corporation at Portland, Oregon. Dixon had a good position and was receiving \$1,200 per annum salary, but he thought that the accumulation of a competency was too slow by honest methods, and therefore embezzled \$1,223.07 of the railroad company's funds, and took refuge in Victoria, British Columbia. The American Surety Company secured his indictment soon after at Portland, Oregon, and set about effecting his capture, which was done after eight months, and he was safely lodged in jail at Portland, Oregon, to await trial. He endeavored to escape by sawing off the gratings of his cell, but was discovered in time. He had previously undertaken to escape by drawing a pistol on the Sheriff who effected his capture, and altogether showed himself to be a desperate character. When arraigned for trial on the 7th of July, 1887, his bravado left him, and he pleaded guilty, and was sentenced to three years' imprisonment in the Oregon State prison. This is the third absconder to Canadian territory prosecuted through the efforts of the above named company.

Condition of St. Louis Banks.—The abstract of the reports of the condition of the five National banks of St. Louis, at close of business on August 1st, is interesting as showing the status of the banks in that city since its designation as a reserve city. It cannot be said that any real change appears either from the figures of May 18th, or of the more recent ones of August 1st, both dates being since the designation of St. Louis as a reserve city. The reserve held on August 1st was over thirty-one per cent. of liabilities. Of course all of this was at home. The actual requirement was \$2,649,958 and the reserve held was \$3,285,829 an excess of \$635,871. On May 18th, the requirement was \$2,144,798 and the amount held was \$3,237,590, an excess of \$1,142,792. Taking October, 1886, before St. Louis became a central reserve city the total requirement was \$2,382,170 of which \$1,181,085 was required to be in bank. They actually had in bank \$2,182,789, and were only short of having the total reserve in bank by \$169,381. They had an actual excess in total reserve of \$711,704 which they kept with their reserve agents in New York city. The difference appears to be that under the new law the banks keep their excess of reserve at home instead of with reserve agent. All of this is not due to the operation of the law inasmuch as the banks could now, if they wish, deposit all the excess they hold at home, with banks in New York city or elsewhere. In fact the St. Louis banks on August 1st had as much money deposited with National banks, as with both reserve agents and other National banks together at any date previous to St. Louis becoming a central reserve city. On August 1st, the amount with National banks was \$2,521,358, and on October, 1886, the amount with reserve agents and National banks together was \$1,910,394 only. The excess of home reserve held on Oct. 7, 1886, over requirement of \$1,181,085 was \$1,011,704, showing a greater excess than under the law as it then stood than there is held under the law as it now stands. The gross amounts of money held in bank are somewhat greater, but this as has been seen is more than the law requires. It is due therefore not to the law, but to the fact that this year there has been an unusual tendency of money to the West. If investments in New York city or other centres had been more inviting than in St. Louis and the West, we would not see these excessive home reserves kept in that quarter.

Statements of Minnesota State Banks.—Hon. H. M. Knox, Superintendent of Banks of the State of Minnesota has just completed an abstract of the reports received by him from the State banks of Minnesota in response to the last call made. It shows also an abstract of the statement made July 31, 1886, the whole giving in a comprehensive shape the business of the State banks for the year ending July 31, 1887. The abstract is as follows, and the Superintendent pronounces it a fine showing:

RESOURCES.	July 23, 1887. 54 banks.	July 31, 1886. 41 banks.	Changes.
Loans and discounts.....	\$15,439,215 06	\$12,375,050 78	Inc., \$3,064,164 28
Overdrafts.....	99,161 24	108,827 90	Dec., 9,666 66
United States bonds on hand...	21,550 00	8,000 00	Inc., 13,550 00
Other stocks and bonds.....	948,445 11	265,241 96	Inc., 673,203 15
Due from banks.....	2,434,323 65	1,654,639 55	Inc., 779,684 10
Banking house furniture and fixtures.....	598,000 46	352,403 20	Inc., 245,597 26
Other real estate.....	237,374 20	214,081 31	Inc., 23,292 89
Expenses paid.....	61,553 37	47,784 41	Inc., 13,769 09
Taxes paid.....	8,294 60	9,842 56	Dec., 1,547 96
Checks and cash items.....	75,228 70	54,158 28	Inc., 21,070 42
Exchanges for Clearing-House.	213,463 95	228,950 28	Dec., 15,486 33
Cash on hand.....	1,872,901 95	1,261,814 41	Inc., 611,087 54
Other resources.....	.....	430 67	Dec., 430 67
Total resources.....	\$22,009,512 39	\$16,581,225 31	Net inc., \$5,428,287 08
LIABILITIES.			
Capital stock paid in.....	\$5,228,000 00	\$4,363,000 00	Inc., \$864,400 00
Surplus fund.....	691,587 03	554,094 05	Inc., 137,492 98
Other undivided profits.....	501,538 43	281,725 78	Inc., 219,812 65
Dividends unpaid.....	12,544 00	5,805 00	Inc., 6,739 00
Due to depositors.....	14,429,516 44	10,416,219 93	Inc., 4,013,296 51
Due to banks.....	778,670 18	724,506 53	Inc., 54,163 65
Re-discounts.....	235,902 77	195,154 20	Inc., 60,748 57
Bills payable.....	111,783 54	23,156 00	Inc., 88,597 54
Other liabilities.....	.....	16,966 82	Dec., 16,966 82
Total liabilities.....	\$22,009,512 39	\$16,581,225 31	Net inc., \$5,428,287 08

From this report it will be seen that the increase in banks during the year has been thirteen, and the net increase in resources has amounted to \$5,428,287.

The reserve in banks amounted to 15.99 per cent., in cash 12.30 per cent. An epitomized statement of the business of the seven saving banks of the State for the same period is made as follows:

Total resources, \$4,242,890.29; increase in the resources, \$307,300; total loans, \$2,686,533.92; decrease in loans, \$104,000; stocks and bonds, \$717,712.06; increase in stocks and bonds, \$226,000; due from banks, \$650,883.53; increase in amount due from banks, \$188,000; individual deposits, \$3,591,650.26; increase in individual deposits, \$236,000; surplus and other profits, 138,909.07; increase in surplus and other profits, \$42,200.

Banks of Canada.—The statement of the assets and liabilities of the chartered banks of Canada for May 31, 1887 issued by the department of Finance at Ottawa, has recently been received. The total authorized capital of these institutions was \$77,579,990, the subscribed capital \$63,988,150 and the paid up capital \$61,007,475.26. The stock holders in case of insolvency are liable, first for any amount not paid on their subscriptions and second for an amount equal to their subscribed stock. The notes in circulation were \$30,086,808.06. Deposits are payable either on demand or on notice. The government deposits of both classes Dominion and provincial, amounted to \$5,581,124, other deposits were \$49,520,634 payable on demand and \$55,476,021 on notice or future fixed day. The Bank deposits were only \$4,739,749. Against the foregoing liabilities they held \$5,917,613 in specie \$9,630,802 in Dominion notes and \$5,823,060, notes and checks of other banks, or \$21,361,475 cash. From other banks and Agencies \$19,215,579 was due, Government stock, and securities and loans to the Dominion and Provincial Governments were \$9,885,366. Loans on stocks, etc, were \$11,908,687, other loans of all kinds, \$157,610,890. The bank buildings were valued at \$3,645,165. In addition, mortgages on real estate and real estate held amounted to \$2,040,962. The general banking Act of Canada passed in 1871, but has been much amended since. Its

effect was to bring under one uniform system of restrictions and privileges all the chartered banks of the Dominion, although some of the previously existing banks having special charters were permitted to retain certain special privileges granted by those charters. None but the chartered banks are permitted to issue notes, and the notes issued must never exceed the unimpaired paid up capital. Monthly returns are made to the finance department, and if excessive issues are shown by them fines are imposed. There is some inducement to make small over issues in stringent times, as the fine for an excess of \$20,000 or less is only \$100, while it increases in geometrical proportion on larger excesses. The banks cannot issue notes in denominations less than five dollars, and all the denominations must be some multiple of five dollars. The notes are a first charge upon all the assets of the bank including the liability of stockholders. No particulars proportion of reserve is required but of the reserve one half if practicable and not less than 40 per cent must be kept in Dominion notes. The banks may have branches and offices and notes may be issued and made redeemable at any of them. The notes need not be redeemed in Gold or Dominion notes except at the place where they are made payable, but each bank must take them in payments at any of its different branches or offices. The banks are required, if requested, to make at least \$60 of any one payment in Dominion notes of denominations of one, two, and four dollars. The theory of the Government as to Dominion notes appear to be to issue them in denomination less than five and \$500 and over. Thus, out of \$17,469,380 outstanding in 1886, \$6,000,000 were under \$5, and \$10,700,000 in denominations of \$500 and over. The requirement that the Bank reserves be kept in Dominion notes absorbs the big bills and the small ones have a clear field for circulation, as no bank note can be issued under five dollars. The bank note circulation therefore monopolizes the space between the small notes and the \$500 notes. The Dominion notes are understood to be secured by debentures or bonds of the Dominion Government held by the Receiver General for which they may be exchanged, and also by a certain proportion, twenty per cent of specie. The financial system of Canada has many good points, and seems to be calculated to effect the largest use of funds with the greatest safety.

Making the Banks Come to Time.—This is the heading of a dispatch from Washington which reads as follows: "The Comptroller of the Currency has called upon the National banks for a report of their condition at the close of business August 1st. No report was ever called for in the month of August until last year, when August 27th was the date fixed upon, nor since 1868 has any date in July later than the 1st been selected. The information to be embodied in the report just called for is expected to be particularly valuable, as showing how the banks are prepared to meet the approaching demands for funds to move the crops. All banks that failed to send in reports under the last call within the time specified by law were fined, and the fines have been collected and paid into the Treasury. Even political pressure was brought to bear in several cases to obtain a remission of the penalties, but the Comptroller would not consent to any such arrangement. He has frequently said he was determined to enforce this statute, and has so informed the banks."

This is an instance of what is merely a change being claimed as a reform. Why a report in August should show any more than one in July is difficult to conceive. From the last portion of the paragraph it looks as if the Comptroller thought that the banks had to be kept under the lash of departmental displeasure to get prompt reports from them. Every one who is acquainted with the subject knows that the cases where the banks do not report promptly are exceptional, and that those thus delinquent are always fined. The object of the law is to get the report; but one would think from the above expression the Comptroller thought it was a merit to collect as many fines as possible.

Proposals for United States Bond Sales.—Under the terms of the circulars issued on August 3d, by the Secretary of the Treasury, bids were opened as follows:

On August 10th, Harvey Fisk & Sons, New York, \$700,000 coupon bonds and \$1,000,000 registered bonds, each at 110½; Robert S. Graham, New York, \$300,000 registered bonds and \$100,000 coupon bonds, at 111 flat; Kessler & Co., of New York, \$71,000 coupon bonds at 110¼; First National Bank of New York, \$1,450,000 registered bonds at 110 48-100; James Talcot, New York, \$25,000 coupon bonds at 112 with accrued interest to June 1, 1887; Drexel, Morgan & Co., \$350,000 registered bonds at 110 94-100 William Fellows Morgan & Co., New York, \$400,000 coupon bonds at 110¼; The Suffolk

Savings Bank of Boston, \$200,000 registered at 110 flat; Andrew Leeper, of Chillicothe, Mo., \$4,000 registered bonds at 110 with interest to September, 1887. The total amount of bonds offered was \$5,462,000 of which \$4,166,000 are registered and \$1,296,000 coupon.

On August 17th, P. V. Hagner, of Washington, \$2,900 registered at \$1.10 flat; J. Reynad, of New York, \$100,000 registered at \$1.10 flat; A. S. Pratt & Son, Washington, \$12,500 registered at \$1.10; Harvey Fisk & Sons, New York, \$1,000,000 coupon at \$109 44-100, \$2,500,000 registered at \$1.10 and \$1,500,000 registered at \$1.09 44-100; Dickinson & Allen, New York, \$10,000 coupon at \$1.10; Chas. B. Barney, Philadelphia, \$5,200 registered at \$1.09%, \$960 coupon at \$1.09%; G. F. McRae, Charlestown, W. V., \$2,000, coupon at \$1.10 flat; New Bedford (Mass.) Savings Institution, \$50,000 registered at \$1.10 flat; Saml. Bailie, Philadelphia, \$9,000 coupon at \$1.10; Eugene L. Clarkson, New York, \$10,000 coupon at \$1.10%; First National Bank of Jefferson City, Mo., \$5,150 registered at \$1.10% flat; Maverick National Bank of Boston, \$20,000 registered at \$1.10, and \$5,000 coupon at \$1.10; New England Mutual Life Insurance Company, \$100,000 registered at \$1.10; J. Talcott, of New York, \$25,000 coupon at \$1.10; Unger, Smithers & Co., New York, \$330,000; registered at \$1.09 92½-100; American Exchange National Bank of New York, \$25,000 registered at \$1.10; William Fellows, Morgan & Co., New York, \$400,000 coupon at \$1.10; Wachusett National Bank of Fitchburg, Mass., \$150,000 registered at \$1.10; John M. Foote, New York, \$400,000 registered at \$1.10; Tainter & Holt, \$5,000 coupon at \$1.10; First National Bank of New York, \$1,450 registered at \$1.09 98-100. The total amount of bonds offered was \$1,465,960 coupon and \$3,761,750 registered, making a total of \$5,216,700.

On August 24th: First National Bank of New York, \$1,450,000 at 109.98; J. Reynal, of New York, \$100,000 at 1.09%; the Boston Marine Insurance Company, \$100,000 at 109; the New England Mutual Life Insurance Company, \$200,000 at 108.88, \$200,000 at 107.24, \$200,000 at 107.48, and \$200,000 at 108; the Provident Institution for Savings, of Boston, \$300,000 at 109; New Bedford Institution for Savings, \$150,000 at 109; Foote & French, of Boston, \$20,000 registered at \$1.09½, \$10,000 coupon at 109½; Mrs. Cora E. Harriman, of Windsor, Conn., \$500 at 109; Benj. H. Field, of New York, \$20,000 at 108½, \$40,000 at 108½, \$100,000 at 109; George W. Phelps, Mount Morris, N. Y., \$5,000 at 110; Lockwood & Croesman, of New York, \$25,000 (coupon) at 109; P. V. Hagner, of Washington, \$2,900 at 109 or any lower rate at which the Department may accept bonds to-day; Mary E. Lathrop, of Hawkinsville, Ga., \$4,000 at 109½; Samuel Bailie, of Philadelphia, \$9,000 (coupon) at 109 net; A. S. Pratt & Son, of Washington, \$12,500 at 109½; Harvey Fisk & Sons, of New York, \$2,000,000 at 110, \$2,000,000 at 109½, \$300,000 at 109, \$300,000 (coupon) at 108 11-16, \$100,000 (coupon) at 108 11-16, \$200,000 at 108 11-16, and \$1,000,000 at 108 11-16; The bonds mentioned above and not otherwise specified are registered. The total amount of the bonds offered is \$7,148,900, of which \$3,804,900 are registered and \$344,000 are coupon.

On August 31st: Maverick National Bank of Boston, \$23,000 registered and \$7,000 coupon at 109.48; same, \$36,000 registered and \$9,000 coupon at 109.48; same, \$70,000 registered at 108.50, and \$100,000 registered at 108.75; Harvey Fisk & Sons, New York, \$300,000 registered at 109.44; \$100,000 registered at 109.82, \$100,000 coupon at 109½, and \$100,000 coupon at 109.73; the American Exchange National Bank, New York, \$25,000 registered at 109; Charles D. Barney & Co., Philadelphia, \$7,700 registered at 109; Samuel Bailie, Philadelphia, \$9,000 coupon at 108.75; Mrs. T. Fernburg, New York, \$3,500 registered at 109.44; Lewis Johnson & Co., Washington, \$10,000 registered at 108½, ex interest Paul Fenn, New York, \$30,000 coupons at 109.97; First National Bank, New York, \$1,250,000 registered and \$300,000 coupon at 109.98; David Baldwin, Baltimore, \$15,000 coupons at 109; James G. Fair, San Francisco, \$670,000 registered at rates paid by Department to-day; Salem Marine Insurance Company, of Salem, Mass., \$5,000 registered at 108 15-16; Salem Savings Bank of Salem, Mass., \$170,000 registered at 108 15-16. The total offerings were \$3,450,200, of which \$2,980,000 were registered and \$480,000 coupon bonds.

The amount accepted by the Government on August 10th was \$200,000 at 110, on August 17th, \$2,500,000 at 109 44-100; on August 24th, \$3,138,400 at prices varying from 107.9 to 109, and on August 31st, \$401,700 from 108 15-16 to 109.

It will be noticed the offers on the 31st were much less in amount and at rather higher prices than in the case of the three previous biddings. Either the holders, who are willing to sell, are not very numerous, or the prices the Government is willing to give are unsatisfactory.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

- A stock exchange is to be opened in the city of Mexico in September.
- The clearings at the Baltimore Clearing-House for the month of August were \$48,648,866.
- The *Livingston Journal*, of Livingston, Ala., thinks highly of Messrs. Brown Bros., bankers of that place.
- An attempt to rob the People's National Bank of Waterville, Me., was detected and frustrated by the police.
- Poor's Directory of Railroad Officials will prove of great use to those likely to have relations with such officials.
- The First National Bank of Ashland, Wis., is to have a new building, also the First National Bank of Alameda, Cal.
- J. Stanley Brown, once the Private Secretary of President Garfield, is now a carpenter and builder in Washington.
- The *North American Review* for August contains an interesting article on State Interference by Professor W. G. Sumner.
- The private bank of Geo. F. Sturgis at Hillsboro, Texas, will, it is announced, soon be organized as a National banking association.
- Vincent, State Treasurer of Alabama, has been convicted of embezzlement. He used the money of the State in cotton speculations.
- The Sub-Treasury of the United States, at Cincinnati, was recently examined by Assistant Cashier Meline, of the Treasury at Washington.
- R. H. Thomas, of Thomas, Palmer & Odell has been elected Vice-President of the New York Stock Exchange to succeed A. B. Hill, deceased.
- Labor day appears to have been observed quite generally in New York city. The banks of course were closed, and so were many business houses.
- This country seems to be the refuge of as many escaped bank Cashiers and Managers as Canada of the same class of unfortunates from this side.
- The Bank of London, located at London, Canada, has suspended. It was organized in the fall of 1884 with a capital of \$1,000,000, of which \$223,568 was paid in.
- The Comptroller of the Currency has declared a dividend of 75 per cent. in favor of the First National Bank of Livingstone, Montana, on proved claims amounting to \$28,360.
- The Henrietta National Bank of Henrietta, Tex., recently suspended payment, and was placed in charge of a National Bank Examiner by the Comptroller of the Currency.
- Hon. Alpheus Hardy who recently while cutting coupons accidentally pierced his leg with the points of the scissors, died on August 7th from the effects of resulting blood poisoning.
- Isaiah W. Hillman, President of the Farmers & Merchants' Bank of Los Angeles, Cal., a Hebrew, has given \$20,000 to the Sisters of Charity toward a new orphan asylum they propose to erect.
- The report that the First National Bank of Cincinnati was a creditor of Ives & Co., was greatly exaggerated. The mistake was to say Ives & Co. owed them \$750,000 when it was \$10,000 only.
- The Ontario Investment Association of London, Ontario, is financially embarrassed, having lost over \$400,000 through bad management. Charles Murray, the Manager, has left for Omaha.
- The Cashier of the Farmers' Bank of Fayetteville, recently closed, was arrested recently for appropriating three \$1,000 bonds entrusted to him as agent. It was shown that he was wrongly accused.
- The First National Bank of Dansville, N. Y., has closed its doors. The bank has been running down for some time. The management seems to have excited distrust in the immediate locality of the bank.

— A Savings bank started at Raleigh, N. C., in two months, had over five hundred depositors—among them many colored people. Another in operation at Greensborough, is said to have been very successful.

— The monthly statements in regard to the currency issued from the office of the Comptroller of the Currency are to be issued in a new form, which are to be more comprehensive and at the same time more simple.

— The time allowed for the redemption of trade dollars expired September 8d. The amount redeemed was a little over \$7,400,000. The Director of the Mint, estimated that the number held in the country was \$7,086,000.

— The California Bank has filed articles of incorporation. It is located at Los Angeles, Cal., and will occupy the lower corner of a new \$80,000 building which is about ready for occupation on Fort street in that city.

— The deposits made by the people in the Canadian Post-office Savings bank increased largely during the year ending June 8th. There were 90,157 accounts opened with the bank. The average amount of each deposit is \$24.

— Henry R. Wooster, who in February last was appointed Bank Commissioner of the State of Connecticut by Governor Lounsbury for the term of four years from January 1, 1887, has resigned. It was somewhat of a surprise.

— The National Penny Bank of London, England, recently published its twelfth annual report, showing that after making provision for all expenses, a balance of £254, 8s, 6d remaining, out of which to pay dividends to stockholders.

— W. L. Gilbert, President of the Hurlburt National Bank at West Winsted, Conn., has given \$400,000 to found, at Hartford, Conn., an institution for the education of friendless boys and girls. He has also given \$400,000 for a high school.

— George Bidwell, the celebrated forger, who in 1872 was sentenced in England to imprisonment for life for his participation in forgeries on the Bank of England, was set at liberty on account of ill-health, and has returned to this country,

— The seventh and final dividend of 1½ per cent. was recently paid to the depositors of the Bond street Savings Bank of New York city, which failed about ten years ago. The total amount paid to depositors is 86½ per cent. of their claims.

— Charles Page, who raised a check of \$25 to \$25,000 on the Jacques Cartier Bank of Quebec, Canada, and obtained the money, was arrested while escaping to the United States, at Versailles, Que., near the border line. The money was recovered.

— Claudius B. Linn, of 113 South Front street; Henry H. Ellis, of 1004 Arch street, and James W. Salter, of 436 Walnut street, all of Philadelphia, were appointed by Judge Tell, on August 10th, appraisers of the assigned estate of the Columbian Bank.

— The President has commuted the sentence of Wm. H. Chadwick formerly Cashier of the Pacific National Bank of Nantucket, Mass., who in May, 1885 was convicted of embezzling the funds of the bank and making false entries, from five to three years' imprisonment.

— Daniel Spraker, President of the National Mohawk River Bank, at Fonda, N. Y., is probably the oldest bank President in the country. He is ninety years old, and blind and deaf, but attended to his duties until within a few days. He has been President of the bank since 1835.

— The Second National Bank of Hoboken has commenced business at the corner of Second and Hudson streets, with a paid-up capital of \$125,000. The officers of the bank are: President, Rudolph F. Rabe; Vice-President, Herman L. Timken, and Cashier, John P. Schofield.

— The Suffolk Trust and Investment Company have recently commenced business in Boston. It will transact a general banking business. It works under a special charter from the Massachusetts Legislature and is under the supervision of the Savings Bank Commissioners of the State.

— There has been some talk about a great Chinese bank to be started in that country by foreign capitalists, American and others. Even the railroad schemes which were to have been exploited seem to have lost the life they seemed to have in them. The Chinese are evidently inclined to go slow. If there is any money to be

made in the development of their country, in a modern sense, they are quite in the right to want to make it themselves.

— The United States Treasurer, having accumulated a supply of \$1 and \$2 silver certificates sufficient to meet the current heavy demand, has arranged for the prompt delivery of these notes to banks, bankers and others. The issue of these notes has been suspended since the first of May last.

— The French Government has discovered, in the course of the trial of a gang of stamp counterfeiters, that the peculiar shade of blue used in the printing of postage stamps and notes of the Bank of France, supposed to baffle attempts at imitation, can be counterfeited by photographic process.

— The Accident Insurance Company of North America, of Montreal established in 1872, has since its establishment paid 201 death claims aggregating \$242,783, and 16,668 claims for indemnity for injuries aggregating \$525,989. Within two months three claims of \$10,000 have been promptly paid.

— The preliminary report of Hon. Joseph S. Miller, Commissioner of Internal Revenue, shows that the total collections of the Internal Revenue service from all sources were \$118,835,757 for the fiscal year ending June 30, 1887, being \$1,982,888 more than the collections for the previous fiscal year.

— The experience of an operator in bonds of Western States and cities, as the result of investment of the recent semi-annual dividends, has been that he sold more bonds in the first five days of August than during the whole month of last January, and the gross amount of his dealings has gone into the millions.

— Mr. Robert Hyslop, recently connected with the Third National Bank of New York City, has accepted a position as one of the Assistant National Bank Examiners, under Examiner Valentine P. Snyder. Mr. Hyslop succeeds Mr. Wm. H. Mellins, who has been appointed Cashier of the Bank of New Amsterdam, of New York City.

— Francisco Danusa, supposed to be a member of a gang of Italian counterfeiters was recently arrested in Boston with a quantity of counterfeit standard dollars in his possession. The gang is believed to have its headquarters in New York, and to have done a large business. The dollars are good imitations as to appearance, weight and ring, but are brittle.

— On July 21st the city of Evansville, Ind., compromised the remainder of its old bonded debt of \$1,651,000. The new debt is \$2,145,000, including several years' defaulted interest. The first half was compromised February last by issuing new 4½'s and 5's for the old 6's and 7's. The last settlement was by issuing 6's for the water works, and 7-80's and 4's for railroad aid.

— The National Bank of Deposit has been organized in New York city. It is located at the corner of Nassau and Liberty streets, in the Bryant Building. The capital is \$300,000. The following are the names of the officers, Lewis E. Ransom, formerly of the Chase National Bank, President, Charles F. Sanborn, Vice-President, George H. Southard, Cashier.

— The first bids for sales of bonds to the Government were opened on Wednesday, August 10th. The total amount of bonds offered were \$5,462,000, of which \$4,106,000 were registered and \$1,296,000 coupon. The offers ranged from 111 flat to 110 flat. The Suffolk Savings bank offered \$280,000 registered at the latter price, and they were accepted by the Secretary of the Treasury.

— The Hunter forgeries, referred to in the May number of the JOURNAL, are the subject of litigation in Philadelphia between Keen Bodine & Co., who hold about \$200,000 of the paper, and James Long, whose name Hunter forged. Keen Bodine & Co. claim that Long's signature is genuine on much of the paper, notwithstanding his denial of it, and have brought suit to recover the amount.

— The Atlantic Trust Company of New York city has been organized, with \$500,000 capital. Among the incorporators are Walter R. F. Jones, Alexander M. White, Matthias Nicoll, Clifford A. Hand, Edward H. R. Lyman, Charles D. Leverich, Henry S. V. Post, Edward F. Knowlton, J. Langdon Ward, Thomas Hitchcock, John Elliott, William H. H. Moore, William J. Riker, Anton A. Raven, Alfred Wagstaff and Joseph H. Chapman.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

Editor Rhodes' Journal of Banking:

SIR:—I am in receipt of a circular letter from a Chicago banking institution offering "4 per cent. on balances above \$1,500, 3 per cent. on entire balances, 4 per cent. on time certificates, 3 per cent. on demand certificates, 5 per cent. on trust deposits and, to persons keeping satisfactory accounts with credit at par, on day received, checks, drafts, etc., on the Eastern, Middle and Western States, will also furnish check books, drafts and "other stationery" free of charge. This institution represents a capital of \$500,000, and asks us to "consider the additional \$500,000 liability of its more than sixty shareholders, composed of responsible bankers, merchants and manufacturers." Is this a benevolent institution comprised of sixty or more wealthy bankers, merchants and manufacturers who stake all they possess on their reputation as philanthropists, or is it an organization for the purpose of profit to its shareholders?

If the former, should we not patronize it; if the latter, might not we as its patrons become philanthropists? I am reminded of the time when it was something of a conundrum in the minds of conservative men of Chicago as to how the savings institutions there could afford to pay 6 per cent. on deposits, when the current rate for money was two to three per cent. greater than at present, and although not a sufferer myself I well remember when those philanthropic institutions tumbled, one by one in quick succession, led by the great "State Savings Institution" with its many thousand depositors—widow ladies, school teachers, dressmakers, servant girls, wash women, fruit peddlers, clerks, accountants, mechanics, laboring and professional men, and people filling almost every vocation in life, left to mourn the loss of that philanthropic, fatherly gentleman (the bank's President) who, failing to find an incentive to honesty in a realization of legitimate profits, was compelled to "pocket" a liberal sum to provide him a livelihood in some foreign land. This was but the signal for a general disclosure of the rottenness within the walls of those institutions, and quickly followed the "Bee Hive," the "Cook County," and the "Fidelity," due possibly not so much to crookedness or bad management on the part of their several heads, as to the system of **PAYING MONEY FOR BUSINESS.**

The Fidelity National Bank, of Cincinnati is another illustration of the fact that the elements in a man's nature which will cause him to pay the unreasonable price for business, can furnish no assurance that he will not engage in wild speculation. He who will do an unbusinesslike thing in one direction is apt to do so in another. The jobber who buys his goods at what they are worth can afford to sell them to the responsible dealer who is not compelled, by impaired credit, to pay more than the reasonable profit while he who pays the fabulous price, must, to realize his fair profit seek his trade among the "poor pay" dealers. There is but one result—failure.

The banker who cannot afford to wait the legitimate growth of his business, depending upon the fair, honorable and courteous treatment of his patrons, and the practice of well established rules for sound banking, for its growth, may, by some good stroke of fortune, be safe; but experience has demonstrated that the success and safety of the banker who builds on the more substantial foundation of correct business methods is not dependent upon luck or chance.

A. A. MCFADEN, *Cashier.*

OMAHA, Neb. Aug. 22, 1887.

CUTTING FIGURES ON DRAFTS.

Editor Rhodes' Journal of Banking:

SIR:—I note that the Chicago Bankers' Club will present for the consideration of the American Bankers' Association in October, a form of draft which has been adopted by all of the bankers in Chicago, and urge that its essential features be recommended to all banks and bankers wheresoever dispersed upon the face of the earth. We say amen, most heartily, but wish that the recommendation could include a uniform and simplified protection against raising. It is not at all certain that a draft can be so issued that an expert may not succeed in raising the amount so nicely as to almost or quite

defy detection; but attempts are made in this direction, and that which seems to meet with the most favor by bankers, and is coming to be quite generally adopted, is to cut in the draft the figures indicating the amount written.

The primary objection to this method, as now used, is not the expense of the machine, but the time it takes to use it. I write a draft for sixteen hundred forty-two dollars and must cut \$1642\$, which requires six strokes. If I have but one draft to write, and other parties are not in line, impatient to be waited upon, I may not feel the loss of time, but if ten or more drafts are wanted, and other customers are waiting, the loss of time is so serious that it cannot well be tolerated.

It occurs to me that this loss of time could be so reduced that while it might still be an objection it would not be a fatal one. By reducing the cutting for each draft to two figures instead of the four, five or six, as now required, the protection would be equally good—I think that I may say better, because two figures always in the right place would be seen and read, while six figures cut at any point of the draft without regard to other matter are very likely to be entirely ignored unless attention is called to them. I write sixteen hundred forty-two dollars, and cut 16 with the general understanding that we are to cut *only thousands and hundreds*, and if the draft is raised, it will be for less than \$100. Something too unlikely to occur, and with so small a loss if it does, that it seems like an unnecessary waste of time to guard against it. I write six hundred forty-two dollars and cut 06, indicating no thousands, six hundred. I write forty-two dollars or any other amount less than \$100, and I cut 00, indicating no thousands and no hundreds, and in each case with a general understanding to this effect. All parties are as well protected as though the usual six characters were cut.

(In writing a lot of say ten drafts for one party, if I handle but one draft at a time, I protect with twenty strokes what will now require from forty to sixty strokes, but ordinarily in this number of drafts, at least five will be for amounts less than one hundred dollars. These five will be bunched together, and two strokes will punch 00 through the whole five. If the remaining five are for amounts between one and two hundred dollars, two more strokes will punch 01 through these five, and with four strokes we have protected the ten drafts).

For drafts of \$10,000 or more I would not cut at all, but would advise the paying bank by mail.

MYRON CAMPBELL.

SOUTH BEND, Ind., August 16, 1887.

NATIONAL BANK STATISTICS.—Statement of the Comptroller of the Currency on September 1, 1887, showing the amount of National Bank notes outstanding and the amount of lawful money on deposit with the Treasurer of the United States to redeem National Bank notes:

NATIONAL BANK NOTES.		
Total amount outstanding August 1, 1887		\$276,204,523
Additional circulation issued during the intervening month:		
To new banks	\$439,800	
To banks increasing circulation	559,710	
Total	\$999,510	
Surrendered and destroyed during the intervening month	3,185,123	
Decrease in total circulation during the month		2,185,623
Total amount outstanding September 1, 1887		\$274,018,900
Decrease in total circulation during the preceding 12 months ..	30,350,845	
Circulation secured by United States bonds (as below):		109,051,386
Increase during the preceding month	647,955	
Decrease during the preceding 12 months	72,216,961	
Amount of outstanding circulation represented by lawful money on deposit with the Treasurer of the United States to redeem notes of—		
Insolvent National banks	790,536	
Liquidating National banks	8,056,798	
National banks reducing circulation under Section 4 of the Act of June 20, 1874	50,513,589	
National banks retiring circulation under Section 6, Act of July 12, 1832	44,708,602	
Total lawful money on deposit		\$104,067,515
Decrease in aggregate deposit during the preceding month	2,333,579	
Increase in aggregate deposit during the preceding 12 months ..	41,866,017	

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

TRADING ON APPEARANCES.

(*London Money*).

There is a great deal more of this going on than some people seem to imagine. Were it otherwise it would be difficult to understand how many men contrive to carry on business. There are many people in London at the present moment who are trading on appearances and on nothing else: if they were suddenly pulled up a collapse would inevitably result. A case in point came prominently before public notice last week. Mr. Ernest Bartels, who had carried on business as a stockbroker in a very extensive way, was before the Court in the character of a bankrupt; not a very unusual character nor a very original one; and yet there are some features about Mr. Bartels' assumption of the rôle which are striking and interesting, inasmuch as they throw a broad ray of light on gentlemen of his way of thinking, who, like himself, are "trading on appearances." Nothing seems to be known of Mr. Bartels until 1884, in which year he appears to have started on his meteoric and short-lived career as a stockbroker. All his available capital comprised the sum of £300. Within a fortnight he had "contracted" to sell £2683,000 worth of stock, and he had also re-purchased £800,000. Could a similar thing have happened in any other business? What is there specially pertaining to dealing in stocks and shares different to any other marketable commodities that such facilities should be afforded for "trading upon appearances?" Could Mr. Bartels, with a capital of only £300, have embarked in tea or sugar, cotton or iron, and bought and sold to the extent of close on a million pound's worth within the short space of a fortnight? We throw not. In no other business is there so much gullibility as in the Stock and Share market—so much "trading upon appearances." And yet stocks and shares are as tangible as any other negotiable goods. Why should the Stock Exchange display such sublime faith, and implicitly trust a man of straw, simply because he cuts a dash, and assumes a character and position he is by no means qualified to fill or occupy? No other body or institution of sane men would dream of doing such a thing. Would the Mincing-lane brokers cordially welcome into their arcana and do business at the rate of thirty millions a year with a man, no matter how much bluster and bounce he might be endowed with, if he had no more solid recommendation than a paltry capital of £300? The Stock Exchange and its fraternity is far too prone to be caught with chaff. The strutting peacock, or the masher type of adventurer, is regarded as only too seductive, and instead of being treated as a decoy duck, and at once and for all plucked accordingly, he is permitted—nay, actually encouraged—not merely to plume himself on his facility of hoodwinking his victims, but to absolutely tear the feathers of those who have wantonly and unwisely recognised his sham and absurd pretences to be accepted as one of themselves.

Consolidation of Fulton and Market National Banks.—The Fulton National Bank, of New York city, is to be consolidated with the Market National Bank. The former has a capital of \$300,000 and the latter of \$500,000, and a proposition from the Board of Directors of the Market National Bank has been submitted to the Directors of the Fulton National and accepted by them, to consolidate the business of the two institutions under one management and name. The result will be one strong bank with a capital of \$800,000, surplus of \$300,000, and deposits of about \$4,000,000. The expenses will be considerably less than are required to manage both banks. The process will be to place the Fulton National Bank in liquidation by the vote of shareholders owning two-thirds of the stock. The shareholders will each receive the ascertained value of their shares. The Market National will increase its capital stock with the understanding that the shareholders of the Fulton National shall have the privilege of subscribing for the increased stock at a rate to correspond with the book value of the stock when liquidated. A meeting of the stockholders of the Fulton National has been called for November 9, 1887, to vote on the question of the liquidation of the bank.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

NOTE.—We shall esteem it a favor if readers of the JOURNAL will notify us of any changes in the banks with which they are connected, as well as of new banks and banking firms organized or recently opened in their place or vicinity, in order that the changes and additions may be made without delay in this department.

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

Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.

- 3729—American National Bank, Findlay, Ohio. Capital, \$100,000.
- 3730—Preston National Bank, Detroit, Michigan. Capital, \$600,000.
- 3731—Minneapolis National Bank, Minneapolis, Kansas. Capital, \$60,000.
- 3732—German National Bank, Hastings, Nebraska. Capital, \$50,000.
- 3733—First National Bank, Merced, California. Capital, \$200,000.
- 3734—American National Bank, Birmingham, Alabama. Capital, \$250,000.
- 3735—Alexander County National Bank, Cairo, Illinois. Capital, \$100,000.
- 3736—Merchants' National Bank, Clinton, Iowa. Capital, \$100,000.
- 3737—Citizens' National Bank, Kingman, Kansas. Capital, \$50,000.
- 3738—Lockwood National Bank, San Antonio, Texas. Capital, \$300,000.
- 3739—First National Bank, Sturgis, Dakota. Capital, \$50,000.
- 3740—Merchants' National Bank, Macon, Georgia. Capital, \$100,000.
- 3741—Citizens' National Bank, Norfolk, Nebraska. Capital, \$50,000.
- 3742—First National Bank, Calvert, Texas. Capital, \$80,000.
- 3743—First National Bank, Monrovia, California. Capital, \$50,000.

Banks reported above were omitted from this place in July JOURNAL, by error, although detailed information in regard to each appeared under respective State and town heads.

- 3761—First National Bank, Escanaba, Michigan. Capital, \$50,000.
- 3762—Farmers' National Bank, Hillsboro, Texas. Capital, \$50,000.
- 3763—First National Bank, Renovo, Pennsylvania. Capital, \$50,000.
- 3764—Plano National Bank, Plano, Texas. Capital, \$50,000.
- 3765—First National Bank, Greenville, Texas. Capital, \$100,000.
- 3766—Bryn Mawr National Bank, Bryn Mawr, Pennsylvania. Capital, \$50,000.
- 3767—Thomasville National Bank, Thomasville, Georgia. Capital, \$100,000.
- 3768—Fourth National Bank, Waterbury, Connecticut. Capital, \$100,000.
- 3769—First National Bank, Alma, Kansas. Capital, \$50,000.
- 3770—German-American National Bank, Pekin, Illinois. Capital, \$100,000.
- 3771—National Bank of Deposit, New York, New York. Capital, \$250,000.
- 3772—Ohio National Bank, Lima, Ohio. Capital, \$120,000.
- 3773—First National Bank, Madison, Nebraska. Capital, \$50,000.
- 3774—First National Bank, Heppner, Oregon. Capital, \$50,000.
- 3775—First National Bank, Russell Springs, Kansas. Capital, \$50,000.
- 3776—First National Bank, Wa Keeney, Kansas. Capital, \$50,000.

ALABAMA.

OPELIKA.—First National Bank; surplus increased to \$10,000.

ARIZONA.

PHOENIX.—National Bank of Arizona; Cashier, Geo. W. Hoadley. — Hartford Banking Co. is reported here. Capital, \$50,000. President, L. W. Blinn; Cashier, E. H. Hiller.

ARKANSAS.

OZARK.—Arkansas Valley Bank is reported here. Capital, \$20,000. President, J. F. Qualle; Cashier, J. B. Carter.

CALIFORNIA.

HEALDSBURG.—Bank of Healdsburg; S. Cohn, Cashier, in place of J. D. Hassett.

LOS ANGELES.—California Bank has filed articles of incorporation. Subscribed capital, \$500,000. President, A. M. Newhall.

MOCKELUMNE HILL.—C. Schlund, deceased.

MONROVIA.—Granite Bank is reported here.

OAKLAND.—California Savings & Trust Co. is reported here.

PASADENA.—Pasadena Savings Bank; President, O. T. Hopkins; Cashier, Otto Froelich.

SAN DIEGO.—San Diego National Bank is being organized. Capital, \$500,000. Cashier, L. M. Jacobs.

COLORADO.

GLENWOOD SPRINGS.—Glenwood National Bank; Vice-President, J. C. Osgood; C. M. Greig, Cashier, in place of C. H. Toll; Assistant Cashier, H. W. Higgins.

LAMAR.—First National Bank; Vice-President, James H. Holmes; Assistant Cashier, E. L. Koen.

CONNECTICUT.

MYSTIC.—Mystic National Bank in liquidation.

DAKOTA.

CENTRAL CITY.—Central City Bank; Cashier, F. M. Clary.

DIANA.—Name changed to Artesian City.

HAROLD.—Harold Bank is reported here. Manager and Cashier, Wm. Summerside.

LEOLA.—Bank of Leola; Capital, 12,000. President, Chas. N. Heneid; Cashier, C. Johnson.

YANKTON.—Yankton Savings Bank is reported here.

GEORGIA.

SAVANNAH.—Citizens' Bank has been incorporated.

THOMASVILLE.—S. L. Hayes; succeeded by Thomasville National Bank. Capital,

\$100,000. President, S. L. Hayes; Vice-President, A. T. McIntyre, Jr.; Cashier, James

A. Brandon.

IDAHO.

DELTA.—Bank of Murray; Agency here closed.

WARDNER.—Bank of Wardner; proprietors, S. F. Chadwick & Son. Cashier, S. J. Chadwick.

ILLINOIS.

BUDA.—J. D. Reynolds; succeeded by Buda Bank. Cashier, I. B. Lesh.

HOMER.—First National Bank; succeeded by Citizens' Bank. Capital, \$25,000. President H. J. Wiggins; Cashier, E. I. Fisher.

KINGS.—King, Oakes & Co. are in business here. Style, Farmers' Bank of Kings.

MATTOON.—Mattoon National Bank; C. E. Wilson, President, in place of Lewis L. Lehman.

PEKIN.—German-American National Bank; Vice-President, E. W. Wilson.

QUINCY.—Quincy National Bank; Vice-President, John H. Daker.

INDIANA.

ATTICA.—Citizens' National Bank; Vice-President, Thos. P. Campbell; Assistant Cashier, W. B. Schemerhorn.

FRANKFORT.—First National Bank; T. B. Cox, President, in place of James H. Paris; J. W. Coulter, Vice-President, in place of T. B. Cox.

IOWA.

EMMETTSBURG.—Palo Alto County Bank; W. J. Brown, Cashier, in place of John J. Robins.

LE MAR.—Security Savings Bank is reported here.

MARCAS.—Marcas Bank; President & Cashier, Louis Gund.

KANSAS.

ALMA.—J. F. Limerick & Co.; succeeded by First National Bank. Capital, \$50,000. President, John Francis Limerick; Cashier, Lawrence Travell Whalley.

ARKANSAS CITY.—Strong & Ross are reported here.

BURLINGAME.—Bank of Burlingame succeeds Burlingame Savings Bank and Traders' State Bank. Capital, \$50,000. President, C. M. Sheldon; Vice-President, J. A. Finch; Cashier, C. E. Wood; Assistant Cashier, A. M. Miner.

BURDEN.—Burden Bank; S. C. Day, Cashier, in place of E. A. Henthorn.

CONCORDIA.—Citizens' National Bank; Vice-President, B. H. McKekron; Assistant Cashier, F. W. Morgan.—C. W. McDonald; succeeded by Citizens' National Bank.

DOWNS.—Exchange National Bank; in voluntary liquidation.

ELK CITY.—Elk City Bank; Assistant Cashier, J. W. Berryman.

FORT SCOTT.—State Bank; Assistant Cashier, E. D. Marr.

GENESEO.—Central State Bank is reported here.

GLASCO.—Citizens' State Bank is reported here. Capital, \$20,000. President Albert Bissell; Vice-President, W. R. West; Cashier, S. W. Keiser.

HOLTON.—Exchange Bank is reported here. President, Samuel Newman; Cashier, J. Dickey.

KANSAS CITY.—Armourdale Bank is reported here. President, A. W. Little; Cashier, O. L. Squier.

KINSLEY.—First National Bank; Vice-President, C. C. Sellers.

LATHAM.—Citizens' Bank is reported here. Cashier, Geo. Sherar.

LAWRENCE.—National Bank of Lawrence; Emma Hadley, Assistant Cashier, in place T. E. Newlin.

LEBANON.—Lebanon State Bank is reported here. President, I. J. Finch; Cashier, Horace Winegar.

MANKATO.—First National Bank; Vice-President, Geo. S. Bishop; Assistant Cashier, J. A. Montgomery.

MANHATTAN.—First National Bank has been organized. Capital, \$50,000. President, G. S. Murphy; Cashier, T. R. Board.

PIERCEVILLE.—Pierceville State Bank; President, A. J. Hoisington; Cashier, A. S. Cooke.

PRATT.—Bank of Pratt; succeeded by First National Bank.

PROTECTION.—State Bank is style of bank here. Capital, \$5,000. President, Thomas E. Berry; Cashier, Ira B. Kirkland.

RUSSELL SPRINGS.—First National Bank has been authorized to commence business. Capital, \$50,000. President, James S. Warden; Cashier, J. T. Phinney.

SCOTTSVILLE.—Bank of Scottsville is reported here. President, W. W. Caldwell; Vice-President, F. A. Southwick; Cashier, C. H. Sawyer; Assistant Cashier, E. M. Sawyer.

SMITH CENTRE.—Bank of Smith Centre (Reid Brothers); succeeded by State Bank. Capital, \$30,000. President, G. W. White; Cashier, C. S. Barnett.

SPIVEY.—Bank of Spivey; John A. Cragun, President, in place of Chas. Manning; Edgar Anderson, Vice-President, in place of John A. Cragun.

SUPERIOR.—State Bank is reported here. President, O. G. Heggelund; Cashier, Leon Depp.

SEWARD.—Frank Cox Bank is style of bank being organized here.
STERLING.—State Bank; capital, \$10,000. President, J. H. Rickaecker; Vice-President, J. Larne; Cashier, A. M. Thorn.
TOPEKA.—Kansas National Bank is being organized here. Capital, \$500,000. President, Samuel T. Howe; Cashier, R. M. Crane.
TURON.—Bank of Turon; J. B. Potter, President, in place of J. D. Larabee; Vice-President, T. W. Hickman; M. H. Potter, Cashier, in place of J. S. McCurdy; no Assistant Cashier in place of F. S. Larabee.
WA KENEY.—First National Bank has been authorized to commence business. Capital, \$50,000. President, A. H. Blair; Cashier, R. C. Wilson.
WICHITA.—West Side National Bank; Vice-President, O. Martinson.
WINONA.—Winona Banking Co. is reported here. President, J. C. Rice; Cashier, J. E. Rule.

KENTUCKY.

CLINTON.—Clinton Bank is reported here. Capital, \$50,000. President, E. O. Beld; Cashier, W. I. Reed.
LEXINGTON.—First National Bank; John M. Bell, Cashier, in place of Thomas Mitchell; H. P. Kinkad, Assistant Cashier, in place of John M. Bell.
OWENSBORO.—Citizens' Bank; Cashier, H. C. Gans. — Citizens' Savings Bank; W. H. Moore, Cashier, resigned.
SOMERSET.—Citizens' National Bank is being organized.

LOUISIANA.

LAKE CHARLES.—J. B. Watkins Banking Co.; no Cashier in place of A. C. Gordon; Assistant Cashier, F. H. McCann.

MAINE.

HALLOWELL.—Hallowell National Bank; A. D. Knight, Cashier, in place of A. K. Perry.

MASSACHUSETTS.

GLOUCESTER.—Gloucester National Bank; Benj. H. Corlies, President, in place of E. W. Merchant.
MALDEN.—First National Bank; Assistant Cashier, Edw. P. Kimball.
NEWBURYPORT.—Merchants' National Bank; P. H. Blumpey, President, in place of Isaac H. Boardman, deceased; no Vice-President in place of P. H. Blumpey.
NORTHAMPTON.—Hampshire County National Bank; Luther Bodman, President, deceased.
SPRINGFIELD.—Chicopee National Bank; Horace Smith, President, in place of Henry Fuller, Jr., deceased.

MICHIGAN.

ESCANABA.—Exchange Bank (C. G. Royce); succeeded by First National Bank. Capital, \$50,000. President, Covell G. Royce; Cashier, Frank C. Buck.
LITCHFIELD.—Lovejoy & La Fleur are reported here. Style, Citizens' Bank.
SAUGATUCK.—Wisner, Rowe & Co. have commenced business here. Style, Exchange Bank. President, J. Wisner; Vice-President and Manager, Edward Wisner; Cashier, N. L. Rowe.
SAULT DE STE. MARIE.—Sault de Ste. Marie National Bank; Vice-President, Albert Prenzlauer; Assistant Cashier, W. B. Cady.
SANDUSKY.—Sandusky Bank; President, F. W. Hubbard.

MINNESOTA.

DAWSON.Bank of Dawson; Samuel Lewison, Cashier, in place of O. F. Stensrud.
DOVER CENTRE.—Dover Bank (E. D. Dyar); change in officers reported in August JOURNAL were erroneous. No change made or contemplated.
HECTOR.—State Bank of Hector has applied for State Charter. Capital, 25,000. President, G. K. Gilbert; Vice-President, Wm. D. Griffith; Cashier, A. R. Gress.

MISSOURI.

BOWLING GREEN.—Farmers' Bank; C. E. Porter, President, in place of S. P. Griffith; J. T. McCune, Assistant Cashier, in place of I. D. Kirtland.
COLUMBIA.—Columbia Savings Bank; Jno. M. Samuel, President, deceased.
HUNTSVILLE.—J. M. Hammett & Co.; W. F. Hammett, Cashier, in place of C. H. Hammett; J. D. Hammett, Assistant Cashier, in place of W. F. Hammett.
KANSAS CITY.—National Bank of Commerce; Vice-President, L. F. Wilson; C. J. White, Cashier, in place of L. F. Wilson; Assistant Cashier, H. C. Schnitzgebie. — German-American Bank; to be succeeded by German-American National Bank.
LOUISIANA.—Bank of Louisiana; R. J. Hawkins, Cashier, in place of R. H. Goodman; Assistant Cashier, R. H. Goodman.
POLO.—Exchange Bank; Cashier, John Cox.

MONTANA.

LEWISTOWN.—Bank of Fergus County is reported here. Capital, \$50,000. President, Simeon S. Hobson; Vice-President, T. C. Power; Cashier, James H. Moe; Assistant Cashier, N. M. Erickson.

NEBRASKA.

BENKLEMAN.—Bank of Benkleman; O. Callihan, Cashier, in place of Walter Chamberlin.
BLAIR.—Blair State Bank is reported here. Capital, \$80,000. President, F. W. Kenny; Vice-President, A. P. Howes; Cashier, T. E. Stevens.
BURNETT.—Elkhorn Valley Bank has been opened here. Capital, \$12,000. President, James Stuart; Cashier, C. E. Burnham.
FULLERTON.—First National Bank; Cashier, Theo. C. Koch.
GERING.—Bank of Gering is reported here. Capital, \$25,000. President, L. H. Jewett; Cashier, C. W. Johnson.
GRANT.—Commercial State Bank is reported here.

IMPERIAL.—People's Bank; title changed to Chase County Bank.
KEARNEY.—First National Bank; Lew. Robertson, President, in place of L. R. Robertson.

LODGE POLE.—Bank of Lodge Pole is reported here.

MADRID.—Bank of Madrid is reported here. Capital, \$18,000. President, J. McKenzie; Cashier, T. C. Branson.

MADISON.—First National Bank has been authorized to commence business. Capital, \$50,000. President, A. W. Wohlford; Cashier, Peter Rubendall.

MAISON CITY.—Bank of Mason City has been recently opened. President, F. M. Rublee; Vice-President, C. J. Stevens; Cashier, B. F. Hake.

RED CLOUD.—First National Bank; E. N. Shirey, President, in place of R. E. Moore; Jno. H. Shirey, Cashier, in place of John Moore; H. B. Cather, Assistant Cashier, in place of Anson Higby.

SPRINGVIEW.—Northwestern Exchange Bank is reported here. President, F. W. Jones; Cashier, F. H. Jones.

STOCKVILLE.—Stockville Bank is reported here. President, J. W. Dolan.

STRATTON.—Commercial Banking Co. is reported here. Capital, \$15,000. President, C. C. Vennum.

VALLEY.—Bank of Valley; President, C. E. Mayne; Cashier, F. A. Richardson; Assistant Cashier, J. L. Whittingham.

WILSONVILLE.—Farmers' & Merchants' Bank; Sold to C. H. Pierce (Beaver Valley Bank).

YORK.—York Savings Bank; G. P. Cheesman, President, in place of D. E. Sayre.

NEVADA.

RENO.—Bank of Nevada; Assistant Cashier, C. C. Powning.

NEW HAMPSHIRE.

LEBANON.—National Bank of Lebanon; C. E. Cooper, Cashier, in place of E. A. Kendrick.

NEW JERSEY.

ASBURY PARK.—Asbury Park National Bank has been organized. Capital, \$100,000. President, Egbert Towner; Vice-President, Stephen S. Willetts; Cashier, Harold E. Willard.

HOBOKEN.—Second National Bank; Vice-President, Herman S. Tinken; Assistant Cashier, Arnold R. Dodge.

NEW YORK.

BALLSTON SPA.—Ballston Spa National Bank; Geo. L. Thompson, Cashier, in place of John J. Lee.

BREWSTER.—Putnam County Savings Bank; F. A. Hoyt, Treasurer, a defaulter.

CANASTOTA.—Canastota Banking House; succeeded by State Bank of Canastota (Incorporated.) Authorized capital, \$100,000; paid capital, \$40,000. President, Wm. H. Patten; Vice-President, E. N. Bruce; Cashier, Milton Delano.

DANVILLE.—First National Bank; failed.

HORNELLVILLE.—Citizens' National Bank; Charles Hartsborn, President, deceased.

MALONE.—Farmers' National Bank; O. S. Lawrence, Cashier, in place of Wm. F. Creed; no Assistant Cashier in place of C. J. Lawrence.

NEW YORK CITY.—Grovesteen & Fell; Assignee, Philip W. Harding. — N. L. Hunting; deceased. — Henry S. Ives & Co.; Assignee, Wm. Nelson Cromwell. — Geo. H. Palmer; deceased. — Loomis L. White & Co.; Wm. Viall Chapin admitted to Stock Exchange.

PALMYRA.—Lyman Lyon; deceased.

UTICA.—Second National Bank; Wm. M. White, President, in place of Edward S. Brayton, deceased; Henry Roberts, Vice-President, in place of Wm. B. Jackson; David A. Avery, Cashier, in place of Geo. F. Thomas, deceased; Assistant Cashier, Willard Conkey.

NORTH CAROLINA.

GREENBORO.—People's Five Cents Savings Bank has been organized.

WASHINGTON.—W. P. Baughman, of Warrenton, has also opened an office here.

OHIO.

ALLIANCE.—First National Bank; Vice-President, C. C. Davidson; W. M. Reed, Cashier, in place of Le Roy D. Brown.

CINCINNATI.—Atlas National Bank; Henry Meyer, President, in place of Wm. Stichtenth, Jr. — Fidelity Safe Deposit & Trust Co.; F. Alter, President, pro tem. in place of Briggs Swift; L. T. Barr, Superintendent, in place of Jno. G. Brotherton.

LIMA.—Ohio National Bank will shortly open for business. Capital, \$120,000. President, I. C. Thompson; Vice-President, Jos. E. Roberts; Cashier, Jas. H. Woods.

NORTH BALTIMORE.—People's Bank; President, J. A. Crofford; Cashier, M. B. Waldo; Assistant Cashier, C. Crouse.

SOUTH TOLEDO.—Name changed to Maumee.

OREGON.

HEPPNER.—First National Bank has been authorized to commence business. Capital, \$50,000. President, C. A. Rheo; Cashier, J. G. Maddock.

PENNSYLVANIA.

BRYN MAWR.—Bryn Mawr National Bank has been authorized to commence business. Capital, \$50,000. President; Hamilton Egbert; Vice-President, J. L. Stadelman; Cashier, A. A. Cadwallader.

MCKEESPORT.—Bank of McKeesport; paid capital, \$25,000. President, James Evans; Cashier, E. G. Bankin.

PITTSBURGH.—Marine National Bank; Wm. W. O'Neill, President, in place of W. H. Everson.

RENOVO.—First National Bank has been authorized to commence business. Capital, \$50,000. President, James A. Williamson; Cashier, W. B. Reilly.

YORK.—City Bank; President, C. B. Wallace; Cashier, R. H. Shindel.

SOUTH CAROLINA.

LAURENS C. H.—Peoples Loan & Exchange Bank; President, Albert Dial; Cashier, Jos. H. Sullivan; Assistant Cashier, J. W. Todd.

SUMTER C. H.—National Bank of Sumter; C. E. Bartlett, Cashier, a defaulter.

TENNESSEE.

BELLBUCKLE.—Bank of Bellbuckle is reported here.

ROGERSVILLE.—Citizens' Bank; President, J. C. Stamp; Cashier, J. M. Gray.

TEXAS.

BOWIE.—Bowie Bank (C. W. Easley); closing and consolidating with Citizens' Bank, of Henrietta.

EL PASO.—El Paso National Bank; Vice-President, Wm. S. Hills.

GALVESTON.—First National Bank; E. G. Flint, President, in place of Julius Runge.

HILLSBORO.—Farmers' Bank has been authorized to commence business. Capital, \$50,000. President, J. D. Warren; Vice-President, V. H. Ivy; Cashier, R. P. Edrington.

MCKINNEY.—Collin County National Bank; J. L. White, Cashier, in place of Wm. L. Boyd; L. A. Foote, Assistant Cashier, in place of J. L. White.

PLANO.—Plano National Bank has been authorized to commence business. Capital, \$50,000. President, Geo. W. Bowman; Cashier, T. C. Jasper.

SAN MARCOS.—National Bank of San Marcos; title changed to Glover National Bank.

SCHULENBURG.—Charles Proetz; discontinued.

VERMONT.

WHITE RIVER JUNCTION.—White River Savings Bank has been opened for business. President, Samuel E. Pingree; Vice-President, David H. Moore; Treasurer, C. A. Kibling.

VIRGINIA.

HARRISONBURG.—Commercial Bank is being organized.

RICHMOND.—State Bank of Virginia; John L. Bacon, President, deceased.

WASHINGTON TERRITORY.

TACOMA.—Tacoma Trust & Savings Bank is new bank here. Cashier, W. B. Allen.

WISCONSIN.

EAU CLAIRE.—Eau Claire National Bank; William Carson, Vice-President, in place of L. M. Vilas.

NEW LONDON.—Perrin & Bingham (Bank of New London); succeeded by Murray & Klepser.

WYOMING.

ROCK SPRINGS.—Sweetwater County Bank; capital, \$25,000. President, Henry G. Balch; Cashier, A. Kendall.

ONTARIO.

LONDON.—Bank of London in Canada; suspended.

NIAGARA FALLS.—Imperial Bank of Canada; J. A. Langmuir, Manager, in place of Edward Hay.

NORWICH.—Canadian Bank of Commerce; closed.

ORILLIA.—A. W. Gordon; discontinued.

PETROLEA.—Bank of Toronto; a branch of this bank will be opened here shortly.

FORT HOPE.—Bank of Toronto; Stuart Armour, Manager, in place of W. R. Wadsworth.

STRATFORD.—Bank of Montreal; Thomas Plummer, Manager, in place of G. A. Farmer.

TORONTO.—Molson's Bank; C. A. Pilon, Manager, instead of Acting Manager.

QUEBEC.

MONTREAL.—Merchants' Bank of Halifax have opened an office here. Agent, E. L. Pease.

QUEBEC.—La Banque Nationale; Joseph Hamel, Vice-President, resigned.

NOVA SCOTIA.

HALIFAX.—Merchants' Bank of Halifax; Manager, W. B. Torrance.

PICOU.—Bank of Nova Scotia; W. E. Stavert, Manager, in place of D. C. Chalmers.

NEW BRUNSWICK.

FREDERICTON.—Merchants' Bank of Halifax have opened an office here. Manager, A. S. Murray.

MONCTON.—Bank of Nova Scotia; D. C. Chalmers, Manager, in place of Geo. Sanderson.

ST. JOHN.—Bank of Nova Scotia; Geo. Sanderson, Manager, in place of J. M. Robinson, resigned.

Interest Tables.—The attention of our readers is called to the new "Interest Tables" by Mr. O. M. Beach, advertised on the last page of the JOURNAL. Those who purchased this book of tables find it to be all the advertisement claims, and are highly pleased with it, as is indicated by the following extracts from some of the letters received from bank Cashiers who have used it:

"I know of nothing in this line to equal your tables for convenience and accuracy." * * "I unhesitatingly pronounce your book the most convenient and labor-saving arrangement ever offered." * * "The most convenient and practical book of the kind ever published." * * "I have become in love with these tables and cheerfully indorse the same." * * "I have tested their accuracy, and for labor-saving I do not think they have their equal." * * Price, \$4 a copy.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, September 2, 1887.

The month of August opened with a decided step taken by the Secretary of the Treasury in offering to prepay the interest on the National debt accruing on or before January 1, 1888, at a rebate of 2 per cent. per annum and in soliciting bids for the sale of four and a half per cent. bonds. The caution with which the offer was made and the exceeding hesitation with which bids have been accepted have deprived the action of the Secretary of any great effect. The first result of the announcement was to send the bonds up slightly but the subsequent action of the Treasury, has had a depressing effect, showing that the agitation about bond purchases, as we have hitherto pointed out, has had much to do with the very high prices of the four's and four and a half's. There have also this month been three collapses. That of the great California wheat deal, in which the Nevada bank was supposed to be involved. The failure of Ives and Company in their railroad manipulating scheme, and the smaller affair of Grovestein and Pell. Notwithstanding the general decline in railroad stocks, the earnings of the railroads usually indicate prosperity, being generally in excess of the earnings for the same period of 1886. While ordinary business has exhibited much vitality as shown by the increased railroad earnings the augmentation of bank clearings, etc., it has so far been a bad year for speculative business. All the corners attempted in commodities seem to have come to grief, the Chicago wheat deal, the coffee corner in New York city, not to say any thing of prunes, and the cotton speculation at Galveston, have been disastrous to those engineering them. The fact of general prosperity with no tendency to speculation seems to astonish the speculative dealers, and they have as a rule ascribed it to lack of currency. We think they are partly right and partly wrong. Wrong because all the statistics indicate that, counting estimated increase in the stock of gold coin, there is now about 70 millions of currency now in the country outside of the Treasury than there was in 1886, at this time, but right perhaps in that there is no such amount of money lying idle at the money centres as there was in 1886 and previously. Assuming that so far as speculation is affected by the condition of the currency, it is the surplus not invested in ordinary business, which encourages speculation in stocks, then there is a lack of currency for this purpose. There has been an immense amount of money drawn to the West for investment in Western land mortgages—and to the South for investment in various enterprises there. What the ultimate effect of these investments will be it is as yet impossible to say. Any sudden recession of confidence in regard to them might be accompanied by disastrous consequences. There have been quite a number of bank difficulties during the month, none of them however of much importance. The Citizens' Savings Bank of Leavenworth and the Columbian Bank of Philadelphia led off, followed by trouble in the Putnam County Savings Bank of Brewsters, New York, and a defalcation in the Sumpter National Bank of Sumpter, S. C., and the failure of the First National Bank of Dansville, New York.

FOREIGN EXCHANGE has been dull throughout the month. The Bank of England advanced its discount rate from 2 to 3 per cent. on August 4th. The first week in August there were free offerings of bankers' bills against foreign purchases of bonds and stocks. The second week the rates were still lower. The third week there was some demand—it was anticipated that the Bank of England would further advance its discount rate. Gold to the amount of \$850,000 arrived from abroad. The fourth week was much the same as the previous week, \$1,000,000 in gold arrived, a rise in the rate of discount of the

Bank of England was apprehended but did not take place. The following are the latest posted and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.81½@4.82; sight, nominal, \$4.85@4.85½; 60 days, actual, \$4.80@4.80½; sight, actual, \$4.83½@4.84; Cable transfers, \$4.84@4.84½; Prime commercial sterling, long, \$4.79@4.79½; Documentary sterling, 60 days, \$4.78½@4.79; Paris, bankers', 60 days, 5.25½@5.25; sight, 5.23½@5.22½; Paris, commercial, 60 days, 5.27½@5.26½; sight, 5.25@5.24½; Antwerp, commercial, 60 days, 5.28½@5.28½; Swiss, bankers', 60 days, 5.25½@5.25; sight, 5.23½@5.23½; Reichsmarks (4), bankers', 60 days, 94¼@94¾; sight, 94½@94¾; Reichsmarks (4), commercial, 60 days, 93¾@94; sight, 94¼@94¾; Guilders, bankers', 60 days, 89¾@89 18-16; sight, 89 18-16@40; Guilders, commercial, 60 days, 89¾@89 9-16; sight, 89 11-16@89¾; Copenhagen, Stockholm, and Christiania, krona, 60 days, 26 11-16@26¾; sight, 26 15-16@27. Paris dispatches quote exchange on London 25f. 83¼c.

The following shows the posted rates for prime bankers' sterling bills on London, at 60 days, and sight, cable transfers and prime commercial sterling, together with exchange on Paris, on July 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of July and August:

July.	BANKERS		Cable Transfers.	Commercial.	PARIS	
	60 days.	Sight.			60 days.	Sight.
Highest.....	4.84	4.85½	4.85½	4.81½	5.23½	5.20¾
Lowest.....	4.83½	4.85	4.84½	4.81	5.24½	5.21¼
August 1.....	4.83½	4.85½	4.84½	4.81½	5.24½	5.20¾
" 2.....	4.83	4.85	4.84½	4.81	5.23½	5.20¾
" 4.....	4.83½	4.85	4.84½	4.80¾	5.23½	5.20¾
" 5.....	4.83½	4.85	4.84½	4.80¾	5.23½	5.20¾
" 9.....	4.83½	4.85	4.84½	4.80¾	5.23½	5.21¼
" 12.....	4.82	4.84½	4.84	4.79¾	5.24½	5.22¾
" 15.....	4.82	4.85	4.84½	4.79¾	5.24½	5.22¾
" 19.....	4.82	4.85	4.84½	4.79¾	5.24½	5.22¾
" 23.....	4.82	4.85	4.84½	4.79¾	5.23½	5.22¾
Highest.....	4.83½	4.85½	4.84½	4.81½	5.23½	5.20¾
Lowest.....	4.82	4.84½	4.84	4.79¾	5.25½	5.22¾

COINS AND BULLION.—Bar silver is quoted in London at 45½d. per ounce. At this quotation for silver the bullion value of the standard dollar is 76.66 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars.....	\$ 99 @ \$ 1 00	Twenty marks.....	4 73 @ 4 80
New (412½ grains) dollars...	99½ @ 1 00	Spanish doubloons.....	15 55 @ 15 70
American silver ½s & ¼s...	99½ @ 1 00	Spanish 25 pesetas.....	4 75 @ 4 85
American dimes.....	99½ @ 1 00	Mexican doubloons.....	15 55 @ 15 70
Mexican dollars.....	76 @ 77½	Mexican 20 pesos.....	19 50 @ 19 60
Peru soles & Chilean pesos..	72½ @ 74	Ten guilders.....	3 96 @ 4 00
English silver.....	4 78 @ 4 85	Com'l silver bars, per oz....	97½ @ 97¾
Five francs.....	93 @ 95	U. S. Assay silver bars	97½ @ 97¾
Victoria sovereigns.....	\$4 88 @ \$4 88	Fine gold bars par @ ¼¢ premium on the	
Twenty francs.....	3 87 @ 3 92	Mint value.	

The increased price of silver shown by the above is said to be due to an increased inquiry in London for export to the East acting on, a limited supply on hand.

The home money market has been easier through the month of August than during the previous month. The first week rates for call loans ranged from three and a half to six per cent., the second from three to eight, and the third and fourth weeks from three to seven per cent. The rates for prime commercial paper have ranged from six to seven per cent., generally from six to six and a half. The following are the latest rates of exchange on New York: Savannah, par; selling ¼@¾ premium; Charleston, buying par; selling ¼@3-16 premium; New Orleans commercial, 50c. per \$1,000 discount @par; bank, 50c. per \$1,000 premium; St. Louis, 75c. per \$1,000 discount; Chicago, 60c. per \$1,000 discount.

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of August, and the highest and lowest during the month. Actual sales marked * :

AUG.	1/8% '91, coup.	1/2% 1907, coup.	1/2% 1907, Reg.	C'y 6s, 1895.	C'y 6s, 1899.	AUG.	1/8% '91, coup.	1/2% 1907, coup.	1/2% 1907, Reg.	C'y 6s, 1895.	C'y 6s, 1899.
1	*108 3/4	*127 1/4	*127	123	132	17	108 3/4	126 3/4	*127	123	132
2	*108 3/4	*127	126 3/4	123	132	18	108 3/4	126 3/4	*126 3/4	123	132
3	*108 3/4	*126 3/4	126 3/4	123	131 1/4	19	108 3/4	126 3/4	126 3/4	121 1/4	131 1/4
4	*109	*127	127	122	131	20	108	126 1/4	126 1/4	121 1/4	131 1/4
5	109 1/4	127	127	123	131 1/4	21	108	126 1/4	125 3/4	121 1/4	131
6	109 3/4	127 1/4	127 1/4	123 1/4	132	22	108 3/4	125 3/4	125 3/4	121	131
7	109 3/4	127 1/4	127 1/4	123 3/4	132 1/4	23	*109	125 3/4	125 3/4	121 1/4	131
8	*109 3/4	*127 1/4	*127 1/4	123 3/4	132 3/4	24	108	125 3/4	125 3/4	121	131
9	*110 3/4	*128 1/4	*128 1/4	123 3/4	132 3/4	25	108	125 3/4	125 3/4	121	131
10	110 3/4	127 3/4	127 3/4	123	132 3/4	26	108	125	125	121	131
11	110	*127 3/4	*127 3/4	123 1/4	132 1/4	27	108 1/4	125 1/4	125 1/4	*121	*129
12	*110	127 3/4	*127 3/4	123 1/4	132	28	109 1/4	125 3/4	*125 3/4	121 1/4	131 1/4
13	109 3/4	127 1/4	127 1/4	123	132	29	109 3/4	*125 3/4	*125 3/4	121 1/4	131 1/4
14	109 3/4	127 1/4	127 1/4	122	132	30	109 3/4	*125 3/4	*125 3/4	121 1/4	131 1/4
15	109 3/4	*127 1/4	*127 1/4	122	132	31	109 3/4	125 3/4	125 3/4	121	129
16	109 3/4	*127	*127	122	132	High Low	110 3/4 108	123 1/4 125	123 125	123 121	132 129

There is no better proof that money has not been locked up in the Treasury as compared with the year 1886, than the following table derived from data prepared at the Treasury Department, which shows the actual net holdings of the United States Treasury at corresponding dates in this and the previous year:

U. S. Treasury Net holdings of.	July 1, 1886.	June 1, 1887.	July 1, 1887.	Aug. 1, 1887.	Sept. 1, 1887.
Gold	\$156,793,749	\$186,667,778	\$186,875,669	\$186,806,390	\$193,274,198
Silver	96,229,539	73,157,591	73,348,425	72,455,106	70,390,483
U. S. notes	22,868,317	25,689,202	21,767,376	20,013,797	21,157,538
Bank notes	149,014	375,176	197,046	273,802	219,313
Fractional silver...	29,232,496	27,208,314	27,094,192	26,803,845	26,259,313
In Treasury.	\$305,323,115	\$309,176,230	\$307,529,129	\$305,472,823	\$311,270,859
In Depository B'ks.	14,435,199	22,802,573	22,991,802	23,498,287	25,024,902
Total	\$319,758,314	\$331,978,803	\$330,520,931	\$328,966,090	\$337,194,760

The following statement taken from Treasury estimates and figures shows still more forcibly that not only the amount of actual cash money in the Treasury has not increased, but that there has been an increase in the currency in the hands of the people and banks:

Forms of Circulation.	July 1, 1886.		August 1, 1886.	
	In Treasury.	With Banks and People.	In Treasury.	With Banks and People.
Gold coin and bullion.....	\$156,793,744	\$433,980,211	\$186,806,390	\$475,837,319
Silver dollars	96,229,539	140,585,945	72,455,106	196,123,174
Legal-tender notes.....	22,868,317	323,812,669	19,633,740	327,047,276
National bank notes	149,014	308,541,966	273,802	276,390,721
Fractional silver, etc.	29,232,496	46,155,000	26,803,845	66,644,534
Total	\$305,323,115	\$1,253,075,841	\$305,472,823	\$1,380,583,024

It will be observed that the amount under the head of gold coin and bullion forms more than one-third of the amount in the hands of the people. The whole sum we believe of \$475,837,319 is gold coin. Whatever gold bullion

there is in the hands of the Treasury. One would suppose that gold coin forming over one-third of the currency outside of the Treasury would appear more in circulation or in the banks but it is well known that very few payments are made in gold coin. It would seem probable either that some overestimate has been made in the amount or that gold coin is hoarded or carried out of the country to a greater extent than is supposed.

The public debt and Treasury statements for September 1st show that during the month of August the public debt less cash in the Treasury has decreased \$4,809,475 as compared with \$4,844,894 during the month of July. The outstanding interest bearing debt on August 1st was \$1,066,600,862, and on September 1st it was \$1,060,858,712. The accrued interest, on the same at the latter date was \$10,114,386. This statement includes \$64,623,512 bonds of the Pacific Railway Companies. An additional statement is issued by the Department this month in regard to these latter bonds. We criticized the inclusion of them in the public debt statements as debt of the Government without explanation or qualification, and are glad to see this effort at elaboration, which is after all a return to the old method of reporting these bonds followed under Secretaries Sherman and Folger. From the figures given it appears that the interest already paid by the United States on these bonds is \$74,731,786, of which the roads have reimbursed \$22,091,897, leaving them in debt to the Government on account of interest alone to the extent of \$52,639,889. The sinking fund for the reduction of debt amounts in bonds and cash to \$8,855,183. The net cash balance, in addition to the \$100,000,000 set aside in the debt statement as a reserve on legal-tender notes, available for the reduction of the debt and meeting the expenses of the Government was, \$44,760,908 as against \$45,698,594 on August 1st. The amounts due from National bank depositories were \$25,923,902, as against \$23,493,267, an increase of \$2,430,635.

The following table shows the net gold and silver held by the United States Treasury on the 1st of August and on the 1st of July and June :

	Sept. 1, 1887.	Aug. 1, 1887.	July 1, 1887.
Gold coin and bullion.....	\$282,039,534	\$281,296,417	\$278,101,106
Gold certificates outstanding.....	88,765,340	94,990,087	91,225,437
Gold owned by Treasury.....	\$193,274,193	\$186,306,330	\$186,875,669
Silver dollars and bullion.....	\$218,236,868	\$216,621,247	\$215,166,442
Silver certificates outstanding.....	147,876,385	144,168,141	142,118,017
Silver owned by Treasury.....	\$70,360,483	\$72,453,106	\$73,048,425

The changes during the month are an increase of \$6,967,863 in net gold coin and bullion held and a decrease of \$2,094,623, in silver dollars and bullion. In addition to the silver mentioned above the Treasury held trade dollar bullion, \$6,637,495, trade dollars, \$515,709 and fractional silver coin, \$26,148,531. The receipts of the Government for August were \$35,619,115 and the expenditures \$28,717,162. Showing an excess of receipts of \$6,902,053. Silver certificates outstanding have increased \$3,710,244. As seen from a table previously given the increase in the holdings of net cash by the Treasury during the month of August have been \$5,798,036.

The total National bank circulation outstanding has decreased during the month, \$2,185,623. This is the resultant of a retirement of \$3,185,133 offset by an issue of \$999,510, \$439,300 of which is to new banks and \$559,710 additional circulation to old ones. Of the total outstanding \$169,951,335 is secured by bonds and \$104,067,515, by legal-tender notes deposited with the United States Treasurer. Most of the circulation secured by bonds is that of banks in actual operation, and this has decreased \$72,216,861 within the preceding twelve months. The Comptroller issues his statement in a new form this month. Something simple and easily understood was recently promised. It is rather astonishing that the change was not made sooner to suit the condi-

tions which have prevailed during the last three years when changes in National bank circulation have been so marked. To be complete, however, the statement should give, first, the increases or decreases, of circulation of going banks secured by bonds, of retired notes of going banks secured by legal-tender notes (this would be of special benefit to the banks), of notes of banks in liquidation secured by bonds, of notes of insolvent banks secured by bonds, of notes secured by bonds on which interest has ceased, of retired notes of liquidating and insolvent banks secured by legal-tender notes. The statement should be made from the standpoint of each class of banks, divided into banks in operation, banks in voluntary liquidation, and banks insolvent. Each class may have circulation secured some by bonds and some by legal-tender notes. That secured by legal-tender notes may have been retired, under one of several different laws. Nothing could be more interesting than a statement showing with some degree of clearness all the operations of the Comptroller's office in regard to bank circulation. The amount on deposit with the United States Treasurer to redeem National bank notes was, \$104,067,515 as against \$106,901,094 on August 1st.

The bonds to secure public deposits amounted to \$27,702,000 including \$225,000 currency 6's, \$9,784,500 4½'s, \$7,042,500 4's, and \$700,000 3's.

The following shows the amount of each description of bonds held by the Treasurer to secure National bank circulation on the dates indicated :

	Sept. 1, 1887.	Aug. 1, 1887.	July 1, 1887.	June 1, 1887.	Jan. 1, 1887.
Currency 6 per cents.	\$3,208,000	\$3,176,000	\$3,175,000	\$3,145,000	\$3,680,000
4½ per cents	69,963,550	69,022,500	67,748,100	65,807,350	59,686,200
4 per cents	116,208,900	115,890,950	115,842,850	114,975,350	113,903,200
3 per cents	*734,500	*1,849,350	*5,206,950	*17,011,400	52,218,950
Total..	\$190,096,950	\$189,445,800	\$191,966,700	\$200,939,100	\$229,438,350
* Called.					

NEW YORK BANKS.—The following table shows the condition of the New York Clearing-House Banks for a number of weeks past, as well as about this time in 1886 and 1885.

1887.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
August 27..	\$348,485,000	\$68,698,300	\$22,543,100	\$345,483,700	\$3,073,800	\$4,865,725
August 20..	350,710,700	68,816,900	22,252,500	347,314,900	8,084,200	4,265,675
August 13..	352,925,800	70,364,100	22,565,500	352,742,900	2,067,000	4,738,625
August 6..	356,137,500	73,978,000	22,754,300	359,221,400	8,091,400	6,922,550
1886.						
August 28..	342,383,200	68,582,100	25,678,300	349,398,600	7,982,900	6,907,150
1885.						
August 29..	320,112,500	115,655,000	30,040,400	391,140,600	9,684,200	56,910,250

Up to August 27th the New York Clearing-House banks had during the month received in currency \$3,668,000 and had shipped, in currency \$7,476,000 and \$1,925,000 in gold, making an excess of shipments over receipts of \$5,783,000. In their operations during the same time with the Treasury of the United States, the banks received \$28,700,000 and paid out \$26,300,000, losing \$2,600,000 in gold and currency, making a total loss of cash during the month of \$8,333,000. The reduction of liabilities has however borne such due proportion to the loss of cash means that the surplus reserve has only fallen off about \$2,000,000.

Stocks and bonds have as a rule been dull during the month of August. There was some rise after the issue of the Secretary's circular of August 3d, but, this effect did not last long and the course of prices was very similar to that during the month of July. Prices fluctuated slightly but became better toward the middle of the month, and from that fell off until the lowest point was reached from August 25th to August 31st. The most noticeable fall was in Manhattan Consolidated which went down to 98½ on August 31st although it has since recovered. The whole tendency is now toward a rise, and we should not be surprised at a better market for September.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of August, the highest and lowest since January 1, 1887, and also during the year 1886:

	AUGUST, 1897.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Atlantic & Pacific....	12 1/4	11 1/4	10 3/4	15 1/4—June 13	10—Aug. 26	12 1/2	7
Canadian Pacific....	57	56 1/2	54	68 1/2—Jan. 13	53 1/2—Aug. 26	73	61
Canada Southern....	56	50	53	64 1/2—May 19	49—July 30	71 1/2	34 1/2
Central of N. J.....	77 1/4	71	72 1/2	86 1/2—Apr. 13	55 1/2—Jan. 3	64	43 1/2
Central Pacific.....	39	34 1/4	36	43 1/2—Apr. 12	32—Feb. 3	51	38
Chesapeake & Ohio....	8	5 1/2	6 1/4	9 1/2—Jan. 8	6—Aug. 4	13 1/4	7
do 1st pref.....	15	10	10	17—Jan. 13	10—July 24	21 1/4	13
do 2d pref.....	10	6 1/4	10	11 1/4—Jan. 20	6 1/4—Aug. 23	15 1/4	8 1/4
Chic., Burl. & Quincy	142	135 1/4	136 1/4	156—May 17	125 1/4—Aug. 26	141	128 1/2
Chic., Mil. & St. Paul.	83 1/2	78 1/4	81 1/2	95—May 18	76 1/2—Aug. 1	99	82 1/2
do preferred.....	121	117 1/4	118	127 1/4—May 17	117—July 30	125 1/4	116
Chic. & Northw. n.	116 1/4	110 1/2	113 1/4	127 1/2—June 7	109—July 30	120 1/2	104 1/4
do preferred.....	148	142	144	153 1/4—June 7	138 1/4—Jan. 29	144	125
Chic., Rock I. & Pac.	129	123 1/2	124	140 1/2—May 17	123 1/2—Aug. 26	131	120 1/2
Chic., St. L. & Pitts...	17 1/2	15	17 1/4	22—Apr. 23	15—Aug. 1	19 1/4	9 1/4
do preferred.....	44	38 1/4	39	52 1/2—Apr. 22	35—Jan. 27	43 1/4	26 1/2
Chic., St. P., M. & O.	49 1/2	43 1/2	45 1/4	54 1/2—May 17	43 1/4—Aug. 26	55	38 1/2
do preferred.....	112	107	108	118 1/2—June 7	108—Feb. 1	116 1/4	97
Clev., Col., Cin. & Ind	55	50	50 1/4	68—Apr. 11	50—Aug. 26	75 1/2	43 1/2
Col. H. Val. & Tol...	25 1/2	21	22 1/2	30 1/2—Jan. 11	21—Aug. 26	45	26 1/2
Del., Lack. & West'n	132 1/4	126 1/4	129 1/2	139 1/2—June 1	128—July 30	144	116
Den. & R. Grande a. p	28 1/2	26	26 1/4	32 1/2—Apr. 14	21 1/2—Feb. 3	35 1/2	21 1/4
E. Tenn., Va. & Ga.	13	10 1/2	10 3/4	17—Jan. 3	10 1/2—Aug. 26	18 1/2	11
do 1st preferred	63 1/4	57 1/2	58 1/2	82 1/4—Jan. 13	57 1/2—Aug. 26	83 1/2	67
do 2d preferred	25	21	21 1/2	32—Jan. 3	20 1/2—July 30	35 1/2	23
Evans. & Terr. Haute	90	88	90	100—Apr. 9	83—Aug. 1	91 1/2	67 1/2
Green B. Win. & St. P.	12 1/4	9 1/4	10	17—Apr. 7	9 1/4—Aug. 2	14 1/2	8
Illinois Central.....	124	117 1/4	118	138—May 28	117 1/4—Aug. 26	143 1/2	130
Ind. Bloom. & W'n*	20	15	15 1/4	27 1/4—Apr. 1	15—Aug. 26	23 1/2	12
Kingston & Pem.....	98	80 1/2	81 1/4	47 1/2—Apr. 21	30 1/2—Aug. 26	100 1/2	76 1/2
Lake Shore.....	95	89 1/2	92 1/2	99 1/2—June 30	84 1/2—Aug. 1	100 1/2	80
Long Island.....	96 1/4	93	93	99 1/2—May 14	93—Jan. 15	100	80
Louisville & Nashv'e	63 1/2	60	61 1/4	70 1/4—Apr. 14	57—Feb. 3	69	35 1/2
Lou'ville, N.A. & Chic.	56	40	40	67 1/2—June 11	40—Aug. 26	71	32
Manhattan consol...	113 1/4	98	98 1/4	161 1/2—Apr. 20	96—Aug. 30	175	120
Michigan Central.....	87	80	82	95 1/4—May 19	80—Aug. 26	96 1/4	61 1/4
Mil., L. S. & West...	88 1/4	79 1/4	83	94 1/2—May 18	66 1/4—Jan. 6	71 1/2	22
do preferred.....	110	105	107	119—May 18	98—Jan. 4	108	50 1/4
Mineap's & St. Louis	16 1/4	12	12 1/2	20 1/4—Apr. 2	12—Aug. 26	23 1/4	16 1/4
do preferred.....	87	80	80	43 1/4—May 31	30—Aug. 26	52 1/2	40 1/4
Mo., Kan. & Texas...	28	23	24 1/4	31 1/4—Apr. 9	23—Aug. 26	34 1/4	21
Missouri Pacific.....	100	90	91	112—May 19	90—Aug. 26	119	100 1/2
Mobile & Ohio.....	14 1/2	12	12 1/4	19 1/4—Jan. 8	12—July 20	21 1/2	11
Nash., Chat. & St. L.	80	77	78	88 1/2—Jan. 3	76 1/4—July 14	103 1/2	43 1/4
N. Y. Cent. & H. R.	109	103 1/2	105 1/4	114 1/2—May 19	103 1/2—Aug. 1	117 1/2	98 1/2
N. Y. Chic. & St. Louis	18 1/4	15 1/4	15 1/4	20 1/4—May 16	15 1/4—Aug. 30	17 1/2	4 1/2
do preferred.....	32 1/2	26 1/2	27	37 1/2—May 18	26 1/2—Aug. 30	31	11
N. Y., Lake E. & Watn	31 1/2	27 1/2	30	35 1/2—Apr. 12	27 1/2—Aug. 1	38 1/2	22 1/2
do preferred.....	71 1/4	64	67 1/4	78—May 23	64—Aug. 1	81 1/4	50 1/4
N. Y. & New Eng...	48 1/4	40 1/4	41 1/2	66—Mar. 29	40 1/4—Aug. 2	66 1/2	30 1/2
N. Y., Ont. & West'n.	17 1/2	15 1/2	16 1/4	20 1/4—Jan. 3	15 1/2—Aug. 25	22 1/2	15
N. Y., Susq. & Westn	10 1/2	8 1/2	9	14—Feb. 14	8 1/2—Aug. 26	12 1/2	6
do preferred.....	32	27	27 1/2	38 1/4—Feb. 14	27—Aug. 30	32 1/4	17 1/2
Norfolk & Western...	15 1/2	15	15 1/4	22 1/2—Jan. 3	15—June 24	27 1/2	8 1/2
do preferred.....	45	40	41	55 1/2—May 16	40—Aug. 1	59 1/2	26
Northern Pacific....	32	24 1/4	24 1/2	34 1/2—July 18	24 1/2—Aug. 30	31 1/2	23
do preferred.....	59	47 1/4	48 1/2	63 1/2—May 19	47 1/2—Aug. 25	66 1/2	53 1/2
Ohio & Mississppi...	26 1/2	23 1/2	25	32 1/2—Apr. 4	22 1/2—Feb. 1	35 1/2	19 1/2
Oregon & Transc...	27 1/2	20	21 1/2	35 1/2—Apr. 7	20—Aug. 30	38	26
Peoria, Dec. & Evans.	26	22 1/4	25 1/2	30 1/4—May 25	22 1/4—Aug. 26	34 1/2	16
Phila. & Reading.....	57	47 1/4	48 1/2	59 1/4—July 5	34—Feb. 1	57 1/2	18 1/4
Rich'm'd & W. Point.	30 1/2	22 1/4	26 1/2	53—Jan. 17	32 1/4—Aug. 26	77 1/4	27 1/2
Rome, Wat'n & Og'bg	90	80	87	95—Jan. 17	80—Feb. 8	97	25
St. L. & San F.....	40	33	34 1/4	44 1/4—May 26	30—Jan. 27	39 1/2	17
do preferred.....	76	68	72 1/2	84 1/4—May 26	61 1/4—Feb. 2	79 1/2	57 1/2
do 1st pref.....	115	111	113	120—June 2	111—Aug. 1	118 1/2	97
St. Paul & Duluth...	80	72 1/2	80 1/4	95—June 20	55 1/4—Jan. 7	67	37
do preferred.....	105	98	100	114 1/4—May 23	99—Aug. 2	114	94 1/2
St. Paul, Minn. & Man	115	110 1/4	112	120 1/2—May 27	110 1/4—Aug. 8	124 1/2	106 1/2
Texas & Pacific.....	29 1/4	25 1/2	26 1/2	35 1/4—May 23	20—Feb. 8	25	7 1/4
Union Pacific.....	57 1/2	51 1/2	54 1/2	63 1/2—May 18	51 1/2—Aug. 1	69 1/4	44
Wabash, St. L. & Pac.	18 1/4	16 1/4	17	22 1/2—May 6	13 1/2—Feb. 1	24 1/2	12
do preferred.....	32 1/2	26 1/2	29	38 1/4—May 18	23 1/4—Feb. 1	41 1/2	23 1/2
Col. Coal & Iron Co.	43 1/4	34	36	52 1/4—May 19	34—Aug. 26	57 1/2	25
Del. & Hudson Canal	102 1/2	99	100 1/2	105 1/2—Apr. 18	99—Aug. 1	109 1/2	88 1/4
Oregon R. & Nav. Co	95	84	90	106 1/2—May 19	84—Aug. 26	109 1/2	93
Pacific Mail.....	40 1/2	37 1/4	38 1/2	58 1/2—Apr. 7	37 1/4—Aug. 2	67	45 1/2
Western Union Tel...	75	70 1/2	70 3/4	79—June 7	67 1/2—June 24	80 1/2	60 1/2

* First assessment paid. † Assented. ‡ Com. Repts. § Second assessment paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include *all securities listed at the New York Stock Exchange.*

The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		SEPT. 1, 1887.	
				High.	Low.	Bid.	Asked
Alabama Class A 3 to 5	1906	6,728,800	J & J	108	97	103	106
do do small				105	97	105	
do Class B 5's	1906	539,000	J & J	110	105	104	112
do Class C 4's	1906	959,000	J & J	103½	95	100	104
do 6's, 10-20	1900	960,000	J & J	107½	104	100	
Arkansas 6's, funded	1899, 1900	3,000,000	J & J	11½	5	10	12½
do 7's, Little Rock & Fort Smith		1,000,000	A & O	28	12	22	
do 7's, Memphis & Little Rock		1,200,000	A & O	27	13	20	30
do 7's, L. R., Pine Bluff & N. O.		1,200,000	A & O	27½	12½	22	
do 7's, Miss., Ouachita & Red River		600,000	A & O	20½	12	22	
do 7's, Arkansas Central R. R.		1,350,000	A & O	8	5	11	14
Georgia 7's, gold bonds	1890	2,000,000	Q J	114	108½	103	105½
Louisiana 7's, consolidated	1914		J & J	94	84	100	
do 7's, do stamped 4's		12,039,000		82½	67	84½	84¾
do 7's, do small bonds				78	67	82	85
Michigan 7's	1890	231,000	M & N	112	108	106	
Missouri 6's	1887	3,242,000	J & J	104½	102	100½	
do 6's	1888	3,251,000	J & J	106½	103½	100½	
do 6's	1889 or 1890	1,105,000	J & J	110	107	104	
do Asylum or University	1892	401,000	J & J	113	110	110	
do Funding bonds	1894, 1895	1,000,000	J & J	119	115	112	
do Hannibal & St. Joseph	1887	1,000,000	J & J	104	101	*118	
New York 6's, gold, registered	1887	942,000	J & J	104	102	101	
do 6's, coupon	1887	643,200	J & J	104	102	101	
do 6's, loan	1891	4,302,600	J & J	115	110	112	
do 6's, loan	1892	2,000,000	A & O	120	112	115	
do 6's, loan	1893	473,000	A & O	122	115	118	
North Carolina 6's, old	1886-98	4,738,000	J & J	36½	30	35	
do April & October		3,639,400		36½	30	35	
do to N. C. R. R.	1883-4-5		J & J	175	165	170	
do do 7's, coupon off				175	165	140	
do do April & October		3,000,000	J & J	145	135	170	
do do 7's, coupon off				145	135	140	
do Funding Act	1886-1900	2,417,000	J & J	13½	10	10	
do do	1888-1898	1,721,400	A & O	13½	10	10	
do new bonds, J. & J.	1892-1898	2,383,000	J & J	23	20	20	
do do April & October		495,000		23	20	20	
do Chatham Railroad		1,200,000	A & O	13	5	7	
do special tax, Class 1			A & O	14½	8	12	15
do do Class 2			A & O	10½	10	12	
do do to W'n N. C. R.			A & O			12	
do do to West'n R. R.			A & O			12	
do do to Wil. C. & R'n R. R.			A & O			12	
do do to W'n & Tar R. R.			A & O			12	
do trust certificates						12	
do consolidated 4's	1910	3,620,511	J & J	100½	89½	97	98
do do small bonds			J & J	98	87		
do do 6's	1919	2,553,000	A & O	129	115	122	125
Rhode Island 6's, coupon	1893-4	1,372,000	J & J	124	118	116	
South Carolina 6's, Act March 23, 1869, non-fundable	1888	5,965,000		7½	5	6	7
South Carolina, Brown consolid'n 6's	1893	4,280,000	J & J	110½	104	104	
Tennessee 6's, old	1890-2-8			65½	53	60	62
do 6's, new bonds	1892-8-1900	4,397,000		65½	53	60	62
do 6's, new series	1914			65½	53	60	62
do compromise 3-4-5-6's	1912	2,014,000	J & J	75½	62	69	72
do new settlement 6's	1913	823,000	J & J	109	103	104	106
do do small bonds		49,400	J & J			100	
do do 5's	1913	347,000	J & J	102	100	100	102½
do do small bonds		10,100	J & J				
do do 3's	1913	10,571,000	J & J	80	71½	69	70¾
do do small bonds		345,800	J & J				

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

A * indicates no quotation for past month, the last previous quotation being given.

‡ A part of this reserved to cover previous issues, etc. † Amount authorized.

STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		SEPT. 1, 1887.	
				High.	Low.	Bid.	Askd
Virginia 6's, old.....		9,427,000	.....	47	42	48	.....
do 6's, new bonds.....1866		700,000	.....	47	42	48	.....
do 6's, do.....1867		466,000	.....	49	42	48	.....
do 6's, consolidated bonds.....		20,238,000	.....	160	80	90	.....
do 6's, ex-matured coupons.....			60	50	45	50
do 6's, consolidated, 2d series.....		2,442,784	.....	69	60	60	.....
do 6's, deferred bonds.....			133½	9	10	12
do Trust receipts.....		12,691,531	.....	133½	9	*10½	10
District of Columbia 3-65's.....1924			F&A	120	116	120	121
do small bonds.....		14,033,600	F&A	.....	.....	.....	.....
do registered.....			F&A	.....	.....	.....	.....
do funding 5's.....1899			J & J	112½	110	106	.....
do do small.....		943,400	J & J	.....	.....	.....	.....
do do regist'd.....			J & J	.....	.....	.....	.....
FOR. GOV. SECURITIES.—Quebec 5's.....1908		3,000,000	M&N	.....	.....	106½	107

CITY AND COUNTY.

Brooklyn 6's.....			J & J	.....	.....	*110	.....
do 6's, Water Loan.....		9,706,000	J & J	.....	.....	*125	.....
do 6's, Improvement Stock.....		730,000	J & J	.....	.....	*125	.....
do 7's, do.....		6,084,000	J & J	.....	.....	*140	.....
do 6's, Public Park Loan.....		1,217,000	J & J	.....	.....	*125	.....
do 7's, do.....		8,016,000	J & J	.....	.....	*163	.....
Jersey City 6's, Water Loan.....		1,163,000	J & J	.....	.....	*106	.....
do 7's, do.....		3,108,800	J & J	.....	.....	*110	.....
do 7's, improvement.....		3,669,000	J & J	.....	.....	*117	.....
Kings County 6's.....			.....	.....	.....	.....	.....
New York City 6's, 20, 50.....1877			.....	.....	.....	*128	.....
do 6's.....1878			.....	.....	.....	*130	.....
do 6's.....1887		3,066,000	F.M.A.N	.....	.....	*101	.....
do gold 6's, consolidated.....1896			M & N	.....	.....	*121	.....
do do 6's.....1902		14,702,000	J & J	.....	.....	*136	.....
do do 6's, Dock bonds.....		3,976,000	.....	.....	.....	*110	.....
do do 6's, County bonds.....			.....	.....	.....	*120	.....
do do 6's, C's, Park.....1894-6		10,343,000	J & D	.....	.....	*118	.....
do 6's.....1896			.....	.....	.....	*120	.....
do 5's.....1898		674,000	Q J	.....	.....	*115	.....

MISCELLANEOUS.

	P.A.R.						
Bankers & Merchants' Telegraph.....100		3,000,000	.....	3½	2½	*2½	.....
Boston Land Co.....10		800,000	.....	.....	.....	.....	.....
Canton Co., Baltimore.....100		4,500,000	.....	65	53	.....	.....
Chartiers Valley Gas Co.....100		3,000,000	.....	.....	.....	.....	.....
Cent. New Jersey Land Improvement.....100		2,200,000	.....	.....	.....	*24	28
Consolidated Gas Co.....100		35,430,000	.....	111	74½	72	73
Delaware & Hudson Canal.....100		24,500,000	Q M	108½	87½	100	100½
Equitable Gas Light Co.....100		3,000,000	.....	.....	.....	120	130
Iron Steamboat Company.....100		2,000,000	.....	.....	.....	*28	.....
Philadelphia Company.....50		6,500,000	Mthy	.....	.....	95½	99
Pullman's Palace Car Co.....100		15,927,200	Q F	147½	128	*149½	150
Southern & Atlantic Telegraph.....25		948,875	A & O	.....	.....	*142	.....
Sutro Tunnel Co.....10		20,000,000	.....	.....	.....	.....	.....
Western Union Telegraph.....100		81,200,000	Q F	80½	60½	71½	71½
North-Western Telegraph.....50		2,500,000	.....	.....	.....	.....	.....
Central & So. American Telegraph.....100		4,006,600	Q J	.....	.....	72½	72½
Commercial Telegram Co.....100		1,800,000	.....	.....	.....	*35	.....
do do preferred.....100		200,000	.....	105	103½	102	103
Mexican Telegraph Co.....100		1,500,000	Q J	122½	110	135	160
Joliet Steel Co.....100		2,666,000	.....	131	105	110	125

GOVERNMENT SECURITIES.

United States 4½ registered.....1891			M. J. S&D	.....	.....	108½	109
do 4½ coupons.....1891		250,000,000	M. J. S&D	114	109½	109½	110
do 4's registered.....1907			J. A. J&O	.....	.....	125½	126
do 4's coupons.....1907		737,792,150	J. A. J&O	129½	123	125½	126
do 6's, currency.....1895		3,002,000	J & J	.....	.....	121½	.....
do 6's, do.....1896		8,000,000	J & J	.....	.....	123½	.....
do 6's, do.....1897		9,712,000	J & J	.....	.....	126½	.....
do 6's, do.....1898		29,904,952	J & J	136½	133	129½
do 6's, do.....1899		14,004,560	J & J	130½

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		SEPT. 1, 1887.	
				High.	Low.	Bid.	Ask'd
Albany & Susquehanna.....	100	3,500,000	J & J	148	138	*140	150
Atchafson, Topeka & Santa Fe.....	100	68,000,000	Q F	99½	84½	*118	119½
Atlantic & Pacific.....	100	25,000,000		13½	7	10½	11
Beech Creek.....	50	3,700,000				*23½	23½
do preferred.....	50	1,300,000				*80	85
Burlington, Cedar Rapids & Northern.....	100	5,500,000		75	45	*50	
Buffalo, Rochester & Pittsburgh.....	100	6,000,000		38½	22½	57½	60
Canada Southern.....	100	15,000,000	F & A	71½	34½	51½	53
Canadian Pacific.....	100	65,000,000	F & A	73	61	54½	55
Central of New Jersey.....	100	18,563,200	Q	64	42½	72½	73½
Central Iowa.....	100	9,100,000		22½	12	*7½	9
do 1st preferred.....	100	907,000				*17	
do 2d preferred.....	100	1,167,800				*10	11
Central Pacific.....	100	68,000,000	F & A	51	38	35½	36½
Charlotte, Columbia & Augusta.....	100	2,573,000		50	30		
Chesapeake & Ohio.....	100	15,906,138		13½	7	5½	6½
do do 1st preferred.....	100	8,447,800		21½	13	10½	13
do do 2d preferred.....	100	11,594,000		15½	8½	7	10
Chicago & Alton.....	100	14,081,000	Q M	146	138	184	135
do do preferred.....	100	3,479,500	Q M	162	150	175	180
Chicago & Northwestern.....	100	41,373,000	J & D	120½	104½	112½	112½
do do preferred.....	100	22,325,200	Q M	144	135	141	143
Chic. St. Paul, Minneapolis & Omaha.....	100	21,408,293		55	35½	44½	45
do do preferred.....	100	12,644,833	J & J	116½	97	107	108
Chicago, Rock Island & Pacific.....	100	45,000,000	Q F	131	120½	123½	125
Chicago, Burlington & Quincy.....	100	76,385,300	Q M	141	129½	135	136½
Chicago, Milwaukee & St. Paul.....	100	30,680,341	A & O	99	82½	80½	80½
do do preferred.....	100	21,555,900	A & O	125½	116	118½	119½
Chicago & Eastern Illinois.....	100	3,000,000				107	112
Chicago, St. Louis & Pittsburgh.....	100	10,000,000		19½	9½	13	16
do do preferred.....	100	20,000,000		43½	26½	36½	38½
Chicago & Indiana Coal Railway Co.....	100	2,197,800				40	50
do do preferred.....	100	1,465,200				86	90
Cin., New Orleans & Texas Pacific.....	100	3,000,000					
Cincinnati, Ind'a, St. Louis & Chicago.....	100	10,000,000					
Cincinnati, Jackson & Mackinac.....	100	8,320,000					
do do preferred.....	100	4,680,000					
Cleveland & Pittsburgh guaranteed.....	50	11,243,728	Q M	153	148½	*56	56½
Cleve., Columbus, Cin. & Indianapolis.....	100	14,991,800	F & A	75½	43½	53	54½
Columbia & Greenville.....	100	1,000,000					
do do preferred.....	100	1,000,000		60	42		
Columbus, Hooking Valley & Toledo.....	100	11,700,000		45½	26½	22	22½
Delaware, Lackawanna & Western.....	50	26,200,000	Q J	144	115	127½	127½
{ Morris & Essex.....	50	15,000,000	J & J	144	132½	*139	140
{ N.Y., Lackawanna & Western.....	100	10,000,000	Q J	109	100½	*105½	107
Dubuque & Sioux City.....	100	5,000,000	A & O	101	60½	*68	72
Denver & Rio Grande.....	100	38,000,000		35½	21½	26	26½
do do preferred.....	100	23,650,000		67½	52½	59½	60
Denver & Rio Grande Western.....	100	7,500,000				12	16
Denver, South Park & Pacific.....	100	3,500,000					
Des Moines & Fort Dodge.....	100	4,283,100				10	10½
do do preferred.....	100	763,000					28
Detroit, Mackinac & Marquette.....	100	4,750,000					
Det. Bay Cit. & Allp. R. R.....	100	1,670,300					
East Tennessee, Virginia & Georgia.....	100	27,500,000		18½	11	10½	11
do do do 1st preferred.....	100	11,000,000		83½	67	57	61
do do do 2d preferred.....	100	18,500,000		35½	24	21	21½
Elizabethht'n, Lexington & Big Sandy.....	100	5,000,000		22	15	10	15
Evansville & Terre Haute.....	50	3,000,000		91½	67½	85	90
Flint & Pere Marquette preferred.....	100	6,500,000				*14	
Green Bay, Winona & St. Paul.....	100	8,000,000		14½	8	10	11
do do preferred.....	100	2,000,000				15	19
Harlem.....	50	8,518,100	J & J	240	213½	225	240
do preferred.....	50	1,381,500	J & J				
Houston & Texas Central.....	100	10,000,000		44½	25	25	33
Illinois Central.....	100	30,000,000	M & S	143½	130	118	
do leased line 4 per cent. stock.....	100	10,000,000	J & J	100½	93	*94	100
Indiana, Bloomington & Western.....	100			28½	12	*17½	19
do assented, first instalment paid.....	100	10,000,000				*23	24
do assented, full assessment paid.....	100					*20	22
Joliet & Chicago.....	100	1,500,000	Q J	150½	150		
Kentucky Central.....	100	5,500,000					

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		SEPT. 1, 1887.	
				High.	Low.	Bid.	Asked
Keokuk & Western	100	4,000,000				30	40
Kingston & Pembroke	50	4,500,000				32	34
Lake Erie & Western	100	11,840,000				15½	16½
do. do. preferred	100	11,840,000				45½	46
Lake Shore & Michigan Southern	100	49,466,500	F & A	100%	70%	91½	91¾
Long Island	50	10,000,000	Q F	100	80	*95½	97
Louisville & Nashville	100	30,000,000	F & A	69	33½	60½	60¾
Louisville, New Albany & Chicago	100	5,000,000		71	32	*60	64
Marquette, Houghton & Ontario	100	2,378,600				17	20
do. do. preferred	100	3,278,500				85	90
Mexican Central (limited)	100	35,000,000				14½	15½
Milwaukee, Lake Shore & Western	100	2,000,000		71½	22	82	83
do. do. preferred	100	5,000,000		103	50½	103	105
Milwaukee & Northern	100	4,131,000		42½	40	*57	
Manhattan Beach Company	100	5,000,000		21½	13½	*14	15½
Michigan Central	100	18,738,204		98½	61½	80	82
Missouri Pacific	100	45,000,000	Q J	119	100½	92½	
Missouri, Kansas & Texas	100	46,405,000		98½	21	24½	24¾
Mobile & Ohio assessed	100	5,320,600		21½	11	12	13
Morgan's Louisiana & Tex. R. & S. S.	100	1,004,100				125	
Minneapolis & St. Louis	100	6,000,000		237½	16½	12	13
do. do. preferred	100	4,000,000		52½	40	20¾	30½
Manhattan consolidated	100	23,895,630	Q	175	120	99	99½
Minn., S. S. Marie & Atlantic	100	2,426,000					
do. do. preferred	100	2,426,000					
New York Central & Hudson River	100	89,428,300	Q J	117½	95½	106	106½
New York, New Haven & Hartford	100	15,500,000	Q & J	223	204½	*222	
Boston & N. Y. Air Line pref'd 4 p. c.	100	3,000,000		102	96	98	100
New York, Lake Erie & Western	100	78,000,000		38½	22½	287½	29¼
do. do. preferred	100	8,536,900	Q	81½	50½	60	70
New York, Ontario & Western	100	58,113,982		22½	15	15½	16½
New York & New England	100	20,000,000		65½	30½	42½	42¾
New Jersey & New York	100	1,500,000					
do. do. preferred	100	800,000					
New York, Chicago & St. Louis	100	28,000,000		17½	4½		
do. do. do. assessed	100	22,000,000		31	11	16	16½
do. do. do. preferred	100						
do. do. do. do. assessed	100						
New York, Susquehanna & Western	100	13,000,000		12½	6	8½	9½
do. do. preferred	100	8,000,000		33½	17½	26½	27½
Northern Pacific	100	49,000,000		31½	25	24½	25
do. do. preferred	100	37,936,776		66½	53½	50	
Nashville, Chattanooga & St. Louis	25	6,668,375		105½	43½	76½	78½
Norfolk & Western	100	7,000,000		27½	8	14	15
do. do. preferred	100	18,000,000		59½	25	40½	42
Norfolk Southern	100	1,000,000					
Ohio & Mississippi	100	20,000,000		35½	19½	24½	25
do. do. preferred	100	4,030,000		91	79	*51½	51½
Ohio Southern	100	3,840,000		22½	13½	*20½	21½
Omaha & St. Louis preferred	100	2,220,500				*30½	31½
Oregon & California	100	7,000,000					
do. do. preferred	100	12,000,000					
Oregon & Trans-Continental	100	40,000,000		38	25	23½	23¾
Oregon Short Line	100	15,265,000		38	19½	18	22
Oregon Improvement Co.	100	7,000,000		51	16	35	37
Oregon Railway & Navigation Co.	100	24,000,000	Q J	100%	93	86	87
Philadelphia & Reading 1st assn't paid				53½	18½	*50½	51
do. do. 2d do		34,702,000					
do. do. 3d do							
do. do. preferred, 1st do							
do. do. do. 2d do		1,286,800				49½	49¾
do. do. do. 3d do							
Pittsburgh, Ft. Wayne & Chic. guar'd	100	19,714,285	Q J	150	141	*148	150
do. do. special	100	10,776,600		140	132½		
Pitts., McK'sport & Younghiogheny con.	100	3,000,000				*105	
Peoria, Decatur & Evansville	100	8,400,000		34½	16	22¾	23½
Rochester & Pittsburgh	100	1,682,500		7½	3½	*60	66
Richmond & Allegheny reorganiz'n cert.	100	5,000,000		15½	2	*14	14½
do. do. stamped assessment paid	100						
Richmond & Danville	100	5,000,000	Q F	200	75	*150	
Richmond & West Point R. & W. Co.	100	40,000,000		77½	27½	24½	24¾
do. do. preferred	100	5,000,000	J & J			54	57

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RAILROAD STOCKS.

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				High.	Low.	Bid.	Ask d
Rome, Watertown & Ogdensburg.....	100	5,293,900		96	25	80	86
Utica & Black River guaranteed.....	100	2,223,000		125	117½	120	
South Carolina.....	100	4,204,160		24	10½	*34¼	34¾
Southern Pacific.....	100	88,076,200		41½	30¼	*30	31
St. Louis, Alton & Terre Haute.....	100	2,300,000		48	27	33¼	38
do do pfd.....	100	2,468,400	May	96	80	70¼	80
Belleville & Southern Illinois pref.....	100	1,275,000	M & N			75	80
St. Louis & San Francisco.....	100	11,964,300		86½	17	33	33¾
do do preferred.....	100	10,000,000		72¾	37½	66	70
do do 1st preferred.....	100	4,500,000	F & A	18½	97	110	112
St. Louis, Arkansas & Texas.....	100	9,555,000					
St. Paul & Duluth.....	100	4,056,400		67	37	73¼	75
do do preferred.....	100	5,377,003	J & J	114	99½	100	105
St. Joseph & Grand Island.....	100	4,600,000		37	25	*23½	29½
St. Paul, Minneapolis & Manitoba.....	100	20,000,000	Q F	124½	108½	112	113
Tex. & P. Trust C't'f's, all assm'ts paid.....	100	32,188,700		28¾	17½	25½	25½
Toledo & Ohio Central.....	100	1,582,000		38¼	26	30	35
do do preferred.....	100	3,108,000		93½	48¼	50	55
United New Jersey R. & Canal Co.'s.....	100	21,240,400					
Union Pacific.....	100	60,888,500	Q J	68½	44½	52½	53
Utah Central.....	100	4,250,000		18	11	26	
Virginia Midland.....	100	6,000,000		51½	15	41	45
Wabash, St. Louis & Pacific.....	100	28,419,500	Q	13	6	*48¼	48¾
do do full-paid p. c. cert.....	100			27	12	16¼	16½
do do preferred.....	100	24,228,200		41½	23½	29	30
do do full-paid p. c. cert.....	100					39	40
Wheeling & Lake Erie Railway.....	100	3,800,000					

RAILROAD BONDS.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Atchison, Topeka & Santa Fe 4½'s.....	1920	4,687,000	A & O				
do do sinking fund 6's.....	1911	12,348,000	J & D				*115½
Atlantic & Pacific guar'd 1st gold 4's.....	1887	17,610,000	J & J			82	82½
Beech Creek 1st gold 4's.....	1886	5,000,000	J & J				80
Balt. & Ohio 1st 6's (Parkersb'g br'ch).....	1919	3,000,000	A & O	128½	120	124½	126
do do 5's, gold.....	1885-1886	10,000,000	F & A	114	108¼	109¼	
do do registered.....			F & A	118¾	109¼		*112
Boston, Hooaac Tunnel & W'n deb. 5's.....	1913	2,000,000	M & S	93¾	92½		99
Bur., Cedar Rapids & Northern 1st 5's.....	1906	6,500,000	J & D	111	106		109½
do do con. 1st & col. tr. 5's.....	1934	5,000,000	A & O	110	98		100
do do do registered.....			A & O				*100
Minneapolis & St. L. 1st 7's, gold.....	1927	150,000	J & D	126	128	*140	
Iowa City & Western 1st 7's.....	1909	458,000	M & S	114½	109½	*109	
Cedar Rapids, Iowa Falls & N. 1st 6's.....	1920	825,000	A & O	111	110¼	106	107
do do do 1st 5's.....	1921	1,905,000	A & O	106½	100		100
Buffalo, N. Y. & Phila. con. 1st 6's.....	1921	11,000,000	J & J	51	37		*57½
do do trust certificates.....						40	50
do do general 6's.....	1924	3,700,000	M & S				*45
do do trust certificates.....							50
Canada Southern 1st int. gold 5's.....	1908	14,000,000	J & J	108¾	108¼	104	106¼
do do 2d mortgage 5's.....	1913	6,000,000	M & S	95	84	98	98½
do do registered.....			M & S			*92	98
Central Iowa 1st mortgage 7's.....	1899	3,700,000	J & J 15			*113	
do do coupons off.....				111	84		81
do (Eastern division) 1st 6's.....	1912	1,515,000	A & O	75	66		72
do (Illinois division) 1st 6's.....	1912	1,520,000	A & O	70	66	*70½	
Chesapeake & Ohio pur. money fund.....	1898	2,300,000	J & J	117	111½	102	103
do do 6's, gold, Series A.....	1908	2,000,000	A & O	114	102¼	110	116
do do 6's, gold, Series B.....	1908		M & N				106
do do coupons off.....			M & N	88	60	*74	75
do do small bonds.....	1908		M & N			74	75
do do coupons off.....			M & N			*72	
do do extension coupon 4's.....	1886		M & N			74	
do do reg'd 4's.....	1886		M & N				69
do do 6's, currency.....	1918	10,122,500	J & J	41¼	25	21¼	24
do do small bonds.....	1918		J & J			20	22
do do mortgage 6's.....	1911	2,000,000	A & O	108	94½		*96½
Ches., Ohio & S.-W. mortgage 5-6's.....	1911	6,678,000	F & A	104	86½	105	
do do 2d mortgage 6's.....	1911	2,496,000	F & A			*95	
Chicago & Alton 1st mortgage 7's.....	1898	2,393,000	J & J	121¼	117		118
do do sinking fund 6's.....	1908	2,656,000	M & N	125	121	123	125

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1896.		SEPT. 1, 1897.	
				High.	Low.	Bid.	Askd
Louisiana & Missouri River 1st 7's...1900		1,785,000	F & A	124	120	117	.....
do do 2d 7's...1900		300,000	M & N	116½	116	116	.....
St. Louis, Jacksonville & Chic. 1st 7's...1894		2,865,000	A & O	123	116½	*117½	.....
do 1st guarantee (564) 7's...1894		564,000	A & O	.....	.....	116	117
do 2d mortgage (360) 7's...1898		44,000	J & J	.....	.....	*118½	.....
do 2d guarantee (188) 7's...1898		188,000	J & J	.....	.....	115	.....
Mississippi River Bridge 1st s. f'd 6's...1912		660,000	A & O	107	105	105½	.....
Chicago, Burlington & Quincy cons. 7's...1903		\$30,000,000	J & J	138	128½	129½	129½
do 5's, sinking fund.....1901		2,500,000	A & O	.....	.....	*110	.....
do 5's, debentures.....1913		9,000,000	M & N	110½	105	104½	105
do (Iowa div.) sinking f'd 5's...1919		3,000,000	A & O	113½	112½	111½	.....
do do do 4's...1919		10,591,000	A & O	108	99½	97½	98
do Denver division 4's.....1922		7,968,000	F & A	101½	97½	96	.....
do do 4's.....1921		4,800,000	M & S	101½	92½	98	.....
Chic. Burlington & Northern 1st 5's...1923		9,000,000	A & O	104½	102½	104½	106
do do debentures 6's...1896		2,250,000	J & D	.....	.....	*105	.....
Chic., Rock Island & Pacific 6's, coup. 1917		\$12,500,000	J & J	140	128½	130	.....
do 6's, registered.....1917		J & J	140	130	130½	132
do extension & con. 6's...1924		11,860,000	J & J	113	109	105	106
do do registered.....		J & J	.....	.....	107	.....
Des Moines & Fort Dodge 1st 4's...1905		1,200,000	J & J	.....	.....	85	85
do do 1st 2½'s...1905		1,200,000	J & J	.....	.....	80	.....
do do extension 4's.....		672,000	J & J	.....	.....	86	88
Keokuk & Des Moines 1st mort. 5's...1923		2,750,000	A & O	113	108	109	110½
do do small bonds...1923		A & O	.....	.....	106	111
Central Railroad of N. J. 1st 7's...1890		5,000,000	F & A	114½	107	105	105½
do 1st consolidated 7's...1899		\$35,000,000	Q J	118	106	111	112
do assented.....		5,000,000	M & N	.....	.....	115	115½
do convertible 7's...1902		114	115
do assented.....		5,000,000	.....	120	105	115	117
do adjustment 7's...1903		5,550,000	M & N	113	109½	108½	.....
do convertible deb. 6's...1906		5,000,000	M & N	92½	63	100	105
do Interim bond certfs.....		12,000,000	.....	.....	.....	98½	98½
Lehigh & Wilkes-Barre con. gold...1900		\$11,500,000	Q M	114½	108	111	116
do do assented.....	
\$4,116,000 held by Central R. R. of N. J. unassented: \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's...1921		5,000,000	J & J	103	89	.....	105
Mil. & St. Paul 1st. m. 8's Pra. du Chn. 1898		3,674,000	F & A	138½	132	124	127
do 2d 7-8-10 Pra. du Chn. ....1898		1,241,000	F & A	129	125	121	122
do 1st 7's \$ gold, Riv. division...1902		3,804,500	J & J	134½	130	125	128
do 1st 7's \$ do .....1902		J & J	.....	.....	*128	.....
do 1st m. La Crosse div. 7's...1893		5,284,000	J & J	125	120	116	117
do 1st m. Iowa & Minn. 7's...1897		3,198,000	J & J	127½	122½	116	117½
do 1st m. Iowa & Dakota 7's...1899		541,000	J & J	132	124½	120	.....
do 1st m. Chicago & Milw. 7's...1903		2,983,000	J & J	134	130	125	.....
do consolidated 7's.....1905		\$35,000,000	J & J	136	129½	127	127
do 1st 7's, Iowa & Dak. exten...1908		3,505,000	J & J	134½	125½	125	.....
do 1st 6's, Southwest'n div'n...1909		4,000,000	J & J	121	115½	115½	116
do 1st 5's, La Crosse & Dav...1919		3,000,000	J & J	109½	105	104	.....
do 1st So. Minnesota div. 6's...1910		7,432,000	J & J	121	114½	112	114
do 1st Hastings & Dak. div. 7's...1910		5,680,000	J & J	131	124	119	125½
do do 5's...1910		585,000	J & J	.....	.....	120	.....
Chic. & Pacific div. 5's...1910		2,500,000	J & J	124½	119	103½	104
do 1st Chicago & Pac. W. 5's...1921		23,400,000	J & J	111	108	*104	104½
do Chic. & Mo. R. div. 5's...1923		2,049,000	J & J	.....	.....	103	.....
do Mineral Point div. 5's...1910		2,840,000	J & J	108½	102	102	.....
do Chic. & L. Sup'r div. 5's...1921		1,990,000	J & J	.....	.....	102	.....
do Wis. & Min. div. 5's...1921		4,755,000	J & J	109½	102	102½	103
do terminal 5's...1914		4,686,000	J & J	108½	101½	102½	103
do Far. & So. 6's assu...1924		1,250,000	J & J	119	114½	.....	115
do inc. conv. sink'g fund 5's...1916		2,000,000	J & J	.....	.....	95	.....
Dakota & Gt. Southern 5's...1916		1,000,000	J & J	.....	.....	*97	100
Chic. & Northw'n consol. bonds, 7's...1915		\$12,900,000	Q F	143½	138½	139	.....
do coupon gold 7's...1902		J & J	141	130	126	129
do registered gold 7's...1902		\$48,000,000	J & D	117	130½	126	128
do sink'g fund 6's...1879-1923		6,305,000	A & C	.....	.....	118	.....
do do registered.....		A & C	110	116	118	.....
do do 5's...1879-1923		8,155,000	A & O	106	108½	109½	110
do do registered.....		A & O	111½	107	*109	108

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		SEPT. 1, 1887.	
				High.	Low.	Bid.	Ask'd
do debenture 5's.....1888		10,000,000	M & N	110½	105	107	108
do do registered.....			M & N	110½	105		*108½
do 25 year debenture 5's.....1900		4,000,000	M & N	109	104½	103	105
do do registered.....			M & N				105
do extension gold 4's. 1886-1920		8,190,000	F & A 15	101½	101½	98½	94
Esconaba & Lake Superior 1st 6's.....1901		720,000	J & J	115½	115	*116	
Des Moines & Minneapolis 1st 7's.....1907		600,000	F & A			124	
Iowa Midland 1st mortgage 8's.....1900		1,350,000	A & O	127	124	128	
Peninsula 1st convertible 7's.....1898		152,000	M & S			*130	
Chicago & Milwaukee 1st mortg. 7's. 1898		1,700,000	J & J	133	124	121	123½
Winona & St. Peters 2d 7's.....1907		1,522,000	M & N			131½	133
Milwaukee & Madison 1st 6's.....1905		1,600,000	M & S	117½	116½	118½	
Ottumwa, C. F. & St. P. 1st 5's.....1909		1,600,000	M & S	111	105	108	
Northern Illinois 1st 5's.....1910		1,500,000	M & S	110½	108		100½
C., C. & Ind'polis 1st 7's sink. fund. 1899		3,000,000	M & N	128	123	119	
do consolidated mtge 7's. 1914			J & D	134	123½		*180
do sinking fund 7's.....1914		\$7,500,000	J & D	128	124	*120½	
do gen'l consol. 6's.....1894			J & J	110½	100		111
do do registered.....		3,500,000	J & J			*110½	
Chic., St. P., Min'a & Omaha con. 6's.....1930		\$22,839,000	J & D	126½	118½	118½	119
Chicago, St. Paul & Min. 1st 6's.....1918		3,000,000	M & N	130	125	*125	
Nor't'n Wisconsin 1st mortgage 6's.....1930		800,000	J & J			*124½	125½
St. Paul & Sioux City 1st 6's.....1919		6,080,200	A & O	130	125	125	126
Chic. & Eastern Ill. 1st sink'g f'd c'y.....1967		3,000,000	J & D	122	115		116½
do do small bonds.....			J & D			*118	119
do do 1st c. 6's, gold.....1894		3,000,000	A & O	119	110	113	114
Chic., St. Louis & Pittsb. 1st con. 5's.....1892			A & O	100	92	98½	
do do registered.....		\$22,000,000	A & O				
Chic. & West'n Ind. 1st sinking f'd 6's. 1919		2,500,000	M & N	116	112½		117½
do general mortgage 6's. 1892		\$3,896,666	Q M	113	109	110	112½
Chicago & St. Louis 1st 6's.....1915		1,500,000	M & S	108	101		*120
Chicago & Indiana Coal 1st 5's.....1936		3,689,000	J & J	100½	92		99
Cin., Ind., St. L. & Chic. 1st guar. 4's.....1936			Q F				*98
do do registered.....		1,255,000	Q F				
Cincin., Jack. & Mack. 1st con. g. 5's. 1936		1,400,000	J & D				97½
Columbia & Greenville 1st 6's.....1916		2,600,000	J & J			*105	
do do 2d 6's.....1926		1,000,000	A & O			*98	100
Col., Hocking Valley & Toledo 1st 6's. 1931		14,500,000	M & S	94	81	71	72½
do general mortgage gold 6's. 1904		2,000,000	J & D	97½	88½	70	73
Col. & Cincinnati Midland 1st 6's.....1914		2,000,000	J & J			98	98
Delaware, Lackaw'a & W. conv. 7's.....1892		600,000	J & D	116½	114	*111½	114
do do mtge 7's.....1907		\$10,000,000	M & S	140	135½	132	
Syracuse, Bingham'ton & N. Y. 1st 7's.....1906		1,750,000	A & O	137½	131½	131½	
Morris & Essex 1st mortgage 7's.....1914		5,000,000	M & N	146	140½	142	
do do 2d 7's.....1891		3,000,000	F & A	117	112½	108½	110
do do bonds, 7's.....1900		281,000	J & J			*119	122
do do 7's.....1871-1901		4,991,000	A & O	133	125	123	126½
do 1st cons. gua'd 7's.....1915		25,000,000	J & D	138	130	130	134
N. Y., Lackawanna & W'n 1st 6's.....1921		12,000,000	J & J	133	125	123	
do do construction 5's. 1923		5,000,000	F & A	113	108½		108
Delaware & Hud. Canal 1st reg. 7's.....1891		4,988,000	J & J	115½	110	107½	
do do 1st extension 7's.....1891		549,000	M & N	115½	112½	108	
do do coupon 7's.....1894			A & O	121	115½	116	116½
do do registered 7's.....1894		4,829,000	A & O	120½	118	115	
do 1st Penna. Div. coupon 7's. 1917			M & S	144½	138	140	143
do do do reg. 1917		\$10,000,000	M & S	141	140½	140	142
Albany & Susquehanna 1st 7's.....1898		1,000,000	J & J	109	106½	101	103½
do do 1st cons. gua'd 7's. 1906			A & O	135	128½		137
do do do registered.....		3,000,000	A & O				*140
do do 6's.....1906			A & O	124	117½	119½	120
do do do registered.....		5,443,000	A & O	119½	118	119	
Rensselaer & Saratoga 1st coup. 7's. 1921			A & O	144	141½	142	
do do do 1st reg. 7's. 1921		2,000,000	M & N			138	
Denver & Rio Grande 1st consol. 4's.....1936		22,575,000	J & J	81½	75½	78½	79½
do do do 1st mtge 7's.....1900		6,382,500	M & N	124	114½	119½	121
Denver, South Park & Pac. 1st 7's.....1905		1,800,000	M & N	89	72	75	80
Denver & Rio Grande West'n 1st 6's.....1911			M & S	85½	72½	*75	79
do do do assented.....		5,857,000	M & S	83½	73	67½	68
Detroit, Mack. & Marquette 1st 6's.....1921		2,280,000	A & O	100	55	*90	
do do land grant 8½ S. A. 1911		4,500,000		56	20	31	35
Detroit, Bay City & Alp'a 1st 6's.....1918		2,300,000	J & J	106½	105	103½	108

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				High.	Low.	Bid.	Ask
East Tenn., Virginia & Georgia 1st 7's. 1900		3,500,000	J & J	126	118½	117	120
do do divisional 5's. 1930		3,106,000	J & J	108	105	105	108
do do con. 1st gtd 5's. 1956		12,770,000	M & N	99¾	94½	96¾	97
E. & W. of Ala. 1st con. gtd 6's. 1926		1,109,000	J & D			*108	
Elizabeth City & Norfolk 1st deb. cert. 6's.		250,000	A & O				*104
do do 1st mtge 6's. 1920		900,000	M & S			*52½	
Elizabeth'n, Lex & Big Sandy 6's. 1902		3,500,000	M & S	110	99		100
Erie 1st mortgage extended 7's. 1897		2,482,000	M & N	127½	121	120	123
do do 2d extended 5's. 1919		2,149,000	M & S	117¾	113	114¼	
do do 3d extended 4½'s. 1923		4,618,000	M & S	112½	108	117½	
do do 4th extended 5's. 1920		2,926,000	A & O	119	112½	116½	118½
do do 5th extended 7's. 1888		709,500	J & D	109	103	103	
do do 1st consolidated gold 7's. 1920		16,890,000	M & S	133½	129	134	137
do do 1st cons. f'd coup. 7's. 1920		3,705,997	M & S	138	120½	129½	
do do reorganization 1st lien 6's. 1908		2,500,000	M & N	112	108½		*112
Long Dock bonds, 7's. 1893		3,000,000	J & D	120	112½	111	
do do consolidated 6's. 1935		4,500,000	A & O	124	114½		118
Buffalo, New York & Erie 1st 7's. 1916		2,380,000	J & D	140	133½	137	
N. Y., L. Erie & W. new 2d con. 6's. 1909		33,597,400	J & D	116½	99	99	
do do collateral trust 6's. 1922		5,000,000	M & N	108	102		108
do do fund coupon 6's. 1885-1909		4,032,000	J & D	96¾	77½	*92	
Buffalo & South'n mortgage 6's. 1908		1,500,000	J & J			90	
do do small. 1908			J & J				
Evansville & Terre Haute 1st con. 6's. 1921		3,000,000	J & J	120½	111½		115
do do Mt. Vernon 1st 6's. 1923		375,000	A & O	112¾	103	*115½	
do do Indianapolis 1st con. 6's. 1926		1,020,000	J & J	113	109		110
Flint & Pere Marquette mortgage 6's. 1920		5,000,000	A & O	122½	116	118	
Fort Worth & Denver City 1st 6's. 1921		5,616,000	J & D	95½	81	84½	86
Gal., Harrisburg & San Antonio 1st 6's. 1910		4,800,000	F & A	116	106½	103½	105
do do 2d mortgage 7's. 1905		1,000,000	J & D	119½	108		108
do do Western division 1st 5's. 1931		13,500,000	M & N	103	92		94½
do do do 2d 6's. 1931		6,750,000	J & J	94	80		117
Grand Rapids & Indiana general 5's. 1924		3,217,000	J M & S				99
do do registered. 1924			M & S				
Green Bay, Winona & St. Paul 1st 6's. 1911		1,600,000	F & A	107½	80	100	104½
Gulf, Col. & Santa Fe 1st 7's. 1909		11,724,000	J & J	128½	116½	117	120½
do do gold 6's. 1923		5,500,000	A & O	106½	86½	99½	100
Hannibal & St. Joseph consol'd 6's. 1911		26,000,000	M & S	125	119½	119	121
Henderson Bridge Co. 1st 6's. 1931		2,000,000	M & S	112	108½	108½	110
Houston & Texas Cent. 1st main l. 7's. 1891		5,896,000	J & J			112½	116
do do 1st West. div. 7's. 1891		2,375,000	J & J			112½	113½
do do 1st Waco & N. W. 7's. 1903		1,140,000	J & J			115	
do do 2d c. main line 8's. 1912		4,118,000	A & O	95½	76	105	106
do do gen'l mort. 6's. 1921		4,325,000	A & O	73½	50	*108	
do do Trust Co. receipts. 1921							70
Houston, E. & W. Texas 1st 7's. 1898		1,344,000	M & N	89½	85		73
Illinois Central 1st gold 4's. 1951		1,500,000	J & J	110	106½	105	
do do registered. 1951							*108
do do gold 3½'s. 1951		2,500,000	J & J	102¾	99½	90	94
do do registered. 1951						89	
Springfield division coupon 6's. 1898		1,600,000	J & J	121	117½	115½	
Middle division registered 5's. 1921		600,000	F & A	109½	109½	112	
Chicago, St. L. & N. O. Tenn. lien 7's. 1897		541,000	M & N			115	
do do 1st consol. 7's. 1897		857,000	M & N	122	122½	115	
do do 2d mortgage 6's. 1907		80,000	J & D			118	
do do gold 5's. 1951			J & D 15	120½	112	117	
do do gold 5's, registered. 1951		*18,000,000	J & D 15			110	112½
Dubuque & Sioux City 2d div. 7's. 1894		586,000	J & J	119	118½	111	114
Cedar Falls & Minn. 1st 7's. 1907		1,334,000	J & J	120	106		105
Ind., Bloomington & W'n 1st pref'd 7's. 1900		1,000,000	J & J	120½	116	120	123
do do 1st 5-6's trust receipts. 1900		3,408,000	A & O	104½	89½	86	88
do do 2d 5-6's trust receipts. 1900		1,477,000	A & O	90	66½	71	74
do do Eastern div. trust receipts. 1900		2,950,000	J & D	105½	89	85	91
Ind., Decatur & S. 1st 7's. ex. fund coup. 1906		1,613,000	A & O	108	98½		106
Internat'l & Gt. Northern 1st 6's. gold. 1919		7,954,000	M & N	119	114	113	114½
do do do coupon 6's. 1909		7,054,000	M & S	96	84		90
Kentucky Central mortgage 6's. 1911		780,000	J & J				*78
do do stamped 4 per cent. 1911		5,600,000	J & J	71	59½		80
Knoxville & Ohio 1st 6's. gold. 1925		2,000,000	J & J	105½	86½		92½
Lake Erie & Western 1st gold 5's. 1937		5,920,000				101	102

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAY- BLE.	YEAR 1886.		SEPT. 1, 1887.	
				High.	Low.	Bid.	Ask d
Lake Shore & Michigan Southern.							
Cleve., Painesville & Ashtabula 7's. 1892		920,000	A & O	119	114	108	.....
Buffalo & Erie new bonds 7's. 1898		2,784,000	A & O	120	121½	122	125
Kal'zoo & White Pigeon 1st 7's. 1890		400,000	J & J	108	108	104	113
Detroit, Monroe & Toledo 1st 7's. 1906		924,000	F & A			123½	123½
Lake Shore div. bonds 7's. 1899		1,354,000	A & O	126	121½	121	122½
do consol. coupon 1st 7's. 1900		\$25,000,000	J & J	184½	127	124	125½
do consol. registered 1st. 1900			Q J	182½	127	123	125
do consol. coupon 2d 7's. 1903		\$25,000,000	J & D	127	119½	122½	123½
do consol. registered 2d. 1903			J & D	125	119½	122½	123½
Mahoning Coal 1st 5's. 1934		1,500,000	J & J	105	103	.....	105½
Long Island 1st mortgage 7's. 1898		1,500,000	M & N	180	119	120	123½
Long Island 1st consolidated 5's. 1931		\$5,000,000	Q J	115½	108	.....	113
N. Y. & Manhattan Beach 1st 7's. 1897		500,000	J & J			.....	*110
N. Y., B'klyn & M'n B. 1st c. g. 5's. 1935		783,000	A & O				
Louisville & Nashville consol'd 7's. 1896		7,070,000	A & O	125	117	119	120
do Cecilian branch 7's. 1907		1,000,000	M & S	113	107½	.....	109½
do N. O. & Mobile 1st 5's. 1930		5,000,000	J & J	107½	99	106	109
do do 2d 5's. 1930		1,000,000	J & J	97	86	97	98
do Evans., Hend. & N. 1st 5's. 1919		2,400,000	J & D	116½	112	112½	111
do general mortgage 5's. 1930		\$20,000,000	J & D	109½	100½	108½	110
do Pensacola division 5's. 1920		800,000	M & S	102	97½	103½	105
do St. Louis division 1st 5's. 1921		3,500,000	M & S	113	108	111	111
do do 2d 5's. 1921		3,000,000	M & S	57	51	58	.....
do Nash. & Decatur 1st 7's. 1900		1,900,000	J & J	126	121	117	.....
do So. & N. Ala. sink p'd 6s. 1910		2,000,000	A & O	105	102	107	.....
do Louisville, Cin. & Lex. 5's. 1931		\$7,000,000	M & N				
do Trust bonds, 5's. 1922		10,000,000	Q M	107	98	108½	108½
do 10-40 5's. 1924		5,000,000	M & N	100	84½	100	.....
do 5 per cent 50 year g. bonds. 1937		1,350,000					103
do Penn. & At. 1st 5's. gold, gtd. 1921		3,000,000	F & A	96	82½	90	95
Lou., New Albany & Chicago 1st 5's. 1910		3,000,000	J & J	120	100½	109	111
do do consol'd gold 5's. 1916		3,500,000	A & O	100	94½	.....	95½
Louisville, N. Orleans & Texas 1st 5's. 1934		13,641,000	M & S	83	80½	.....	*91
Manhattan Beach Imp't Co., 11m'd, 7's. 1909		1,000,000	M & S	90	80	.....	90
Memphis & Charleston 5's. 1924		1,000,000	J & J	108½	102	100	102
Metropolitan Elevated 1st 5's. 1908		10,818,000	J & J	123	115	.....	116
do do 2d 5's. 1899		4,000,000	M & N	113½	108½	.....	108
Mexican Central 1st mortgage 7's. 1911		41,170,000	J & J			*41	42
do do ex. coupon 6-7-8.			J & J	60	59	*61	71
do do new assented 4's.			J & J	57	54	69	72
do do income bonds. 1911		8,128,000					22
Michigan Central 1st consol. 7's. 1902		8,000,000	M & N	133	126½	125	128
do do 1st consol. 5's. 1902		2,000,000	M & N	111½	107	109	.....
do do 5's. 1909		1,500,000	M & S			108½	108½
do do coupon 5's. 1901		4,000,000	M & S	110	107½	108½	.....
do do registered 5's. 1931			Q M	110	107	.....	*108
Mich., Jackson, Lansing & Sag'w 5's. 1891		1,100,000	M & S			104½	.....
Milwaukee & Nor. 1st main line 5's. 1910		2,155,000	J & D	106½	102	107	108½
do do 1st extension 5's. 1913		1,976,000	J & D	104	100	108½	107
Milw., L. Shore & West'n 1st 5's. 1921		4,350,000	M & N	121½	112½	119	.....
do do conv. debent. 5's. 1907		800,000	F & A				99
do do Mich. div. 1st 5's. 1924		1,281,000	J & J	120½	106½	112	115
do do Ashland div. 1st 5's. 1925		1,000,000	M & S	117	112½	.....	116
Minneapolis & St. Louis 1st 7's. 1927		850,000	J & D	136	128	.....	135
do do Iowa exten. 1st 7's. 1909		1,015,000	J & D	125	119	111	116
do do 2d mortgage 7's. 1891		500,000	J & J	102	101	.....	100
do do Southw'm ext. 1st 7's. 1910		686,000	J & D				*115
do do Pacific ext. 1st 5's. 1921		1,882,000	A & O	110	108	.....	109
do do imp't and equip. 5's. 1922		2,000,000	J & J	100	90	.....	80
Minnesota & Pacific 1st mortgage 5's. 1936		3,036,000	J & J				*108
Minnesota & N. West 1st 5's. gold. 1934		7,783,000	J & J	106	99½	101½	102½
Minn., S. S. Marie & Atl. 1 & 5's. 1926		4,000,000	J & J			85	.....
Mo., Kansas & Texas gen'l cons. 5's. 1920		\$35,125,000	J & D	105½	87½	82	82½
do do gen'l cons. 5's. 1920		9,230,000	J & D	93½	72½	79½	80
do do cons. 7's. 1904, 5-6		14,877,000	F & A	118	108	.....	108½
do do 2d mort. income. 1911		685,000	A & O	90	78	85	.....
Hannibal & Cent. Missouri 1st 7's. 1890		684,000	M & N	115	110	.....	109½
Mobile & Ohio new mortgage 5's. 1927		7,000,000	J & D	116	109½	113½	114½
do collateral trust 5's. 1892		59,000	J & J			102
do 1st extension 5's. 1927		\$1,000,000	Q J	108	101	107

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				High.	Low.	Bid.	Askd
{ St. Louis & Cairo 4's, guaranteed....	1831	4,000,000	J & J	76¼	72¾	70	72
Morgan's Louisiana & Texas 1st 6's....	1920	1,494,000	J & J	116	104¼	*106	.....
do do 1st 7's....	1918	5,000,000	A & O	127	118	120	.....
Nashville, Chattanooga & St. L. 1st 7's....	1913	6,800,000	J & J	131	123	124	128
do do 2d 6's....	1901	1,000,000	J & J	111½	110	.....	107¾
{ N. Y. Central 6's	1887	2,391,000	J & D	106	101	101	.....
do debenture cert. ext. 5's....	1893	6,450,000	M & N	109¾	104	108	106
do & Hudson 1st coup. 7's....	1908	†30,000,000	J & J	140¼	134	131¼	133
do do 1st registered....	1903	.....	J & J	137¼	132¾	131¼	132¾
do do deb. 5's....	1904	7,850,000	M & S	112¼	107¾	.....	110¼
do do deb. 5's, registered....	.....	.....	M & S	110¼	107¼	.....	110
Harlem 1st mortgage 7's, coupon....	1900	.....	M & N	139	131	130¼	.....
do do 7's, registered....	1900	†12,000,000	M & N	139	131¼	130¼	132
N. J. Junction guaranteed 1st 4's....	1886	2,000,000	F & A	.....	.....	.....	103
do registered certificates....	.....	.....	.....	.....	.....	.....	.....
N. Y. Elevated 1st mortgage 7's....	1906	8,500,000	J & J	130	123	118¾	119
N. Y., Penn. & Ohio prior lien 6's....	1895	8,000,000	M & S	.....	.....	109	.....
{ N. Y. City & North. gen'l mtge 6's....	1910	.....	M & N	73¼	55	.....	*78
do do Trust Co. receipts	.....	4,000,000	.....	73¼	54	.....	63
do do do assented....	.....	.....	M & N	.....	.....	62	63
N. Y. & New England 1st 7's....	1905	6,000,000	J & J	130	125	*71¼	72
do do 1st 6's....	1905	4,000,000	J & J	117¼	117¼	*116	.....
{ N. Y., Chicago & St. Louis 1st 6's....	.....	15,000,000	J & D	99	86¾	87¼	.....
do do Trust Co. receipts....	.....	10,000,000	J & D	100¼	84	97	98
do do 2d 6's....	1923	8,000,000	M & S	7	66	92¼	96
N. Y., Ontario & W. 1st gold 6's....	1914	8,000,000	M & S	109	108	108	110
{ N. Y., Susquehanna & W'n debent. 6's....	1897	600,000	F & A	.....	.....	.....	.....
do do coupons off....	.....	.....	F & A	94	76¼	*78	.....
do do 1st refund g 5's....	1937	8,750,000	J & J	.....	.....	90	.....
do do 2d mtge. 4½'s....	1937	638,000	F & A	.....	.....	68	.....
{ Midland R. of New Jersey 1st 6's....	1910	8,500,000	A & O	110	100	110	.....
N. Y., N. Haven & H. 1st reg. 4's....	1903	2,000,000	J & D	112¼	112	.....	111¼
No. Pac. g'l 1st m. r'd and l.g. c.o. 6's....	1921	58,309,000	J & J	120	111¼	115	115¼
do do do reg. 6's....	1921	.....	J & J	117¼	111¼	110¼	.....
do g'l 2d m. r'd & l.g. s.f. c.o. 6's....	1933	20,000,000	A & O	104	91¼	103	104¼
do do do reg. 6's....	1933	.....	A & O	.....	.....	108	.....
do dividend scrip....	.....	4,640,821	J & J	.....	.....	101	.....
do do extended....	.....	.....	J & J	.....	.....	.....	101¼
{ James River Valley 1st 6's, gold....	1896	968,000	J & J	109	105¼	.....	109
Spokane & Pal. 1st sinking f. gold 6's....	1906	688,000	M & N	.....	.....	.....	105
St. Paul & North'n Pacific gen'l 6's....	1923	6,000,000	F & A	.....	.....	116	117
do registered certificates....	.....	.....	Q F	.....	.....	.....	.....
Helena & Red Mountain 1st gold 6's....	1897	400,000	M & S	.....	.....	105	107
Duluth & Manitoba 1st g. 6's....	1896	1,650,000	J & J	.....	.....	103¼	.....
No. Pacific Terminal Co. 1st gold 6's....	1933	8,000,000	J & J	109¾	102¼	101	103¼
{ New Orleans Pacific 1st 6's, gold....	1920	.....	J & J	.....	.....	*62¼	63
do do coupons off....	.....	6,720,000	J & J	85¼	51	*81	.....
do do Trust Co. receipts....	.....	.....	J & J	85¾	73¼	77	78¼
N. O. & N. East'n prior lien gold 6's....	1915	1,050,000	A & O	.....	.....	*107	.....
Norfolk & Western gen'l mtge 6's....	1931	6,902,000	M & N	115¼	104	112¼	.....
do New River 1st 6's....	1932	2,000,000	A & O	118	99¼	.....	113
do improvement & ext. 6's....	1934	3,500,000	F & A	108	87¼	100	.....
do adjustment mortg. 7's....	1924	1,500,000	Q M	107	82¼	108	107
Ogdensburg & Lake Champl. 1st con. 6's....	1920	3,500,000	A & O	104¼	96	*104¼	.....
Ohio & Miss. consol. sinking fund 7's....	1898	3,435,000	J & J	125	118¼	116	117
do consolidated 7's....	1898	3,066,000	J & J	125	118	.....	115
do 2d consolidated 7's....	1911	8,715,000	A & O	120	118¼	.....	114
do 1st Springfield division 7's....	1905	3,000,000	M & N	110¼	91	.....	110
do 1st general 5's....	1932	3,216,000	J & D	94¼	87¼	*85	.....
Ohio Central 1st terminal trust 6's....	1920	600,000	J & J	.....	.....	.....	.....
do 1st Mineral division 6's....	1921	800,000	J & J	.....	.....	.....	.....
Ohio River 1st 6's....	1896	2,000,000	J & D	.....	.....	98	100¼
Ohio Southern 1st mortgage 6's....	1921	2,100,000	J & D	108	97¼	102	105
Omaha & St. Louis 1st 4's....	1937	2,717,000	J & J	.....	.....	76	77¼
Oregon & California 1st 6's....	1931	9,000,000	J & J	.....	.....	99	100
Oregon & Transcontinental 6's....	1893-1922	10,063,000	M & N	104¼	92¼	.....	95¼
Oregon Improvement Co. 1st 6's....	1910	5,000,000	J & D	99	84	93	.....
Oregon Railroad & Navigation 1st 6's....	1909	6,000,000	J & J	114¼	110	109	110
do do consol. m. 6's....	1925	9,137,000	J & D	108¼	102	100
Panama Sinking Fund subsidy 6's....	1910	2,747,000	M & N	*90

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				High.	Low.	Bid.	Ask'd
Peoria, Decatur & Evansville 1st 6's...1920		1,287,000	J & J	119	108	111	112½
do do Evansville division 1st 6's...1920		1,470,000	M & S	111½	108	107	110
do do 2d mortgage 6's...1927		2,088,000	M & N				79
Peoria & Pekin Union 1st 6's...1921		1,600,000	Q F	112	106	107½	108
do do 2d mortgage 4½'s...1921		1,490,000	M & N				
Central Pacific gold bonds 6's...1906			J & J	116½	112½	115½	
do do...1896			J & J			115½	
do do...1897		25,883,000	J & J			115½	
do do...1898			J & J			116	
do do San Joaquin branch 6's...1900		6,080,000	A & O	112	107½	116½	117
do do California & Oregon 1st 6's...1888		6,000,000	J & J	106	100	100	
do do Series B 6's...1882		5,880,000	J & J			101	
do do land grant 6's...1890		4,436,000	A & O	107½	102½	102	
do do mortgage bond 6's...1926		12,000,000	A & O			102	
Western Pacific bonds 6's...1899		2,735,000	J & J	116	109	112½	
Nor. Ry. (Cal.) 1st 6's, guaranteed...1907		3,964,000	J & J	123	116½	118	
Southern Pac. of California 1st 6's 1905-12		38,447,000	A & O	114	105½	113	
Southern Pac. of Arizona 1st 6's 1909-1910		10,000,000	J & J	112	100½	111½	112
South'n Pacific of N. Mexico c. 1st 6's 1911		5,000,000	J & J	108½	100	108	
Union Pacific 1st 6's...1896			J & J	119½	114	114½	115
do do...1897			J & J			115½	116½
do do...1898			J & J			116	116½
do do...1899			J & J			116½	
do do land grant 7's...1897-9		1,270,000	A & O	108½	101½	108½	
do do sinking fund 8's...1896		14,348,000	M & S	122½	116	115	116
do do registered 8's...1893			M & S	121	117	114	115
do do collateral trust 6's...1906		4,423,000	J & J	108½	104	105	
do do do 5's...1907		5,583,000	J & D			95	
Kansas Pacific 1st 6's...1896		2,240,000	F & A	114½	110½	110½	
do do 1st 6's...1896		4,063,000	J & A	116	110	110	112
do do Denver division 6's, ass'd...1899		3,242,000	M & N	118	113	112	
do do 1st consol. 6's...1919		13,955,000	M & N	109½	99½	102	102½
Central Br'ch U.P. fund coup. 7's...1896		630,000	M & N			106	
Atchison, Colorado & Pac. 1st 6's...1906		3,076,000	Q F	107	101½		104
Atchison, Jewell Co. & West. 1st 6's 1906		545,000	Q F	105	100		104
Oregon Short Line 1st 6's...1922		14,931,000	F & A	109	97½	98½	99
Utah South'n general mortgage 7's 1909		1,850,000	J & J	90½	85	83	
do do extension 1st 7's...1909		1,950,000	J & J	88	72½	62	100
Missouri Pacific 1st consol. 6's...1920		20,184,000	M & N	117	108	114½	114½
do do 3d mortgage 7's...1906		3,323,000	M & N	127½	116½	115	
Pacific R. of Mo. 1st mortgage 6's...1888		7,000,000	F & A	107	102½	100½	101
do do 2d mortgage 7's...1891		2,573,000	J & J	113	109	*108½	
St. L. & S. Francisco 2d 6's, class A...1906		500,000	M & N	118	108	112½	113
do do 6's, class C...1906		2,400,000	M & N	117	106½	106½	112½
do do 6's, class B...1906		2,784,500	M & N	118	105½	106½	112½
do do 1st 6's, Pierce C. & O. b...1906		1,080,000	F & A	117	111½	118	
do do equipment 7's...1896		650,000	J & D			101	
do do general mtg. 6's...1931		7,782,000	J & J	114	99½	113	
do do general mtg. 5's...1931		5,000,000	J & J			99	
South Pacific (Mo.) 1st 6's...1888		7,144,500	J & J	106	108	100½	
Kansas City & Southw'n 1st 6's, gold...1918		744,000	J & J	107½	106	101	
Fort Smith & Van B. Bdg. 1st 6's...1910		475,000	A & O				*109
St. L., Kansas & Southwest'n 1st 6's 1916		785,000	M & S			*101	
Texas & Pacific 1st 6's...1906			M & S	105½	103½		*111
do do ex coupon...1906		3,784,000	M & S			101	
do do consolidated 6's, trust receipts...1906		\$2,316,000	J & D	108½	90	99½	102
do do inc. l. gt. ass'd trust receipts...1906		7,922,000	July	63½	53½	47½	50
do do Rio. G. 6's, 1890, trust receipts...1906		13,028,000	F & A	75	72½	67	69½
do do gen'l m. & term. trust receipts...1906		\$2,350,000	F & O	71	49	60	67
Pennsylvania Railroad Company.							
Penna. Co.'s guar'd 4½'s, 1st coup. 1921			J & J	108½	102½	104	
do do do registered 1921		15,000,000	J & J	108½	101½		104½
Pitt., C. & St. Louis 1st coupon 7's...1900		2,708,000	F & A	121	120½	*119	
do do 1st registered 7's...1900		4,157,000	F & A				
do do 2d 7's...1913		2,500,000	A & O				*124
Pitts., Ft. Wayne & Chicago 1st 7's...1912		5,250,000	J & J	145	141	142½	
do do do 2d 7's...1912		5,180,000	J & J	142½	138	137	138½
do do do 3d 7's...1912		2,000,000	A & O	134	123½	125	
Clev. & Pitts. con. sinking fund 7's...1900		2,292,000	M & N	131	128		129
do do 4th do 6's...1882		1,105,000	J & J	111	109	106½	

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1896.		SEPT. 1, 1897.	
				High.	Low.	Bid.	Askd
St. L. Van. & Terre H. 1st guar. 7's. 1897		1,899,000	J & J	122	120	....	118
do do 2d 7's. 1898		1,000,000	M & N	....	....	....	120
do do 2d guar. 7's. 1898		1,800,000	M & N	....	....	*112	....
Phila. & Reading inc. m. coupon 7's. 1896			J & D	....	....	71	72½
do do trust receipts.		10,000,000	J & D	....	....	68	70
do do 3d assessment paid.			J & J	....	....	71	72½
do do debent. coupon 6's. 1898			J & J	....	....	68	70
do do trust receipts.		670,500	J & J	....	....	....	....
do do 3d assessment paid.			J & J	....	....	....	....
do do debent. conv. 7's. 1893			J & J	....	....	....	....
do do trust receipts.		10,395,900	J & J	....	....	57	62
do do 3d assessment paid.			J & J	....	....	57	62
do do pfd. 1st series con. 5's. 1922			M & N	....	....	....	....
do do trust receipts.		6,000,000	M & N	....	....	60½	60¾
do do 3d assessment paid.			F & A	....	....	61	62
do do 2d series con. 1898		5,000,000	F & A	....	....	60	62
do do trust receipts.			F & A	....	....	114	115
do do 3d assessment paid.		8,500,000	J & D	....	....	114	115
Pine Creek 6's. 1892		2,400,000	A & O	110½	108½	*122	....
Pittsburgh, Cleve. & Toledo 1st 6's. 1922		1,440,000	J & J	....	....	....	....
Pittsburgh Junction 1st 6's. 1922		2,250,000	J & J	....	....	....	....
Pittsburgh, McKeesport & Y. 1st 6's. 1932		1,021,500	J & D	117	108½	110	110
Rome, Watertown & Ogd. 1st 7's. 1891		6,317,000	A & O	103	87½	102	102½
do do consol. 1st ex. 5's. 1922		1,300,000	F & A	117	113½	*120	....
Rochester & Pittsburgh 1st 6's. 1921		2,920,000	J & D	112	105½	113½	....
do do consolidated 1st 6's. 1922			J & J	....	....	*71½	....
Richmond & Allegheny 1st 7's. 1920		5,000,000	J & J	80	65	61	62
do do Trust Co.'s receipts			J & J	....	....	62	....
do do do stamped.		6,000,000	J & J	119½	111½	110	111
Richmond & Danville consol. gold 6's. 1915		4,000,000	A & O	114	86	114	110
do do debenture 6's. 1927			A & O	113½	108½	....	*94
do do do assessed		1,500,000	A & O	....	....	80	....
do do do consol. m. g. 5's. 1936		500,000	A & O	....	....	114	....
Atlanta & Charlotte 1st pfd. 7's. 1897		750,000	A & O	....	....	*105	....
Atlanta & Charlotte income. 1900		8,500,000	F & A	....	....	88	87
Rich. & W. Point terminal trust 6's. 1897		1,750,000	J & J	....	....	86	90
San Antonio & Aran. Pass 1st g. 6's. '85-1916		1,608,000	J & J	....	....	....	90
do do 1886-1926			J & J	72	47	*65	....
Scioto Valley 1st consolidated 7's. 1910		608,000	J & J	....	....	50	60
do do do coupons off			J & J	....	....	....	....
St. Joseph & Grand Island 1st 6's. 1925		7,000,000	M & N	110½	104	....	99½
St. Louis & Iron Mountain 1st 7's. 1892		4,000,000	F & A	118	110	108	109
do do do 2d 7's. 1897		6,000,000	M & N	119	111	114	115
do do Arkansas branch 1st 7's. 1896		2,500,000	J & D	116½	112½	111	....
do do Cairo & Fulton 1st 7's. 1891		7,555,000	J & J	113	108½	104½	105½
do do Cairo, Ark. & Texas 1st 7's. 1897		1,450,000	J & D	116½	109½	109½	110½
do do gen'l con. r'y & land g't 5's. 1931		238,201,000	A & O	100	90	....	94
St. L. Alton & Terre Haute 1st 7's. 1894		2,200,000	J & J	119½	115	....	112
do do 2d mortgage preferred 7's. 1894		2,900,000	F & A	114	110½	....	108
do do 2d mortgage income 7's. 1894		1,700,000	M & N	108	108½	105½	107½
Belleville & Southern Illinois 1st 6's. 1896		1,041,000	A & O	117½	116½	*115	....
Belleville & Carondelet 1st 6's. 1923		485,000	J & D	110½	110½	*110	113½
St. Louis, Ark. & Tex. 1st cts. 6's. 1936		12,191,000	M & N	....	....	99½	97
do do 2d cts. 6's. 1936		11,804,000	F & A	....	....	42½	....
St. Paul, Minn. & Manitoba 1st 7's. 1909		5,250,000	J & J	116	112	112½	113
do do do small.			J & J	....	....	....	....
do do do 2d 6's. 1909		8,000,000	A & O	122½	116½	117	120½
do do Dakota extension 6's. 1910		5,676,000	M & N	122	116½	117	117½
do do 1st consolidated 6's. 1933			J & J	125	115	114	115½
do do do registered.		21,144,000	J & J	119	114½	115	....
do do do reduced to 4½'s			J & J	....	....	98½	....
do do do do regist'd			J & J	....	....	*100	100½
Minneapolis Union 1st 6's. 1922		2,150,000	J & J	....	....	111	113
St. Paul & Duluth 1st 5's. 1931		1,000,000	F & A	....	....	110	....
South Carolina Railway 1st 6's. 1920		5,000,000	A & O	118	103	99½	97½
do do do 2d 6's. 1931		1,500,000	J & J	90	81	80	80
Shenandoah Valley 1st 7's. 1909		2,270,000	J & J	100	70	....	*107
do do do Trust Co. receipts.			J & J	....	....	....	108
do do do gen'l mtg 6's. 1921		26,212,000	A & O	49½	29	35	44
Sodus Bay & Southern 1st 5's, gold. 1924		500,000	J & J	105	101

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				High.	Low.	Bid.	Ask d
Texas Central 1st sinking fund 7's.....	1909	2,145,000	M & N	80	68	78
do 1st mortgage 7's.....	1911	1,254,000	M & N			79	.....
Toledo & Ohio Central 1st gold 5's.....	1935	3,000,000	J & J	102½	92½		94
Toledo, Peoria & W'n 1st 7's.....	1917	4,500,000	Q J				104
do do Trust Co. receipts.....				106	91		97
Toledo, Ann Arbor & No. Mich. 1st 6's.....	1924	2,120,000	M & N	95	90	104	105
Toledo, Ann Arbor & G.T. 1st 6's, gold.....	1921	1,260,000	J & J	107	101		95½
Toledo, St. Louis & Kan. City 1st 6's.....	1916	2,000,000	J & D			108½	
Texas & New Orleans 1st 7's.....	1905	1,620,000	F & A				
do do Sabine div. 1st 6's.....	1912	2,075,000	M & S	107½	100½		100
Valley R'y Co. of O. con. gold 6's.....	1921	1,700,000	M & S				105
Virginia Midland mortgage inc. 6's.....	1927	4,000,000	J & J	100	53¾		*96
do gen'l mortgage 6's.....	1936	3,195,000	M & N				86
Wabash, St. L. & Pac. gen. mtge 6's.....	1920	16,000,000	J & D	62	45		*60
do Trust Co. receipts.....			J & D	67	44	51	56½
do Chicago division 5's.....	1910	4,500,000	J & J	97	85		99
do Havana division 6's.....	1910	1,600,000	J & D	88	88		*60
do Indianapolis division 6's.....	1921	2,275,000	J & D				*80
do Detroit division 6's.....	1921	2,052,000	J & J	92	78	94	95
do Cairo division 5's.....	1931	3,857,000	J & J	55	55	*50	
Wabash mortgage 7's.....	1879-1909	2,000,000	A & O	91	70	81	88
Tol. & Wabash 1st extended 7's.....	1890	3,400,000	F & A	115½	110	111	
do 1st St. Louis division 7's.....	1889	2,700,000	F & A	111	100	110½	113
do 2d mortgage extended 7's.....	1893	2,500,000	M & N	105¼	97	99	102
do equipment bonds 7's.....	1883	600,000	M & N	6	4	102	
do consol. convertible 7's.....	1907	2,600,000	Q F	100	84½	81½	87
G't Western 1st mortgage 7's.....	1888	2,500,000	F & A	114	109½	110	117
do 2d mortgage 7's.....	1893	2,500,000	M & N	106	96	97	99
Quincy & Toledo 1st mortgage 7's.....	1890	500,000	M & N	97	94	100	
Hannibal & Naples 1st 7's.....	1909	500,000	J & D				
Illinois & So. Iowa 1st exten. 6's.....	1912	300,000	F & A			*96	
St. L., Kan. C. & N. R'l E'e & R'y 7's.....	1895	3,000,000	M & S	116	108¾	112	113½
do Omaha div. Trust Co. receipts.....		2,298,000	A & O			116	119
do Clarinda br. 6's.....	1919	284,000	F & A	76½	65	45	50
do St. Charles bridge 1st 6's.....	1908	1,000,000	A & O	103½	94	106	
North Missouri 1st mortgage 7's.....	1895	6,000,000	J & J	120	112½	112½	113
Wabash, St. L. & P. Iowa trust receipts.....		2,269,000	M & S				50
West Shore 1st guaranteed 4's.....		50,000,000	J & J	106	100½	98½	99½
do do registered.....			J & J	103	116	98½	99½
Western Union coupon 7's.....	1900	3,920,000	M & N	123	116	116½	
do registered.....	1900		M & N	125	117	116½	
North Western Telegraph 7's.....	1904	1,250,000	J & J			*102	
Wheeling & Lake Erie 1st 5's.....	1926	3,000,000	A & O			100	101¼
Mutual Union Tel. sinking fund 6's.....	1911	5,000,000	M & N	90½	75		83¾
Colorado Coal & Iron 1st 6's.....	1900	3,500,000	F & A	101½	90	96	100
Tenn. Coal, Iron & R. consol. 6's.....	1901	620,000	M & N	100	97	*105	
do South Pittsburgh 1st 6's.....	1902	720,000	F & A	98	96		105
do Bir. div. 1st consolidated 6's.....	1917	4,000,000	J & J			80	85
Col. & Hocking Coal & Iron gen'l 6's.....	1917	1,000,000	J & J			70	

COAL AND MINING.

American Coal Co.....	PAR 25	1,500,000				*25	
Consolidated Coal Co. of Maryland.....	100	10,250,000				*20	24
Cumberland Coal and Iron Co.....	100	500,000					
Colorado Coal and Iron Co.....	100	10,000,000				35½	36
Cameron Iron and Coal Co.....	100	2,729,900					42
Columbus & Hocking Coal & Iron Co.....	100	4,700,000				*31	32
Marshall Consol. Coal Co.....	100	2,000,000				*24¾	
Maryland Coal Co.....	100	4,400,000				*11	14
New York & Perry Coal and Iron Co.....	100	3,000,000					50
New Central Coal Co.....	100	5,000,000				*12	15
Pennsylvania Coal Co.....	50	5,000,000	Q F				275
Quicksilver Mining Co.....	100	5,708,700				5	6
do do preferred.....	100	4,291,300				26	29
Silver bullion certificates.....							
Tenn. Coal, Iron & R. R. Co.....	100	10,000,000				25	27

EXPRESS.

Adams Express.....	Par 100	12,000,000	Q M	150	138½	149	152
American Express.....	" 100	18,000,000	J & J	111	101½	107	110
United States Express.....	" 100	7,000,000	Q F	86	51	69	71
Wells Fargo Express.....	" 100	6,250,000	J & J	130	119	125	130
Pacific Mail Steamship Co.....	" 100	20,000,000		67	45¾	37½	38½

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INCOME BONDS. Interest payable if earned, and not to be accumulative.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAY- BLE.	YEAR 1888.		SEPT. 1, 1887.	
				Hgh.	Low.	Bid.	Ask d
Atlantic & Pacific West'n div. income. 1910		10,500,000	A & O	81 $\frac{3}{4}$	80 $\frac{3}{4}$	77 $\frac{3}{4}$	82 $\frac{3}{4}$
do do do small.			A & O				
do do Cent'l div. income. 1922		2,100,000	J & D				25
Central Iowa coupon debt certificates....		620,000	A & O				25
Chicago & Eastern Illinois income..... 1907		1,000,000	D			*100	
Des Moines & Fort Dodge 1st inc. 6's. 1906		1,200,000	J & J			*67	
Detroit, Mack. & Marquette income. 1921		1,500,000	D	42 $\frac{1}{2}$	13	*54	
Elizabeth City & Norfolk 2d income. 1970		1,000,000					
Green Bay, Winona & St. Paul 2d inc. 1911		3,781,000		42 $\frac{1}{2}$	24 $\frac{1}{2}$	32 $\frac{1}{2}$	34
Ind., B'n & W'n consol. inc. trust receipts		4,560,000	J & J				24
Indp's, Decatur & Springfield 2d inc. 1906		2,850,000	J & J	39	22		*28
do do Trust Co. receipts.....			J & J	41	30		*45
Lehigh & Wilkesbarre Coal Co..... 1888		1,119,200	M & N	100	90	*97	
do do small bonds..... 1888			M & N				
Milw., L. Shore & Western income.....		500,000	M & N	107	88		104
Mobile & O. 1st preferred debentures.....		4,763,000		74 $\frac{3}{4}$	58		48
do 2d do do do		1,850,000		44 $\frac{1}{2}$	32	25	25
do 3d do do do		600,000		35	30	18	22
do 4th do do do		900,000		81	25	12 $\frac{1}{2}$	30
N. Y., Lake E. & Western income 6's. 1977		508,000		76	56		*70
N. Y., Penn. & Ohio 1st inc. acc. 7's... 1906		35,000,000	J & J			*48 $\frac{1}{4}$	
Ohio Central (Min'l division) inc. 7's. 1921		300,000				*39 $\frac{1}{4}$	25
Ohio Southern 2d income 6's..... 1921		2,100,000	J & D	49 $\frac{1}{2}$	34	37	
Ogdensburg & L. Champlain income. 1920		800,000	Oct			*40	
do do small		200,000				*84	
Rochester & Pittsburg income..... 1921		1,870,000				*30	
South Carolina Railway income 6's... 1931		3,000,000	Feb	88	22 $\frac{1}{2}$	12 $\frac{1}{2}$	15
St. Louis, I. M. & S. 1st 7's pref. int. ac'e..		848,000	Mch				
Sterling Iron & Railway (series B) inc. 1894		418,000	Feb				
do plain income 6's..... 1896		491,000	April				
Sterling Mountain Railway income... 1896		478,000	Feb				
St. Louis, Alton & Terre H. div. bds... 1894		1,357,000	June	50	38	30	
St. Joseph & Grand Island 2d income. 1925		1,690,000	J & J	77	55 $\frac{1}{2}$		67
Shenandoah Valley income 6's..... 1923		2,500,000	Feb			*16	

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph..... 100	3,000,000		45	30		
Albany City 6's.....						
Albemarle & Chesapeake 1st 7's..... 1909	500,000	J & J				*115
Alabama Central Railroad 1st 6's..... 1918	1,000,000	J & J				
Allegheny Central 1st mortgage 6's... 1922	600,000	J & J				
Atlantic & Pacific (W'n div.) 1st m. 6's... 1910		J & J				
Boston, H. & Erie 1st mtge 7's..... 1900	846,000	J & J				
do do guaranteed						
Boston & New York Air Line..... 100	1,000,000					
Bradford, Bordell & Kinsua..... 100	500,000					
do do 1st 6's..... 1932	500,000	J & D			*65	60
Bradford, Eldred & Cuba..... 100	500,000					
do do 1st 6's..... 1932	500,000	J & J			*37	42
Brooklyn City R. R..... 10	2,000,000	Q F				
Brooklyn Gas Company..... 25	2,000,000					
Brooklyn, Bath & Coney Island 1st 6's. 1912	300,000	F & A				
Buffalo & southwestern..... 100	471,800					
do do preferred..... 100	471,800					
Carolina Central 1st mortgage 6's..... 1920	2,000,000	J & J			*107	107 $\frac{1}{2}$
Cedar Falls & Minnesota..... 100	1,586,000		19 $\frac{1}{2}$	11	8	10
Cincinnati, Sandusky & Cleveland..... 50	4,500,000		51	32		
do do preferred.....	429,000					
do do 1st 7's..... 1880	1,072,300	J & D				
Cincinnati, Lafayette & Chic. 1st 7's. 1901	900,000	M & S				*113
Cin. & Sp. 1st mort. C. C. C. & I. 7's... 1901	1,000,000	A & O	119	114	*119	
do. 1st m. g'd Lake S. & M. S. 7's... 1901	1,000,000	A & O	121	117 $\frac{1}{2}$	*121	
Cincinnati, Hamilton & Dayton..... 100	3,500,000		149	105 $\frac{1}{2}$	50	60
do consol sinking fund 7's... 1905	1,000,000	A & O	120	120		*103 $\frac{1}{2}$
do do consol. 6's..... 1920	1,000,000	M & N				
Cin., W. & Baltimore prior lien 4 $\frac{1}{2}$'s. 1893	500,000	A & N				
do 1st 6's..... 1921	1,250,000	M & N			*115	
do 1st 4 $\frac{1}{2}$'s guaranteed. 1931	5,922,000	M & N	100 $\frac{1}{2}$	108 $\frac{1}{2}$	*104	109 $\frac{1}{2}$

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				High.	Low.	Bid.	Ask d
do	2d 5's.....	1931	3,040,000	J & J			
do	3d ¾'s.....	1931	2,270,000	F & A			
do	1st income mortgage	1931	3,040,000	F & A			
do	2d income mortgage	1931	4,000,000				
do	preferred stock.....	100	12,993,000		12	5	5½
do	common stock.....	100	5,886,100		6¾	2½	6½
Citizens' Gas Company		20	1,200,000				4
Columbus, Springfield & Cin. 1st 7's	1901	1,000,000	M & S				
Consolidation Coal convertible 6's	1897	1,250,000	J & J				
Cumberland & Penn. 1st 6's	1891	903,500	M & S			103	
do	2d 6's	1888	392,000	M & N		101	
Cumberland & Elk Lick Coal	100	1,000,000					
Chicago City 7's	1890	220,000	J & J				
Charlotte, Col. & Augusta 1st 7's	1895	2,000,000	J & J				
Chicago & Atlantic 1st 6's	1920	6,500,000	M & N			90	
do	2d 6's	1923	2,500,000	F & A			
Dubuque & Dakota 1st 6's	1919	630,000	J & J				
Duluth Short Line 1st 5's	1916	500,000	M & S				
Danbury & Norwalk	50	600,000					
Detroit, Hillsdale & Southwestern	100	1,350,000		82	79		
Eighth Avenue	100	1,000,000					
Erie & Pittsburgh	50	1,998,400	Q M			*112	
do	consolidated 7's	1898	22,485,000	J & J			
Farmers' Loan & Trust Company	25	1,000,000				425	
Frankfort & Kokomo	50	600,000					
do	1st 7's	1908	200,000	J & J			
Fort Worth & Denver City	100	3,880,000		25½	15	44½	45½
Galveston, H. & H. of '82, 1st 5's	1913	2,000,000	A & O	79	71	*77	
Gold & Stock Telegraph Co.	100	5,000,000	Q J				
Grand Rapids & Indiana 1st 7's	1899	505,000	A & O			*105	
do	1st guaranteed 7's	1899	3,934,000	J & J		117	125½
do	1st extended land 7's	1899	1,010,000	A & O		*113	120
Henderson Bridge Co.	100	1,000,000					
Ind., Decatur & Sp. 1st coupon 7's	1900	187,000	A & O				
Iron Steamboat Company 6's	1901	500,000	J & J	90	85½		*94
Int. & Great Northern 2d income	1909	370,000					
Jefferson R. R. 1st mortgage 7's	1889	2,000,000	J & J	107	102½	*101	
Jerome Park Villa Site & Imp. Co.	100	1,000,000					
Keokuk & Des Moines	100	2,600,400		16	5½	*6	8
do	preferred	100	1,524,600	38½	26	*31	31½
Little Rock & Fort Smith	100	4,096,135					
do	1st 7's	1905	3,000,000	J & J			
Louisville City 6's, act. of Leb. br'h	1886	225,000	J & D				
do	6's, Leb. branch extension	1893	333,000	A & O			75
Long Island Railroad	50			100	80		
{ Brooklyn & Montauk	100	900,000					
do	preferred	100	1,100,000				
{ Smithtown & Port Jefferson 1st 7's	1901	600,000	M & S				
Louisiana & Missouri River	100	2,272,700				*24¾	25
do	preferred	100	1,010,000			*55	
do	preferred g'td.	100	329,100	F & A		*120½	124
Louisiana Western 1st 6's	1921	2,240,000	J & J				
Lac. & Sus. Central 1st E. side 7's	1892	500,000	J & D				
do	W. side 7's	1892	500,000	J & D			
Metropolitan Elevated	100	1,136,000	Q J				
Mariposa gold convertible 7's	1888	250,000	J & J				
Memphis & Charleston	25	5,312,725		69½	29	52	54
do	1st consol'd Tenn. lien 7's	1915	1,400,000	J & J			*128
Missouri, Kansas & Texas	100			38¾	21		
{ Union Pacific (South branch) 1st 6's	1899	2,296,000	J & J				
Tebio & Neosho 1st mortgage 7's	1903	347,000	J & D				
Hannibal & Central Missouri 2d 7's	1892	32,000	M & N				
Boonville Bridge Co. 7's, guarant'd	1906	1,000,000	M & N				
Milwaukee & St. P. con. sink. f'd 7's	1905	209,000	J & J				
do	1st m. Hastings & Dakota 7's	1902	89,000	J & J			
Milwaukee & Lake Winnebago	100	520,000					
do	preferred	100	780,000				
do	1st 6's	1912	1,430,000	J & J		*106	
do	income 5's	1912	520,000				
New York Life & Trust Co.	100	1,000,000	F & A			560	
Norwich & Worcester	100	2,604,000					

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				High.	Low.	Bid.	Ask'd
Nash., C. & St. L. 1st 6's, T. & P. branch. 1917		300,000	J & J				
do 1st mort. 6's, McM., M. W. & A. l. b.		220,000	J & J				
New London Northern	100	1,500,000					
New York Mutual Gas Light	100	3,500,000					*100
N. J. Southern int. guaranteed 6's	1899	1,449,000	J & J	101½	91	96	99
New Orleans, Mobile & Texas	100	4,000,000					
N. Y. & Texas Land Co., limited	50	1,500,000		180	149½	*161½	
do do land scrip		1,006,600		57½	50	40	50
N. Y., Texas & Mexico 1st 6's	1912	2,103,000	A & O				
N. Y., Brooklyn & Man. Beach pref.	100	650,000	A & O				
Nevada Central 1st mortgage 6's	1904	720,000	A & O				
Oswego & Syracuse		1,320,400					
Ohio Central incomes	1920	642,000				*1½	
Panama	140	7,000,000	Q F				
Pullman's Palace Car debenture 7's	1888	1,000,000	A & O			*103½	
Phila. & Reading con. coupon 6's	1911	7,304,000	J & D				
do registered 6's	1911	663,000	J & D				
do coupon 7's	1911	7,310,000	J & D				
do registered 7's	1911	3,339,000	J & D				
do imp't mtge. coupon 6's	1897	9,364,000	A & O				
do general mtge. coupon 6's	1908	19,686,000	J & J				
do def'd inc. irredeemable							
do do small		34,300,000					
Pitts'b'h, Bradford & Buffalo 1st 6's	1911	800,000	A & O	82½	70	*80	85
Rensselaer & Saratoga R. R.	100	7,000,000		170	155		
Second Avenue R. R.	100	1,199,500					
Sixth Avenue R. R.	100	1,500,000					
do 1st mortgage	1889	415,000	J & J				
Savannah & Charleston 1st 7's	1889	500,000	J & J				
Sandusky, Day'n & Cincinnati 1st 6's	1900	608,000	F & A				
St. Louis, Jacksonville & Chicago	100	1,448,800					
do do preferred		1,034,000					
St. Louis Southern 1st gold 4's	1931	550,000	M & S				
do 2d income 5's	1931	525,000	M & S				
Sterling Iron & Railway Co.	50	2,300,000					
Scioto Valley Railway	50	*2,500,000		17	6½	*10	11
Spring Valley Water Works 1st 6's	1906	†7,000,000	M & S				
Terre Haute & Indianapolis	50	1,988,000	F & A			*97	100
Third Avenue R. R.	100	2,000,000				*220	240
do coupon bonds			J & J				
do registered bonds		2,000,000					
Tonawanda Valley & Cuba	100	600,000					*35
do do 1st 6's	1931	500,000	M & S				
Union Trust Co.	100	1,000,000				425	
United States Trust Co.	100	2,000,000				545	
Vermont Marble Co.	100	3,000,000					
do do sinking fund 5's	1910	1,200,000	J & D				
Warren Railroad	50	1,800,000				*130	
do 2d mortgage 7's	1900	750,000	A & O			122	
Williamsburgh Gas Light Co.	50	1,000,000	Q J				
Wabash funded interest bonds	1907						
Toledo & Illinois Division 7's		126,000	F & A			*100	
Lake Erie, Wabash & St. Louis 7's		350,000	F & A			*100	
Great Western 1st mortgage 7's		350,000	F & A			*100	
Illinois & Southern Iowa 7's		42,000	F & A			*95	
Decatur & East St. Louis 6's		472,500	F & A			*90	
Quincy & Toledo 6's		37,500	F & A			*80	
Toledo & Wabash 2d mortgage 6's		127,500	F & A			*85	
Wabash & Western 2d mortgage 6's		262,500	F & A			*85	
Great Western 2d mortgage 6's		437,500	F & A			*85	
Consolidated convertible 6's		637,000	F & A			*85	
Central Arizona Mining	10	3,000,000					
Excelsior Water & Mining Co.	100	10,000,000					
Homestake Mining Co.	100	12,500,000	Mo.	23	11	13	15
La Plata Mining & Smelting Co.	10	12,000,000					
Little Pittsburgh Consol. Mining	100	10,000,000					
Mariposa L. & M. Co., California	100	20,000,000					
do do preferred		5,000,000					
Ontario Silver Mining Co.	100	15,000,000	Mo.	30	22	25	27
Robinson Consolidated Gold Mining	50	10,000,000					
Standard Consol'd Gold Mining Co.	100	10,000,000					
Silver Cliff Mining Co.	50	10,000,000					

NOTICES OF NEW BOOKS.

Poor's Directory of Railway Officials. 1887. Second Annual Number, containing Lists of the Officers of all Railways in North America, and the Leading Organizations Auxiliary to the Railway System, Lists of Officers of South American and British Railways, etc., compiled from official information. POOR'S RAILROAD MANUAL, 70 Wall St., New York.

This work, which is a supplement to Poor's Manual of Railroads, contains lists of officers of all Steam Railroad Companies in the United States and Canada; officers of all Street Railroad Companies in the United States and Canada; officers of Private Tram and Lumber Railroads, etc., etc.; officers of Auxiliary Enterprises—Express, Sleeping Car, and Equipment Companies, etc., etc.; officers of Industrial Enterprises Dependent on the Railway System—Car-Axle Manufacturers, Car Builders, Car-Wheel Manufacturers, Car-Spring Manufacturers, Rail Mills, Locomotive Builders, Bridge Builders, Contractors, etc., etc.; officers of Associations of Railroad Officials and of Railroad Employees, Boards of Railroad Commissioners, etc., etc. To these are added Special Lists of General Managers, General Superintendents, Chief Engineers, Master Mechanics, Master Car Builders, Master Car Painters, General Freight and Passenger Agents, Purchasing Agents, etc.; an Alphabetical Index to the Names of all the officials above mentioned, with a convenient system of reference, showing lines with which each is connected; and an Alphabetical Index of Cities and Towns, by means of which can be ascertained the names of all officials in any particular city or town at once. The work also contains a list of railroads in Mexico, the West Indies, Central and South America and the Hawaiian Islands. It will be especially valuable as a mailing list, containing over 30,000 names of persons connected with railways, and is the first publication containing information of this kind.

The Margin of Profits; How it is Now Divided; What Part of the Present Hours of Labor can be Spared. By EDWARD ATKINSON. An Address delivered before the Central Labor Lyceum, of Boston, on Sunday Evening, May 1, 1887. New York and London: G. P. Putnam's Sons. 1887.

There is no writer on economic subjects who approaches the Labor question with greater insight, greater power of explanation, or greater charity for opinions which may not coincide with his own, than Mr. Atkinson. He is opposed to the arbitrary methods of labor associations as now organized, thinking them unlikely to result in good to the working classes they assume to protect, but he recognizes the necessity of more leisure, more variety and better opportunity for laboring people. The present publication contains in addition to the address mentioned on the title page, a reply to the same by Mr. E. M. Chamberlin, and Mr. Atkinson's rejoinder to Mr. Chamberlin, and in an Appendix is a short essay on Economy in Domestic Cookery.

In his address Mr. Atkinson undertakes to set before his hearers the relations between capital and labor in a cotton mill, by showing the manner in which the proceeds of one year's production are distributed among the various classes of individuals interested either as capitalists or working-men. The result shows that a very large proportion goes to labor, and also that a larger sum is received by labor working with the assistance of capital owned by so-called capitalists than would be received by labor if working on a co-operative or any other plan as yet known different from the one usually adopted at the present day, and that under this system there is ample opportunity for any workman who manages his own life and wages honestly, temperately and economically, to support himself and family well, and to save money. Further, that it is much easier for a man who has sufficient capacity and character to make himself a good man and a good workman, to advance himself in life to-day than it was even thirty-five years ago. The truths in this address are perhaps not new, but they are put with clarity and force. That it does not go to the bottom of the subject, in the minds of some, is due to the fact that Mr. Atkinson does not attempt to show, what so many have in vain attempted to show, how men as a rule can live without labor; how every man, regardless of character, capacity, morality, or special talent, can surround himself with all the appliances of luxurious living. He does not attempt to solve the riddle why some are born apparently lacking the qualities, physical and moral, which make men successful in life; of inequality and diversity in the intellectual and emotional natures of men—and of course it is to this side that Mr. Chamberlin's argument is mainly directed. This reply, while

temperate and reasonable in tone, voices the complaint which those who are unfortunate in life are constantly making. Why should not one man, after political equality is admitted, be the equal of every other man in the enjoyment of the good things of this life. Mr. Chamberlain's concern is not for the men who scramble out of their class by the exercise of superior innate qualities, but for the men who are scrambled over, too weak to act other than as stepping-stones. While Mr. Atkinson thinks that capitalists pay in wages all that the consumption of their productions warrants, Mr. Chamberlain contends that by the increase of wages the power of consumption is increased. If capitalists were satisfied with four per cent. profit instead of six, and gave the difference in wages, both the consumption and the amount of the product would increase, and the four per cent. under new circumstances will more than equal six.

We cannot say that from their peculiar standpoints either Mr. Atkinson or Mr. Chamberlain has the best or the worst of it—but we know this, that however much human nature in adversity may rebel against the conditions that surround it, Mr. Atkinson has clearly pointed out two facts. First, that it is perfectly possible for all to better their circumstances; but, second, that in order to do so they must follow the old and only certain road of honesty, sobriety, economy, with all its hardships and all its self-denials.

The Silver Pound and England's Monetary Policy since the Restoration, together with the History of the Guinea, illustrated by Contemporary Documents, By S. DANA HORTON (a delegate of the United States of America to the International Monetary Conferences of 1878 and 1881.) London: Macmillan & Co., 1887.

"And I'll give thee a Silver Pound to row us o'er the ferry."

We are very strongly of the impression that the author of this work is impervious to criticism, however just, but as the object of criticism is not to convert the author but to warn the public, we venture to point out to what lengths of absurdity the endeavor to establish a theory without regard to facts will convey an individual of some intellectual force. With sufficient ingenuity and a wide field to exploit it, any one can make a plausible argument in favor of almost any proposition. As an instance of what may be accomplished in this line, we point to the success which has attended the efforts of the Hon. Ignatius Donnelly in discovering and translating a cipher injected by the late Lord Bacon into the first folio edition of Shakespeare's alleged works for the purpose of revealing to future generations and Ignatius Donnelly in particular (a short life and eulogy on the latter person have, we understand, been recently discovered in the second folio edition) that Lord Bacon, and not Shakespeare, wrote the plays in dispute.

Mr. Horton reasons upon the data, which his industry has collated, to establish the desirability of the double standard and the alleged danger to modern civilization of the exclusive gold standard, with the same convincing earnestness that enables Mr. Donnelly to establish the existence of his amusing cipher. Both Mr. Donnelly and Mr. Horton have reached that heaven of egotism to which all hobbyists seem to tend and from which they gaze with pitying scorn on those who venture to dispute their conclusions.

Of all the facts and arguments which the advocates of Bi-metallism have to encounter, the most difficult to down is the financial history of England under the single gold standard since 1816. This amid all the fluctuating successes of the monetary war, remains a solid wall against which theorists and hobbyists have dashed their heads in vain. Mr. Horton, with some acumen, recognizes that if he can undermine and destroy this bulwark, he will have gained an important victory. A theory and a statute are on trial. The theory is the theory of the world (bi-metallism), the statute is the British law establishing the gold standard. The issue is whether England does well by maintaining the Disinherison of silver. What a word for bi-metallic Congressmen to use next winter! The "Silver Pound" is dedicated to the memory of "Somers, Montague, Newton, Locke, monetary Counsellors of England." Mr. Horton assumes, almost as an axiom, that the cure for existing monetary evils is none other than the reinstatement of silver in its former position as money by the joint action of nations. The "attitude of England toward silver is plainly vital." To influence the attitude of England now, Mr. Horton enters into an investigation purely historical, of the past and present of the English standard. His line of argument seems to be that because once England used silver exclusively, therefore she should use it now. Because the

silver was the elder, therefore, it is necessarily the better standard. By his researches into old records, he either has discovered, or believes he has discovered, that the men to whose venerable shades he dedicates the "Silver Pound" were, if their writings are interpreted from the standpoint of a faithful bimetalist, in favor of the remonetization of silver at the present day. He intimates that Lord Liverpool and Sir Robert Peel misinterpreted the views of their illustrious predecessors, and leaves it to be inferred that if he, Mr. Horton, had been present to point out the true interpretation of the views of Somers, Montague, Newton and Locke, Lord Liverpool and Peel would never have been led astray, and modern English statesmen would not now follow the disastrous teachings of 1816. Inasmuch, therefore, as the statute of that year was a ghastly error, founded on misapprehension of the ancient monetary history of England, now that Mr. Horton has corrected that misapprehension it follows that English statesmen will agree to an international conference for the purpose of reinstating silver. So far from making it clearer what a monetary standard should be, or even what a silver pound is or was, Mr. Horton's book involves the subject in deeper obscurity than before, dwelling as it does rather on the disagreements than the agreements of the various authorities, historical and personal. The introduction points out nine different meanings attached to the word standard in monetary discussions. The author is fertile in discriminations, and indulges in them in order to impress his readers that the subject is too complex to be understood by any but a sapient savan like himself.

One of the clearest and most practical definitions of a standard of value ever formulated, is that given by Sir Robert Peel in his speech in Parliament May 6, 1844, when he said that, "according to practice, according to law, according to the ancient monetary policy of this country (England) . . . a 'pound' is a certain definite quantity of gold with a mark upon it to determine its weight and fineness." He further said, "No one contends that there is or can be an absolutely fixed and invariable standard of value. No one denies that the value of gold with reference to all commodities, excepting gold itself, may be subject to slight variations; but what other substance is not more subject to variations in value than the precious metals?" Later history has shown, and the "Silver Pound" only proves it, that of the two precious metals gold is less subject to variation than silver. Mr. Horton criticizes Peel as being only the transmitter of an erroneous idea—accuses him of misrepresenting those "gentle sages" Sir Isaac Newton and John Locke—and when he himself attempts a definition of a standard, he bases himself on the expressions of a Mr. Smith, who, in 1810, was examined by the Committee of Parliament, and who, when asked whether the suspension of cash payments was to exist without any standard of value, answered "No, the pound should be the standard." When asked to explain what he meant by the pound, he answered, "I find it difficult to explain, but every gentleman in England knows it." Following Mr. Smith, Mr. Horton says "that a National unit of account is a legal entity, a creature of law," and illustrates, so that the least intelligent reader can understand, by using the analogous terms "incorporeal hereditament, an office, a dignity, a right, a franchise, an official but impersonal corporation." If there is such a thing as a monetary standard it should have at least something definite about it, but Mr. Horton's attempt at explanation is vagueness apotheosized. Apart from the unpleasant and absurd manifestations of the peculiar bias of the author's mind, the "Silver Pound" is an interesting, and to some extent valuable compilation of interesting facts in English monetary history. Mr. Horton possesses much industry, some taste, and immense egotism, and these constituents frequently combine to make a very readable book. We can see more than ever before how the United States was unable to gain anything at the international monetary conferences of 1878 and 1881. Mr. Horton is entirely unfitted for a National delegate. He is too opinionated to conciliate, and too illogical to command the respect of practical men. With such a load to carry it is no wonder that the monetary conferences of 1878 and 1881 were both dead failures. He reminds us of the scientific tailors of Laputa, who used a sextant and a theodolite to measure a man for a suit of clothes. We trust that many people in the United States will read the "Silver Pound," first for its really interesting features, and second in order that a howl of popular rage may hail any President who ever again appoints such an impractical theorist as Horton a delegate to an International Monetary Conference. The author of the "Silver Pound" should confine himself to writing entertaining financial works.

BANKERS' OBITUARY RECORD.

Bodman.—Luther Bodman, President of the Hampshire County National Bank of Northampton, Mass., died recently.

Davis.—Edward S. Davis, a prominent citizen of Lynn, Mass., at one time Cashier of the old Nahant Bank of Lynn, died August 7th.

Dow.—James N. Dow, Treasurer of the Woburn Five Cents Savings Bank, Mass., from 1854 to 1880 when he became a trustee, died August 6th, aged 73 years. He was also Treasurer of the town from 1883 to 1887.

Fellowes.—Col. John F. Fellowes, at one time Treasurer of the Chelsea Savings Bank of Chelsea, Mass., died at Chelsea on July 6th. In 1885 he was appointed Deputy Collector of the Port of Boston. He was 72 years of age.

Greenleaf.—Richard C. Greenleaf, of Boston, died on August 3d, at the age of 79. He was vice-President of the Franklin Savings Bank of Boston.

Hartshorn.—Charles Hartshorn, President of the Citizen's National Bank of Honesville, N. Y., died on August 20th.

Hunting.—Nathaniel Hunting, a member of the New York Stock Exchange, and one of the proprietors of the Murray Hill Hotel, New York, died at Poughkeepsie of apoplexy, August 16th. He was 38 years of age.

Learned.—Ebenezer Learned, of Norwich, Conn., died recently, aged 75 years. He was senior director of the Thomas National Bank of that place, having served forty years in that capacity.

Lyon.—Lyman Lyon, banker of Palmyra, N. Y., died August 22d at Palmyra.

McCarthy.—Joseph Austin McCarthy, at one time a prominent bank official in Halifax, died recently at Rottessay, Isle of Bute.

Palmer.—George H. Palmer, a member of the New York Stock Exchange, died August 12th.

Rogers.—John H. Rogers, a well-known merchant of Boston, died on August 1st, at the age of 78. For fifty years he had been a director of the Freeman's Bank, and during the last fifteen of this period President of the institution. In January last he declined re-election.

Samuel.—John M. Samuel, President Columbia Savings Bank, Columbia, Mo., died last month.

Schlund.—C. Schlund, banker, at Mokelumne Hill, Calaveras County, Cal., died recently.

Standiford.—Dr. E. D. Standiford, formerly President of the Farmer's & Drover's Bank, Louisville, Ky., died on July 28th.

Stormont.—D. W. Stormont, M. D., who had been a member of the Board of Directors of the Central National Bank of Topeka, Kans. since its organization, died August 18th, aged 87 years. He was also a director of the Topeka Bank for many years. He had accumulated a fortune in a long life of careful and conservative business. Resolutions, expressive of the high appreciation in which he was held were passed by the Board of Directors of the Central National Bank.

WANTED—OFFICERS AND CLERKS, POSITIONS, BANKS FOR SALE, LOCATIONS WANTING BANKS, ETC.

[Notices under this head—space not over four lines—cost \$2 an insertion. If replies are to be sent to this office the advertiser must send us two stamped envelopes addressed to himself, in which the replies will be forwarded.]

FOR SALE.—A half interest in a bank in a town in Northern Kansas. Established 1883. Thirteen miles to nearest bank. Paying business; profits over 20 per cent. on capital invested. Building with two lots, fire-proof vault, safe and furniture and fixtures complete. Address: E. E. G., care Goodrich Bros. Banking Co., Fairbury, Neb.

A YOUNG MAN now occupying the position of book-keeper and assistant cashier in a small National bank, would like to change for a position in a large bank or corporation offering better facilities for promotion. Am thoroughly competent, and can furnish recommend from present employers. Address: VASSAR, care of the JOURNAL, 78 William Street, New York.

BOOK-KEEPER or Correspondent. Position as book-keeper or correspondent wanted by a young man, 21 years old, who has nearly four years' experience in National and Savings banking. Good reference. W. 75, care of the JOURNAL.

WANTED in a Bank, a responsible position by a gentleman with 18 years' experience in the National and Savings banks of Massachusetts, and undoubted references as to character and ability. Address: Clerk, care of Bradford Rhodes & Co., N. Y.

FOR SALE.—The controlling interest in a National bank of \$50,000 capital, located in a growing town of 5,000 population in Northern Michigan. This stock held by the present Cashier. Bank doing good business and paying 10 per cent. dividends and business constantly growing. Best of reasons given for selling. A rare opportunity for a young man to take present Cashier's position, salary now paid, \$1,800. Address: Cashier, care Bradford Rhodes & Co., New York.

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A STATEMENT from the Treasurer's Office shows that the amount of currency in circulation, outside of the Treasury, of the denomination of \$20 and under was, on August 31, 1887, some \$71,257,834 in excess of the amount in circulation twelve months ago—on August 31, 1886. The larger portion of this increase consisted of silver certificates. Notwithstanding this great increase in the available amount of money, there is in New York city great stringency in the money market; and, considering that a very large proportion of the available funds of the country banks are kept in New York exchange, there is ground for the apprehension that now exists as to the future effect of locking up surplus money in the United States Treasury. The greater part of the taxes paid to the Federal Government from customs, and a very large proportion of those derived from internal revenue, are collected in New York city. Of those paid in other parts of the country, a large portion is paid in New York exchange. It is plain, then, that the rush of the revenues into the Treasury first depletes the funds at the great financial heart of the country. And the funds do not return as fast as they are paid out, not only because the revenues of the Government exceed the expenditures, but because Government payments are made not necessarily in New York but in all parts of the United States, making the return a matter of time, whereas the depletion is sudden and constant. It therefore has little bearing on the question of financial stringency in New York city to show by tables that the amount of notes and coin in the country has increased, inasmuch as it is rather a question of distribution than of mere amount. It has been suggested by some that the Act of March 3, 1887, allowing several of the interior cities to become cities where National banks are required to keep their total reserves at home has had an influence in depriving New York city of funds previously kept there. If any influence of the kind can be ascribed to such law, it is most unfortunate for the administration that the measure should have been enacted, when it was so important to repress any influences tending to lower New York funds. We do not, however, think that this law has had much to do

with the pronounced tendency of funds to the West, which has been so noticeable this season. Even if the law of reserve had been left unchanged we think that this Western demand would have prevailed just the same. But it would have been met by a freer circulation of drafts and checks and a less use of actual currency. Payments now made by drafts on Chicago and St. Louis would have been just as well made by drafts on New York, and the currency necessary to meet the drafts at the former places need not have been withdrawn from the latter. In other words, one pernicious effect of this reserve law has been to lessen the draft circulation of the country and increase the amount of money necessary to do the same amount of business. To do at three centres what can as well be accomplished at one is to increase machinery and friction without increasing the power. Whatever may have been the effect of the reserve law upon the amount of available funds in New York city, it is certain that these funds are the first to feel the strain of the taxes paid to the Government and the last to recuperate. The week ending August 12th the New York banks lost \$2,100,000 through the operations of the Sub-Treasury, the week ending August 19th they lost \$1,600,000, that ending August 26th they gained \$100,000, that ending September 2d they lost \$400,000, that ending September 9th they lost \$1,600,000, and that ending September 16th they lost \$2,000,000; all of which shows conclusively that payment of taxes to the Government causes a drain on the New York banks that is not compensated for by drafts on the Treasury issued in Government payments. It is this direct contact between the Treasury and the banking machinery of the country, at the most important point, that makes the excess of receipts over expenditures so vital to the country. When it is remembered that through this banking machinery the amount of cash required in transacting the business of the country is reduced to less than one-twentieth, the remaining nineteen-twentieths being accomplished by checks and drafts, it will at once be understood how pressure at the centre of the banking system distresses the whole.

We do not think that the purchase of bonds by the Government will afford any relief, because the New York banks do not hold United States bonds to any great extent; and they are, besides, in a situation to utilize them if they need relief in obtaining circulation or Government deposits. Neither will the advance payment of interest help them to any great extent, because they do not hold many United States bonds.

One certain form of relief would be to permit them to issue notes to the amount of their capital, based on a reserve of 25 per cent. coin. But to permit the banks in New York city to do this without extending the privilege to all parts of the country, however useful it might prove, would be regarded as the worst form of monopoly.

Probably the best method of obtaining an outlet for the surplus, and the one most advantageous to the public, would be to refund the

4 per cents. into bonds at 2 per cent. If an extra session of Congress is called this plan might be adopted in some shape as a method of relieving the present accumulations and of giving time for considering the more important topic of reducing the revenues, which is, after all, the only radical cure for the difficulty.

A CHECK UPON THE United States Treasury, issued by a pension agent in May, 1885, for the amount of \$2, in payment of a surgeon's examination fee, was recently presented at the Treasurer's cash office in Washington. The date had been changed to May 31, 1887, the amount had been raised to \$2,450, and the name of the payee was also changed. In fact, all of the original check, except the signature of the pension agent, had been erased by the use of acids, and what was virtually a new check manufactured. If this check had been paid by the Treasurer's office the funds of the Government would eventually, perhaps, have been discovered to be short \$2,448; but this discovery would have been a matter of time, made after all the accounts of the numerous pension agents had been fully audited. In the mean time everything would have gone on as usual, perhaps, for years. It was certainly an evidence of the efficiency of the Teller who discovered the forgery. But the assertion which has been made that Treasurer Hyatt would have been obliged personally to make up the difference is not warranted by the precedents which have been established as to losses and defalcations in the Treasurer's Office. In the past, Congress has, as a rule, relieved the Treasurers who have been short in their cash account through the carelessness or dishonesty of their employes. And this is no doubt just and right, for where large sums of money are handled there must, in the course of years, be a certain percentage of loss from such causes. Such losses occur in all moneyed institutions dealing with private capital, and a similar leniency is shown toward managers unless there is personal dishonesty. Treasurers Spinner and Wyman were both relieved from personal liability by appropriations made by Congress to cover amounts stolen by employes during their administration, and we cannot see that Treasurer Hyatt would be any less entitled to relief from a loss which, if it had occurred, would have been the result not of dishonesty but simply of oversight. Nor do we think that the banks which are said to have accepted this check should bear the loss. Although a recent decision, given in the JOURNAL for September, rather favors the doctrine that the drawer of a check, however much his carelessness in drawing the same invites the alteration of the same, is not to be held responsible, yet there are many decisions and many good arguments to the contrary. It appears that the Government furnishes to its pension agents a very inferior quality of check on poor white paper, while the ordinary checks of the United States Treasury are on specially tinted and prepared paper, which it is impossible to alter without leaving visible traces. We therefore believe

that inasmuch as in permitting its agents to use checks which are an exception to those ordinarily used by the Department, the Treasury becomes liable, to some extent at least, for the consequences, and that the banks which have been victimized through the carelessness of the Government should have redress, either through the action of the Courts or of Congress.

A CURIOUS FEATURE of the responses to the bond circular of the Government of the 22d of September, as well as of those to the circular of August 3d, are the comparatively low prices the holders of 4 and 4½ per cent. bonds have been willing to accept. Through June the quoted market price of 4½s averaged 110, through July 109½, and through August about 108½. During this latter month the price was of course affected by the first Treasury circular. But although the prices had ruled so much higher through July, yet the responses to the circular of August 3d showed some holders willing to take as low as 106.88. This indicated that the previous high price was caused, to some extent, by the belief that if the Government became a purchaser the premium on the bonds would necessarily rise, and that the holders had to some extent purchased the bonds not as an investment but as a speculation. The advancing tightness of money and the difficulty of carrying forced the holders to take less for the bonds, and many of them have doubtless sold them to the Government at a loss to themselves of perhaps as much as 1 per cent. The real holders for investment do not appear to have figured in the offers, and it is for this reason that the latter gradually declined in amount. The effect of the circular of September 22d, proposing to buy 4s at 125 and 4½s at 108.4, further supports this view. The previous circular had about exhausted the floating 4½s and very few were obtained, but a surprising lot of 4s were purchased. In July the market price of 4s averaged over 128, and in August 127½, so those who bought 4s at these or previously even higher prices in the hope that a forced Government demand would enhance the premium, must have lost even more than those who purchased 4½s with the same hope. The error which appears to have been made by these speculators consisted in supposing that there was some irresistible force which would compel the Government to purchase bonds at any price, and also that the moment the Government began to buy prices would advance. This argument of unlimited advance of premium under the pressure of an assumed demand for United States bonds was used among other arguments to defeat the McPherson bill for the issue of circulation to National banks to an amount equal to the par value of the bonds deposited by them. It was reasoned that if the bank demand for 4s, caused by the reception of 90 per cent. of circulation, kept the bonds at 124, that the issue of 100 per cent. of circulation would drive them to 130. The same process of argument has been used in various ways to defeat other propositions for an

increase of National bank circulation. In either case due weight has not been given to counteracting circumstances, which might—which, in fact, were almost sure to exist.

THE SAVINGS BANK COMMISSIONER of Massachusetts recently discovered that the Fall River Savings Bank, of Fall River, has been loaning United States bonds to National banks, which they deposited with the United States Treasurer at Washington as security for circulation issued to them. The advantages of this transaction, to the National banks, were that the banks were relieved from the necessity of paying a high premium for the bonds and had the use of the cash which otherwise would have been expended in premiums. The savings bank received from the National banks, in exchange for and as security for the loan of the bonds, certificates of deposit bearing interest at 5 or $5\frac{1}{4}$ per cent., to an amount equal to the par value of the bonds, whereas if the bonds had been held 4 per cent. only would have been realized. If the National bank had failed, the Savings bank would merely have had a claim against it for the market value of the bonds, since the latter would have been sold by the Government to obtain funds to redeem the circulation issued upon them. The surplus would have been returned to the common fund of the failed bank for distribution among its creditors. It may be said that the title did not pass to the National bank, but in order to meet the requirements of the law in regard to the deposit of bonds for the security of circulation it was necessary that the bonds should be transferred to the Treasurer of the United States in trust for the bank, and it is not likely that the Comptroller of the Currency would have approved the transfer if he had reason to believe that the bonds did not belong to the bank on whose behalf they were deposited. This incident, showing that the National banks in Massachusetts were willing to pay 5 per cent. per annum for bonds for circulation—provided they could have the use of the premium—indicates that they would exchange their high-priced 4 per cent. bonds for $2\frac{1}{4}$ per cents. if the Government would pay the present value of the difference in interest.

EVERY FAILURE of a National bank brings out from the daily press the stock remarks, “do Bank Examiners examine,” “does protection protect.” The failure of the First National Bank of Dansville following so soon after that of the Fidelity National Bank of Cincinnati is the most recent instigation of these cries. We have frequently pointed out the impossibility of absolute, unflinching protection by such or any other means, but that the system of public examinations reduces the dangers from unwise and dishonest banking to a minimum. As far as we can learn, the President of the First National Bank of Dansville was a man of great personal popularity and political influence in the town and vicinity. Papers published in the locality

speak of him, since his departure for an unknown bourne, in terms which would befit an expert in mortuary eulogy. He is represented as charitable to an unusual degree; though somewhat diffident, he was enterprising and energetic, and noted for the steadfastness to those to whom he gave his friendship. He was sociable and fond of telling stories, and always had a fund of anecdote on which to draw. He was domestic in his habits, seldom leaving Dansville, and familiar to and popular with everybody in town. When an attempt to arrest him was made it was frustrated and an opportunity of escape afforded by the aid of his numerous friends. The Bank Examiner who took charge of the bank and conducted the investigations which pointed to the necessity of the arrest, was regarded with hostility, and even threatened, by many who desired to protect Mr. Faulkner. Papers published in Dansville ridiculed and belittled the Examiner. A man who commanded to such an extent the respect of his neighbors and townsmen, while in effect deceiving and robbing them, could not readily be detected by any ordinary examination. All the facts in regard to this failure have not yet been made public; but whenever they are, we think it will be made plain that the system of National bank examinations is not responsible for this failure.

IN ANOTHER PART of the JOURNAL we publish a statement said to have emanated from the Comptroller's office, which in substance is that the National banking law is defective, in that it imposes no penalty on bank officers and Directors who agree not to prosecute embezzling or defaulting officials or employees who will return the whole or a portion of the funds which have disappeared. There is law enough now to prosecute those who compound felony, both under the statutes of the States and those of the United States. Moreover, criminal prosecutions under the National Banking Law are under the supervision of the Attorney-General of the United States and the United States Attorneys in the various judicial districts. Under the system of National bank examinations embezzlements and defalcations are always discovered after a time, and this discovery generally furnishes all the evidence necessary to secure the conviction of the offenders. It does not rest in the power of the Directors of any National bank to grant immunity to offenders. Even if promises of this kind are made, they only amount to a stipulation that the promising Directors will not initiate proceedings. But this amounts to nothing, seeing that the Comptroller has the evidence of the embezzlement or theft, which he can furnish to the Department of Justice. When proceedings have been instituted the Court can compel the Directors, notwithstanding any promise they may have made, to appear as witnesses. In fact, the same evidence that would be required to convict Directors of compounding a felony would convict the criminal, notwithstanding any promise of immunity the Directors might have

given. Besides, if the criminal were foolish enough to put confidence in the protection the Directors could afford him he would probably be on hand when the police wanted him. Moreover, there are certain advantages, in the way of recovering stolen funds, to be obtained by leaving the law as it is, and it is a double triumph to both recover the funds and punish the criminal.

THE TREASURY DEPARTMENT has shown that it wishes to do all that it reasonably can to avert the evil consequences which, real or fancied, are supposed to result from the constant excess of the revenues of the Government over its expenditures flowing into the Treasury. It has proceeded cautiously and, as is to be expected, with due regard to political as well as financial effects. The circular of August 3, soliciting proposals for lowest terms of sale of $4\frac{1}{2}$ per cent. bonds, was not without success, \$33,905,200 of these bonds having been offered at prices varying from 110 to 107, the average being about 108.4. The transactions have been profitable to the Government, they have doubtless accommodated those who sold the bonds, and they have had a moral effect on the money market. The circular of September 22 was the result of the recognition of the fact that about as large an amount of bonds as could be obtained by that method had been accepted. The danger of an unwarranted reduction in price of their bonds seems to have alarmed some holders, and the offerings were less and less as weeks went on. Moreover, the first circular provided for offers of $4\frac{1}{2}$ per cent. bonds only. There is, however, no doubt that the pressure for more pronounced Government action became very severe, not only from New York city, but from other parts of the country. The condition of the banks of New York city is of great importance to the whole country, and the apprehensions of tight money in New York have caused a demand for Government action, assumed to be the panacea for the difficulty, from many quarters. The immediate effect of the circular has been good. It remains to be seen whether Government action alone will permanently avert the tendency to financial apprehension so noticeable during the past two months, or whether this condition of things is due to other causes in whole or in part. At all events, the Government could not do less than it did, on the ground, as empirics say, that it might do good and could do no harm.

THE BANK STATEMENT of September 24th showed a decrease of loans and deposits and an increase of legal-tender notes and specie. If, in their reports to the Clearing-House, the banks include in loans all their holdings of stocks and bonds, such a statement would seem to be impossible to explain. But it appears there is no rule of the Clearing-House which requires any uniform treatment of this class of their assets, and that, as a matter of fact, some of the banks include

stocks and bonds held in their reported loans and others do not. If, in the interval between two statements, any of these stocks and bonds are turned into cash by a bank which has not been in the habit of reporting them in loans, the cash of that bank would increase out of proportion to any decrease there might be in its reported loans and deposits. The statements of the banks, as made to the Clearing-House, are not sworn to, nor is there apparently any other precaution taken to insure accuracy or uniformity. We have no desire to suggest that there is or has been any inaccuracy in any instance, but the peculiarity referred to in the statement of the 24th of September indicates that, in some respects, the reports made to the Clearing-House, to say the least, do not show the full strength of the banks. In a matter of so much importance to the country as the weekly statement of the Clearing-House banks of New York city, every care should be taken to insure uniform reports, which show the full strength of the situation, and which will not cause glaring inconsistencies in the figures from one week to another.

FROM AN INTERESTING article on the cotton crop of the United States for the year ending September 1, 1887, published in the *Commercial and Financial Chronicle*, it appears that the total crop reached 6,513,623 bales, the exports being 4,458,326 bales, and the amount used in the country 2,077,587 bales, leaving 82,086 bales on hand. The total crop for the year ending September 1, 1886, was 6,210,215 bales, and for that ending September 1, 1885, was 5,669,021 bales. The total cotton consumption of the world for the year 1887 was 9,718,000 bales, of which Great Britain used 3,707,000 bales, the continent of Europe 3,588,000 bales, and the United States 2,423,000 bales. With regard to the cotton industry in the United States, it is stated that the manufacturers during the twelve months have been more actively employed and at a better margin of profit than for several years past. In the South the conditions have been favorable. Returns received show that there were 232 mills in operation in that section of the country, consuming 183,201,000 pounds of cotton.

THE FAILURE OF Henry S. Ives & Co. has been made the text of a vast amount of newspaper reflection, the grand sum total of which is, on the one hand, that there is nothing so successful as success, and, on the other, that pretenders to wealth and resources which they do not possess are sure to be unmasked. The history of Ives' transactions, of the manner in which he acquired the interests which finally culminated in his virtual possession of the Cincinnati, Hamilton & Dayton Railroad, reads like the history of Aladdin and the wonderful lamp. It is a maxim which is founded on human experience, but is also a recognition of human weakness, that all stable things are of slow growth. The process of accumulation of property is supposed to be slow, although

men are constantly racking their brains to discover or invent some more rapid methods, and many patents have been taken out. Some have been successful in availing themselves of these inventions, and have used them to build up fortunes which they have retained. Many more have made money, but lost it again. The case of Ives, instead of being anything unique or peculiar, is merely one of a long line of similar ones which have from time to time occurred. How many great undertakings which finally have achieved success have, in the course of their development, been on the very verge of disaster? How desperate and perhaps dishonest have been the means adopted to keep them from falling to pieces! When a wreck does occur, and the inside powers that moved the scenes are exposed to view, the air is filled with demonstrations that the means employed could never, under any circumstances, have succeeded.

THE LARGE NUMBER of banks which the enterprising force of Bank Examiners now employed by the Comptroller of the Currency discover to be in a dangerous condition in time to prevent irretrievable disaster indicates that the Examiner is becoming too sharp for the average dishonest bank official. It reminds one of the interesting rivalry which for years has existed between the inventors of big guns and the designers of armor plates, or the equally interesting emulation of burglars and safe makers. First one side apparently gains the advantage, and then the other side surprises it. The advantage now is evidently with the Examiners. The bank officers seem to be handicapped, although they have the advantage of the near proximity of Canada, either by a too conservative inclination to adhere to old methods, or by a lack of inventive faculty. The only way to restore the equilibrium is by an interchange of ideas among those connected with banks who desire to secure the highest personal profits from their institutions. De Quincy mentions a society in England organized for encouraging murder as one of the fine arts. Why not have an association for the purpose of devising and putting in practice the best and safest methods of beating the Bank Examiners? In the past the latter have suffered in public estimation from criticisms based on alleged slowness and inefficiency, but lately they are becoming unsufferably suspicious and acute.

IT IS STATED that the assets of the Columbian Bank of Philadelphia will realize considerably more than the value at which they were appraised. President Phillips was much surprised that the appraised value was no larger, and thinks that the securities of the bank were very much underestimated. It is to be hoped that this statement is based on ascertained facts and is not merely an assertion made to make the creditors more amenable to delay, and the public more favorably inclined to those who were responsible for the failure.

AMERICAN BANKERS' ASSOCIATION.

The convention of this association which will meet at Pittsburgh on October 12, seems to make a retrospect of the history and work of this body a matter of interest at this time. The association had its origin in the feeling that a closer union among the banks of the country would result in the rendition of great services to banking interests and would advance the cause of sound banking. The first meeting of the present association was held in 1876, and consequently the convention of this year is the twelfth that has been held. Previous to the complete organization of this body several attempts had been made to bring about some concert of action among the banks of the United States. As early as 1818 soon after the expiration of the charter of the first Bank of the United States, Secretary Dallas attempted to unite the State banks of the country in the support of a uniform currency to be issued by them under the supervision of the central government, but he found there was such a diversity of interest and such a feeling of rivalry among them that it was impractical to accomplish his design. This attempt is not referred to as strikingly analogous to the efforts which finally resulted in the formation of the American Bankers' Association, but merely to illustrate the difficulties, which from adverse feeling among the banks had, to a greater or less extent be overcome. Perhaps the first attempt made automatically, by the bankers themselves to act together to any great extent, was in 1838. In May, 1837, there was a general suspension of specie payments. When the immediate panic had abated, some of the prominent banks in New York city aided by a few banks in Philadelphia and other large cities issued notices for a convention to be held on April 11, 1838, in New York city, and on that date 158 bank delegates representing banks in 18 States met in that city to take some action in regard to the currency and the resumption of specie payments. The result of the deliberations of this assemblage was a vote to resume in January, 1839. It is also claimed that out of the consultations of this convention was due the establishment of the free banking system of New York State, established by an Act of the Legislature, of April, 1838. A second convention of bankers was held in New York city in 1865, soon after the establishment of the National Banking system. It was largely attended by National Bank officers, but being confined to them naturally did not interest the entire banking interest. A third convention was held at Saratoga, N. Y., in 1875, and this convention may properly be looked upon as the parent of the present association. At this meeting of the bankers of the country a committee was appointed of which Mr. James Buell, President of the Importers and Traders' Bank of New York city was Chairman, to draw up a constitution and by-laws for the permanent organization of an American Bankers' Association. A call was issued in August, 1876, for a convention of bankers of the country to be held at Philadelphia, on October 3, to complete the organization of the association. The convention met on that day at the Judges' Hall, Centennial Grounds, Philadelphia. The meeting was called to order by Mr. Chas. B. Hall, of Boston, temporary chairman. He said that the present convention was an ad-

journed one from that held at Saratoga the previous year. Resolutions had been passed in Saratoga relative to an early return to specie payments, the taxation of banks, and the repeal of the two cent stamp tax. Mr. Hall's remarks as to the success of the endeavor to influence Congress to act in a manner favorable to the wishes expressed by the resolutions, would apply equally well at the present day. They were that "no action had been taken by Congress, although a committee of bankers had waited on the Ways and Means Committee of the House, but that none had been expected, the session being one for political purposes only, and not for legislation beneficial to the people or for the relief of business." Mr. Buell, the chairman of the committee which had been appointed for the purpose presented a draft of a constitution and by-laws. On motion of Hon. E. G. Spaulding of Buffalo, the father of the National Bank Act, the draft was referred to a committee for revision. This committee reported the next day and the constitution and by-laws as revised by them was unanimously adopted. Hon. Chas. B. Hall, of Boston, was elected the first president, and Mr. J. D. Hayes, secretary. Vice-Presidents were then appointed. Hon. Hugh McCulloch, Ex-Secretary of the Treasury, delivered an address of some length on the "Financial condition of the country." There were a number of other resolutions passed and the secretary Mr. J. D. Hayes read a paper on "Panics." The history of the first convention has been given at more length than our space will permit us in regard to subsequent conventions. It will be sufficient in referring to these to give a sketch of the dates and places and the chief matters which occupied the attention of the meetings.

The second convention was held at New York city at Association Hall, corner of 28d street and Fourth avenue. It commenced on Wednesday, September 12, 1877, and continued three days. The executive council provided for by the constitution had been appointed and Mr. Geo. S. Coe was chairman, Mr. James Buell, secretary, and Mr. Geo. F. Baker, treasurer. The report of this committee indicates an immense amount of work done in the way of influencing public opinion in the direction of reasonable views of banking matters. At this convention Sir Francis Hicks, of Canada, delivered an address as did also Mr. Joseph C. Grubb, Hon. Stewart L. Woodford, and Mr. Geo. S. Coe. The topic of all these addresses was the then absorbing one of the "Resumption of specie payments." The second day was occupied by an animated discussion of the "Silver question." The other subjects treated of on this and the succeeding day were "Exorbitant charges for the settlement of bankrupt estates," "Bank taxation," "Municipal bonds," "Savings banks," on which latter subject Dr. Marsland, now secretary, (at that time assistant secretary), read a paper. Officers were elected for the ensuing year, Hon. Chas. B. Hall being re-elected president, Mr. James Buell, secretary, and Mr. Geo. F. Baker, treasurer.

The third convention of the association was held at the Town Hall, Saratoga, August 7, 1878. The report of the executive council shows an immense amount of work done to bring about a condition of the law which should ameliorate some of the hardships under which the banks labored. The principal addresses and papers read at this meeting which, as usual continued three days, were one on "Subsidiary silver coinage," by Mr. O. E. Hale, of Keokuk, Iowa, on the "National Banking system," by the Hon. Geo.

Walker, by Mr. Geo. S. Coe, on the "Resumption of specie payments," by Mr. Geo. A. Butler, of New Haven, on the "Counterfeiting of bank notes." A change in the law regulating the rate of interest was discussed. Mr. Alexander Mitchell of Milwaukee, was elected president for the year 1878-1879. The other officers remained unchanged.

The fourth convention was held at the Town Hall, Saratoga, on August 6, 1879. The president Mr. Mitchell was absent and Mr. Vermilye the first vice-president presided. The secretary's report gave an encouraging account of the influence exerted by the organization in shaping legislation and congratulated the convention on the resumption of specie payments. The same officers were continued for the ensuing year. Hon. Jno. Jay Knox, Comptroller of the Currency had been invited to attend the convention, and made an address in which the various subjects of interest to bankers of the country were discussed. Other papers and addresses were by Mr. L. Halsey Williams, of Pittsburgh, Pa., on "Bank taxation in Pennsylvania," by Mr. Vermilye, who gave an elaborate account of the New York Clearing House, by Mr. Lamb, Superintendent of the Bank Department of New York, on "Savings Banks and their changes," by Hon. Daniel Needham, Bank Examiner for Massachusetts, on the "Interest of labor in the National Banking system." Mr. T. P. Handy, of Cleveland, gave also some reminiscences of banking before the introduction of railroads.

The fifth convention met at Saratoga, at the same place as the two previous ones. The meeting was called to order by Mr. Vermilye who introduced the president Mr. Alexander Mitchell, who addressed the convention. The officers were continued for the next year. A memorial to Congress on the subject of bank taxation was introduced and referred to the executive council. A letter from Secretary Sherman was read by Mr. Edward Atkinson; important papers and addresses were those by Mr. Geo. S. Coe, on the "Silver question"; by Mr. H. H. Camp, of Milwaukee on "Coin deposits as security for National bank notes"; by Dr. Marsland, secretary of the convention, a paper received from the Japanese Minister on the "National banking system of Japan"; by Mr. A. L. Snowden, Superintendent of the Philadelphia Mint, on the "Repeal of the silver law"; by Mr. John Thompson, of New York, "Against the coinage of the silver dollar"; by Mr. Geo. A. Butler on the "Relation of specie payments to other financial questions"; by Mr. Edward Atkinson on the "Industrial growth of the country." Numerous other papers, among them one sent by the Hon. Jno. Jay Knox, Comptroller of the Currency, were ordered printed.

The sixth convention was held at Niagara Falls, at the Pavilion in Prospect Park, on August 10, 1881. In the absence of both the president and vice-president, Hon. E. G. Spaulding was called on to preside. A letter was read from Hon. William Windom, Secretary of the Treasury, giving an interesting account of the extension of 5 and 6 per cent. bonds at $8\frac{1}{2}$ per cent. The addresses and papers at this convention were as follows: on the "Progress of the lake trade," by Mr. Henry Martin; on "Our banking system," by Hon. Reuben E. Fenton; on "When will another panic sweep over this country," by Mr. John Thompson; on "National banks" by Mr. N. B. Van Slyke; on "Money and its legitimate use," by Mr. William E. Gould; "The currency of the future," by Mr. Geo. S. Coe; on the "Progress of our Banking System," by

the Hon. Jno. Jay Knox, Comptroller of the Currency; on "English Banking," by Mr. Palgrave, of England; and on "The resources of the South Atlantic Cotton States," by Dr. Simonds, of Charleston, S. C. At this meeting Mr. Geo. S. Coe was elected president for the ensuing year.

The seventh annual session of the association was held at Saratoga, on August 16, 1882, and continued two days. The attendance at this convention was notably larger than usual. The meeting was called to order by the president Mr. Geo. S. Coe, who delivered an address. Hon. Luke P. Poland presented resolutions in favor of federal legislation establishing uniformity in the law regulating commercial paper in the States.

Papers and addresses were made as follows: on the "Currency of the Future," by Prof. Atwater; on "Clearings," by Col. Grosvenor, of New York; on "Our Financial Situation and the Dangers of the Future," by Mr. John Thompson, of New York; on "Banking in the West," by Mr. A. D. Lynch, of Indianapolis; on "The Industrial growth of Mississippi and the Cotton States," by Mr. W. H. Perkins, of Jackson, Miss.; on "Savings Banks," by Mr. Hepburn, New York Superintendent of Savings Banks, and on the same subject by Mr. W. B. Williams, of Jersey City; on "Is more Coin Needed," by Mr. Chas. Harrison, of Pittsburgh; on "an American Bimetallic Union," by Mr. William Brown, of Montreal. Valuable statistics in regard to banks were received from the Hon. Green B. Raum, Commissioner of Internal Revenue.

A letter was received from Mr. R. H. I. Palgrave, of England, on the tendency to limit the liability of bankers in that country. Mr. S. Dana Horton, since author of the "Silver Pound," made an address in which he expressed the view that the subject of bimetallic currency had not received proper consideration in this country.

The eighth session of the Association commenced on October 10, 1883, and continued two days. It was held at the Masonic Temple, Louisville, Ky. Mr. Geo. S. Coe delivered the opening address. The main feature of this Convention was a paper read by the Hon. John Jay Knox, Comptroller of the Currency, on the "Continuance of the National Banking System." Other addresses and papers were those by Hon. Joseph R. Hawley, of Connecticut, on a "Sound Currency;" by Mr. J. H. Lindenbarger, on the "Improvement the Banking System;" by Mr. E. C. Bohné, of Louisville, on the "Appreciation of Gold;" by Mr. Wm. P. St. John, on "National Banks and the Currency of the Future;" on "The Best Method of Preventing Panics," by Mr. John Thompson, of New York. Many other papers were sent to the Convention and ordered printed. Resolutions in regard to Southern Banking, to a National Bankrupt Law, and against Irresponsible Banking were presented and acted on. This was a meeting of much interest. Letters from Secretary Folger and ex-Secretary Hugh McCulloch were read. Mr. Lyman J. Gage was elected President for the ensuing year.

The ninth session of the Association was held in Putnam Music Hall, at Saratoga, on the 18th and 14th of August, 1884. The meeting was called to order by Mr. Lyman J. Gage, the President, who delivered the opening address. A resolution recommending the discontinuance of the coinage of the standard silver dollar was introduced. It was discussed by Mr. George A. Butler in favor, and, on invitation, by Hon. William Groesbeck, of Cincinnati,

against. The resolution was adopted. Papers and addresses were as follows: On "The Banking and Currency System in its Relations to the Business of the Country," this was read by Secretary Marsland; on "Clearing-House Methods," by Mr. B. B. Comegys, of Philadelphia; on the "Potter Refunding bill," by Mr. W. P. St. John; on "Conflicting State Legislation as to Commercial Paper," by Mr. E. K. Olmstead, of New York; on "Continuance of National Bank Currency," by Mr. Chas. S. Graham, of Newark, N. J.; two other papers on the same subject by Mr. Eben Sutton, of Salem, Mass., and Mr. William Ernst, of Covington, Ky.; on "Raised Drafts," by Mr. Daniel Geary, of Albuquerque, N. M.; on "Uses and Abuses of Banks," by Mr. N. B. Sligh, of Galveston, Tex.; on "Corporate Suretyship," by the Hon. Richard A. Elmer, of New York. Mr. John Thompson presented his usual paper on the "Prevention of Panics," this time in connection with the silver question. The Potter bill was explained at length by Mr. O. B. Potter, its author, and valuable banking statistics were received from Hon. Henry W. Cannon, Comptroller of the Currency.

The tenth Convention of the Association was held at Chicago on the 23d and 24th of September, 1885. Mr. Lyman J. Gage delivered the opening address. The main feature of this meeting was a discussion of the silver question. It was opened by Mr. W. L. Trenholm, of Charleston, since made Comptroller of the Currency, and was participated in by Mr. George Hague, of Montreal; Mr. Edward B. Lacey, of Charlotte, Mich.; Mr. Geo. S. Coe, Mr. James B. Colgate and Mr. Hammond, of Iowa. The subject, of course, was not fresh, but the discussion was particularly interesting, as most of those who participated in it apparently made their maiden efforts. Other papers were on "Collection of Country Checks," by Mr. A. W. Blye, Receiver of the Middletown National Bank, which was an exhaustive and intelligent paper, well worthy of re-publication at the present time; on "Banks and Business of the West," by Mr. C. B. Evans, of Chicago, and on "Extradition Treaties and Their Defects," by Washington B. Williams. Mr. Lyman J. Gage was re-elected President.

The eleventh session of the Association was held at Boston on August 11th and 12th, 1886, Mr. Gage, the President, making the opening address. A communication from the Hon. Hugh McCulloch was read advocating a suspension of the silver dollar coinage as a means of averting the dangers which threatened, as he conceived, the financial interests of the country. Mr. S. Dana Horton, of Pomeroy, O., International Bimetallist, addressed the Convention on the advantages of the rehabilitation of silver, pending the arrival of the Hon. W. L. Trenholm, Comptroller of the Currency, who delivered an address on the "Banking and Financial Situation," in which he fully explained to the assembled bankers the foundation, principles and practical working of the National banking system. A very interesting paper on "Bills of Lading as Documents of Title" was presented by Mr. E. K. Olmstead, of New York. Other papers and addresses were on "Branch Banking," by Mr. Geo. Hague, of Canada; on the "Gold Standard," by Mr. F. H. Tuthill, of Hammond, Ind.; on the "Silver Question," by Mr. W. A. Caldwell, of Jackson, Tenn.; on "Bankruptcy Legislation," by Hon. John Lowell, of Boston; on "Some Phases of Commercial and Industrial Growth," by ex-Governor Hoyt; on "California Banks," by Mr. B. C. Wright, of California, and on the "Silver

Question," by Mr. B. B. Comegys, of Philadelphia. There was also a communication from Treasurer Jordan on the silver question. Resolutions against the silver dollar coinage were passed. Mr. Logan C. Murray, of New York, was elected President for the ensuing year; Mr. H. H. Camp, of Milwaukee, First Vice-President, and Hon. John Jay Knox, of New York, Chairman of the Executive Council. Dr. Geo. Marsland continued as Secretary.

In summing up the work of the Association since its inception, it appears that it started with much enthusiasm, performed a great amount of labor, and exerted a considerable influence on legislation. Many of the best financial measures since 1876 have been suggested and supported by the action of the Association, and to its influence may be properly ascribed the prevention of many proposed enactments which must have proved detrimental to the business of the country. Some unwise laws have been passed in spite of its opposition, notably the Silver Coinage Act of 1878. Of late years, owing to a false cry that the banks were combining to secure advantages to themselves detrimental to the public, Congress has been less inclined to listen to the advice of the bankers. Much has, however, been accomplished, notably the extension law of 1882, and the repeal of the law taxing capital and deposits. That taxing circulation still remains. Of late years, however, the tide of legislation has been unfavorable to the banks, in a negative way, as have also been the decisions of the Courts on the subject of taxation. The signs of some discouragement may be seen in the falling off of interest manifested at some of the more recent Conventions. To some extent, though perhaps not more than is to be expected with such an institution, the Association has been used to advertise individual schemes and ambitions. What has been positively accomplished in the past, though compared with what may have been contemplated by the earnest members of the Association, it may seem small, is yet enough to encourage future effort.

In the resumé of the proceedings of the various Conventions given in this article, it has been necessary to omit mention of very many interesting papers and communications on historical and practical banking, contributed by members, which are to be found in the volumes containing the proceedings in full.

We do not think that there can anywhere be found such an interesting mass of material on all banking subjects gathered by practical men as is contained in those volumes.

From Poor's Railroad Manual it appears that the stock and debt of the railroads of the United States for the year 1886 was about eight thousand millions of dollars. The stock amounted to \$3,999,505,508, and the total of bonds was \$3,882,966,880, and of floating debt \$280,678,814. The gross earnings were \$829,940,886, and the net \$300,603,564. During the year 1886 there was an addition of \$181,810,676 to the stock and \$117,239,264 to the bonds. The years for which the reports of the railways are made up vary as to their ending, and therefore the foregoing figures do not show precisely the increase for the calendar year 1886; but the amounts are rather less than more than the sum that would be obtained if all railway reports were made at the end of the calendar year. In fact, another \$100,000,000 may properly be added on this account.

FUNDING LEGAL-TENDER NOTES.

PLAN FOR FUNDING \$246,681,016 UNITED STATES NOTES IN 2.40 BONDS, TO BE USED BY NATIONAL BANKS AS SECURITY FOR A LIKE AMOUNT OF NATIONAL BANK NOTES TO BE ISSUED IN PLACE THEREOF, AND FOR REDEEMING \$100,000,000 UNITED STATES NOTES WITH RESERVE FUND OF COIN NOW IN THE TREASURY.

There are now in circulation United States notes, known as "legal-tenders," to the amount of \$346,681,016, and the United States Treasury holds \$100,000,000 in specie towards the redemption of these notes, which leaves \$246,681,016 of them unprovided for; practically a debt of the Government for that amount, to holders of these notes, on which interest is not now, and never has been, paid.

The following plan is proposed for the funding of \$246,681,016 of these notes in Government bonds, to be used at first *for banking purposes only*, to secure a paper currency which will take the place, and serve the purposes, of the United States notes so funded.

1. Let the Treasury Department, upon the presentation of United States notes, issue bonds bearing 2.40 % interest, payable, say, in 30 years' time, to
 - a. New National banks organizing.
 - b. National banks already organized desiring to increase their circulation.
 - c. State banks desiring to enter the National bank system.

The amount any bank may receive to be determined by the limitations of the present law, and the proportion to be issued to the different States and Territories to be based on a just and equitable estimate of their respective needs.

2. The bonds, as soon as issued to any bank, to be deposited with the Treasurer of the United States as security for National bank notes (equal to the par value of the bonds) to be furnished to the bank, and issued by it in the place of the United States notes presented for funding.

3. While the \$246,681,016 of United States notes are being funded, a ratable portion of the balance of these notes should be redeemed in coin, or coin certificates, from the \$100,000,000 now accumulated for that purpose; say, for every \$247 funded, \$100 should be redeemed in coin, such redemptions to be made from notes passing through the Treasury in the regular course of its business.

4. The redemption of National bank notes is now provided for by law which compels each bank to redeem its notes "at its own counter at par, in lawful money, on demand," and also at the United States Treasury, where each bank must "at all times keep and have on deposit, in lawful money of the United States, a sum equal to 5 per cent. of its circulation, to be held and used for the redemption of such circulation."

National bank notes issued under this plan, as also those of previous issues now outstanding, being thus redeemable in "lawful money," and "lawful money" (United States notes), being redeemable in coin, should by law be made receivable for "duties on imports" (as United States notes have been since resumption of specie payments, January 1, 1879), and also available for "reserve" purposes, except, of course, that no National bank should be permitted to use any of its own notes for this latter purpose. This scheme would, without financial disturbance, replace the present unvarying, inflexible mass

of United States notes with a currency at first of exactly equal amount, but so constituted as to admit of decrease in case the whole volume exceeded the business needs of the country.

As long as the silver coinage law continues to furnish increased circulation at the rate of \$25,000,000 a year, and the establishment of each new bank diminishes the need for circulation by furnishing other methods of exchange to the people, any need for a circulation greater than the present volume is not reasonably to be looked for without a change in its present conditions.

It might be objected that the Government would have to pay out about \$6,000,000 a year in interest on these bonds, but it must not be forgotten that it has had the use of this large sum for nearly a quarter of a century *without interest*, and that the Government would receive \$2,500,000 directly back from the banks through the present annual 1 per cent. tax on National bank circulation, and in addition would be relieved of the present cost of assorting and handling about \$75,000,000 of United States notes annually, which expense would then be borne by the banks instead.

Of the balance of interest received by the stockholders of banks holding these bonds, a portion, at least, would have been contributed by them in the shape of duties on imports, etc., levied by the Government, and would to that extent be really in the nature of a return to them.

When National bank notes become available for "reserve," and are "receivable for duties on imports," they will cease flowing into the Treasury for exchange as they now do; nearly \$47,000,000 of National bank notes, *in good condition*, having been exchanged for "lawful money" at the Treasury, and returned to the banks issuing them, during the year ending June 30, 1886.

As the banks bear the expense of assorting and handling such notes, and the cost of their transportation both to and from the Treasury, they would be relieved of this expense, and the operations of the Redemption Agency of the Treasury would be mainly confined to replacing the worn-out notes with new ones and to redeeming the circulation of banks "failed," "liquidating," or reducing their circulation.

The new notes issued in replacement of those worn out could either be signed by the agents of the banks empowered by law to sign in place of the officers of the banks now authorized to do this, or the Treasurer of the United States might be authorized by law to sign them for the banks.

It is difficult to forecast accurately the effect of the issue of these 2.40 bonds on the market price of other bonds, but it is probable that by withdrawing the demand for a banking bond from the 4's and 4½'s that the market price of these bonds, especially of the 4½'s, would decline to a price nearer par and one at which it would be clearly to the advantage of the Government to purchase and retire them with such surplus revenue as may accumulate from time to time.

They would furnish to the banks, for years to come, the basis for issuing currency and securing Government deposits, without which delegated Governmental functions the banks have no constitutional right to exist, and be the extended means for building up and perpetuating a system of banking which, after a test of twenty-four years, has proved to be in the true interests of the people at large and one which tends to draw the people in closer sympathy with their Government.

LEGAL-TENDER.

Notes and Comments on
BANKING PRACTICE.

**SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.**

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

Taxes Paid by the Bank.—Advertisements of bank dividends are often accompanied by the announcement that the taxes are paid by the bank. Definitely stated, this means that the various tax bills as they come in are duly paid and charged off to expense account, so that the stockholders receive the full amount of the dividend without any deduction. It really makes no difference to the stockholders as a body whether the expenses are charged off to expense account or deducted from the amount of dividend declared. In the former case there is that much more dividend paid out and that much less to go to undivided profit account; but it does sometimes make a difference to the stockholders, individually considered. Taxes that are assessed on the bank as a corporation fall equally upon every share of stock; but taxes that are assessed upon stockholders on account of their holdings do not always fall equally upon every share. For example, where a National bank is located in a large city the city stockholders will be assessed according to the city rate, while the stockholders residing in the counties of the State are assessed according to the rate of taxation in the respective counties. The county rates are, as a rule, lower than the city rate, and also differ in amount with each other. If, then, the taxes assessed on this account are deducted from each shareholder's dividend according to the amount for which the bank is actually taxed on his account, each pays what is his just proportion; but when all the tax bills are charged in a lump sum to expense account, the stockholders share and share alike without reference to the varying rates of taxation in the city or in their respective counties. It saves some clerical work for the taxes to be charged off in a lump sum, and is, perhaps, on the whole, more satisfactory to all concerned. Though it is fairer to deduct the taxes according to each one's just proportion, yet the difference is not really great, and the plan of paying taxes in a lump is to be commended on account of being more simple and direct.

Unprofitable Business.—There is a constant tendency in an active bank to accumulate unprofitable accounts; unprofitable for various reasons. On account of smallness of the balances, the large amount of clerical work involved, the tendency to deposit large amounts of out of town matter and to check against same while it is still in the mails, overchecking and so on. Some banks make it a standing rule to take all the business that offers, whether it pays or not, claiming that in the long run this is more profitable than to pick and choose. Other banks, on the contrary, decline to open accounts with anybody who does not engage to keep an average balance of a specified amount to his credit. Small personal accounts are likewise refused, and no account is retained on the books unless it yields the bank a fair margin of profit. The argument in favor of this system is that it keeps the clerk hire, etc. down to a minimum figure, and, indeed, there seems to be no reason why a bank should do accommodation business any more than a private firm. Of course a great deal of gratuitous service is rendered customers of the bank the compensation for which is at best indirect and uncertain, but this is quite a different thing from allowing the bank to be used as a public convenience at its own expense. A very large branch of unprofitable business has grown up in the collection department. The old custom, in reference to customers

paying for exchange and so on seems to be gradually falling into disuse, and banks are expected to cash drafts and checks due at far distant points, lay out of funds until they can be collected and to make no charge whatever for its own labor, and the expenses involved. This, of course, is neither just nor reasonable and yet, where competition is active, and the volume of business is not more than enough to go around, even this point at times has to be yielded. For it seems almost impossible for banks to come together in anything like an agreement to charge a uniform scale of prices. But it must be admitted that some, especially the new banks, have built up a great part of their business by a settled policy of accommodating everybody that comes along.

Transferring of Money and Securities.—When a clerk who has charge of money or securities is unexpectedly kept away from his desk by sickness or some like imperative cause it is absolutely necessary that somebody should take charge of his desk and run it until he returns to his duties. In a small bank it might not be very difficult for a new hand to make a rapid review of the valuables and see that everything is all right, but in a large bank with an active business it is practically impossible to do anything of the sort. When a man takes the desk he has his own duties to perform as well as the additional duties imposed by the absence of his fellow-clerk, and he has not the time, even if he wished to do so, to review a whole mass of securities or to count a great pile of money. Nor is it necessary that this should be done. Men are supposed to be honest, and they must, out of necessity, act upon that supposition, and have confidence in each other. It may seem to the theoretical mind a loose and careless way of doing business to have valuables handled first by one person and then by another, and yet no single individual be personally responsible for their custody; but, as a matter of fact, it is impossible to get through the business of the bank in any other way, and it might be further noted that it is an extremely rare thing to find the cash short or securities missing and nobody know anything about it. If that does occur, the bank will have to stand the loss unless matters are so arranged as to fasten the responsibility on not more than two men, and, even then, it would hardly be fair to the innocent one to make him share it with the guilty party. Though a certain amount of confidence in each other is thus absolutely necessary on the part of the bank officers, there is no reason that there should be any more than is really required. For example: when a clerk is going away on his vacation it would be perfectly reasonable to have his substitute examine the money and securities in order to ascertain that everything is in good shape; and the regular clerk on his return might be required to make an examination to see that everything is placed in his hands again as it should be. The same system would apply to transfers when clerks are promoted. Such a system would at least have this recommendation, that it would force a more frequent examination of the funds than is usually the case, even in carefully managed institutions. Where the books of account are thoroughly systematized, and everything made to show at a glance, the temptation to tamper with valuables is, to a great extent, removed, and therefore there is not so much occasion for extraordinary precautions in the matter of which we have spoken; nevertheless, it is well to be on the safe side, and, wherever it is practicable to do so, funds and securities should always be audited when they pass from hand to hand.

Method of Keeping Individual Accounts.—Mr. Myron Campbell, Assistant-Cashier of the South Bend National Bank, Ind., sends us the following interesting communication on this subject:

I herewith hand you an illustration of my method of keeping individual accounts. It differs in some respects but not greatly from methods generally adopted. There may be and probably are quite a number whose forms and routine are similar throughout, except the balance sheet. We all want to take the shortest *sure* way home, and comparison of experiences sometimes helps us to get out of old ruts and cut off angles with entire safety, remembering that a straight line is the shortest distance between two points—if the way is clear. You can use the forms in your valuable JOURNAL or not as you think

best. I register checks and deposits only, as is shown in form A, entering only initials and amounts. I post directly from the checks and deposit tickets and put all items on the ledger, as shown in form B.

FORM A.

Aug 1/1887				
Initials.	Checks.	Initials.	Deposits.	Initials.
M. C.	100	A. B.	700	
E. W.	30	B. E. C.	400	
J. A. M.	40	K. E. K.	100	
J. E. K.	400	S. A. C.	400	
S. A. C.	200	M. C.	50	
M. Y. S.	30	M. E. K.	1000	
S. E. J.	10			
H. B. M.	700			
H. K.	200			
M. K.	30			
	<u>1790</u>		<u>2650</u>	

FORM B.

Samuel Smith					
DATE	Checks in Detail	CHECKS.	DEPOSITS.	BALANCE.	
1887					
Aug 1	100	200	400	200	
2	500				
	30				
3	500	230		30	
	200	400	500	70	
4	200		700	770	
5	30				
	1000	420		350	
6	200	100	200	450	
	200				

I find that this method of posting has several advantages over the usual method of posting from the journal.

- 1st. The work of journalizing is not nearly so great.
- 2d. The posting can be done much faster.

8d. The whole history of the account is complete on one page and much more convenient for reference, making monthly statements, etc.

I extend all credit balances in black ink and debit balances in red ink.* I do not use column for number of check, because our customers do not, with but few exceptions, use numbers. I send you by express, sample of my balance sheet which I have used since 1883. That it is of my own devising may possibly account for part of the satisfaction I get from its use, but it suits me much better than any other method I have tried of proving balances daily.

Its advantages over the usual balance book are, 1st, that as soon as the posting is done we are ready to add without the work of carrying forward unchanged balances; and, 2d, we do away with the work of carrying forward all names and amounts every fifteen or thirty days. I can recommend it for banks with not more than from 200 to 400 depositors, and where not more than 33⅓ to 50 per cent. of its accounts change daily. For banks with but 500 to 1,000 open accounts, in which most of them change daily, it would be rather bulky without saving much in time.

The spaces should be somewhat closer together than in sample, allowing about fifty accounts to the page.

The balance sheet referred to, consists of a board about two feet long by eight and-a-half inches wide and one-quarter of an inch thick. On the edges are fastened strips about one-eighth of an inch thick and three-quarters of an inch wide, leaving a sunken space which is divided into two unequal parts the long way of the board by another strip. These two spaces are subdivided into narrow horizontal compartments on the left side about four inches by one-half inch, and on the right, two inches by one-half inch. The division is effected by short brass pegs stuck into the edges. The compartments on the left are just large enough to accommodate slips of paper on which are written the names of the bank's dealers. Those on the right, the balances. These slips are inserted and are held in place by running under the edges of the strips that surround the board. The compartments on the right correspond to those on the left, and in them are placed slips on which the balances are written, each balance slip opposite its proper name. The idea is that each day the balances which have changed that day are represented by new slips on the board. The ones that have not changed are already on the board and do not have to be again drawn off. This method seems, therefore, to save the work of copying the unchanged accounts each day. In fact, the whole appearance of this contrivance is that of a small bulletin board.

* The figures 30, in the last column of the second cut, represent an over-draft.

Banking Law.—That a little learning is a dangerous thing has passed into popular belief, and so fixed has this idea become in the general mind that unless a person knows a great deal of anything he is commonly supposed to know nothing at all; and, therefore, those who are aware that their opportunities are such that they can learn but little of any subject are rather encouraged to remain in utter ignorance concerning it. The "little learning" of which the poet speaks is not, however, an imperfect or partial knowledge of the subject, but that superficial knowledge which is often mistaken by its possessor for something entirely different. The law is especially said to be a jealous mistress and permits her votaries to worship at no other shrine; but this is applicable only to those who would make the law a profession, and not to those who would simply acquire such knowledge of its principles as, according to Blackstone, every gentleman of property should possess; and so there are certain elementary principles of the law which every man who aspires to a knowledge of the business of banking should have at his command. The law of banking comes under the general head of the Right of Private Property, which is usually said to be a very complex and difficult branch of law. The business of banking itself is so extended and touches so many interests that banking law includes, more or less directly, the whole body of the law merchant. Among the questions which may arise in banking law there may be mentioned those touching the rights and duties of corporations generally, and especially of those organized for the specific business of banking; also those touching

the matter of promissory notes, bills of exchange and other negotiable paper; the general law of contracts, the rights and duties of trustees and administrators, the duties of agents and their responsibilities, and the law of insurance, not to mention the various topics which might come under the general head of laws relating to real estate. This very partial summary may indicate the wide field in which the student of banking may pursue his studies. The list seems somewhat appalling to the uninitiated; and, indeed, it would be little less if a bank manager would be required to master in detail all the subjects above set forth. Even a very diligent student would be well on the way to old age before he might consider himself a graduate; but there are treatises specially relating to the banking business which contain an abstract of the general principles of those laws which relate particularly to banking interests, such as the works of Story and Chitty, and the more recent treatises of Daniel and Morse. If one has industry and the opportunity to study the leading cases which are referred to by the text writers he will find his knowledge of banking law vastly improved; and, while he may not be able to decide correctly all the nice questions which may come up in the course of active business, he will, at any rate, be in a much better position to do so than those who are actually without any knowledge on the subject. An hour a day systematically devoted to the study of any one subject will produce results far beyond expectations, as may be ascertained by any one who will have the industry to put this assertion to the proof for six months or a year. Indeed, it is no unusual thing for a person to attain an eminent degree of knowledge, and on a topic quite outside the range of ordinary duties, merely by devoting an hour or so every day to its study and investigation.

An additional advantage offered by a careful reading of the system indicated is that it puts one in a much better position to converse intelligently with his counsel. There are, in the law, so many technical expressions which mean some definite thing which cannot be indicated precisely by any other form of words that it is difficult for a lawyer to converse with a non-professional without resorting to a great deal of circumlocution. It is so much more satisfactory for a member of the bar to converse in the terms to which his training has accustomed him than to be compelled to resort to numerous explanatory phrases in order to make himself understood as he goes along. And as no one comprehends so thoroughly the circumstances of the case as the person immediately concerned in it, so no one is better qualified to make practical suggestions to his lawyer, provided only that he knows enough about law to make his suggestions in a reasonable way. A course of study for one who simply desires a knowledge of banking law would not be quite so comprehensive as that laid down for students who aspire to admission to the profession. For example, the rights of personal liberty and personal security might be left entirely untouched, while there is a large part even of the law of private property which could be dwelled upon in a very cursory manner. What is needed is correct and definite knowledge concerning such everyday topics as checks, drafts, promissory notes, etc.; and also correct information concerning the latest legal decisions. Banks that are quick to conform their practice to the views of the Courts frequently gain no inconsiderable advantage over their competitors.

Editor Rhodes' Journal of Banking:

SIR:—At one of the sessions of the American Bankers' Association held, I think, about two years ago, a very elaborate plan was drawn up for the purpose of bringing the bank clerks into an auxiliary membership with the Association. While the motives which inspired this scheme were very commendable, yet it seemed to me at the time that the plan proposed was rather cumbersome and hardly offered sufficient inducements to those whom it was designed to attract. An elaborate course of study was laid down, extending over considerable time; examinations were provided for (the expense to be borne by the candidates); and, after all this had been gone through with, the prize held out was a certificate of membership in the Association. While such a certificate is, no doubt, highly prized by those who enjoy the distinction of its possession, yet it seemed a little unequal that a President or Cashier

might have the same if he asked for it, if not, indeed, be asked to have it, while a clerk was expected to acquire a mass of information on various topics, not to speak of a probation of five or ten years, before he could even present himself for an examination to test his worthiness. It, no doubt, would be very desirable to draw all the force of the bank into membership with the Association; but it really seems to me that the only practical way of doing so is to throw the Association open to all alike. The American mind abhors, above all other things, inequalities of position, and it would be rather difficult to induce any considerable number of men to come into an Association of which they were to constitute an inferior class—especially as the distinction between the members of the two classes would be far more imaginary than real. I call this subject to your attention and to the attention of your readers in the hope that the matter may be taken up again and considered from a somewhat different standpoint.

Yours truly,

BANK CLERK.

Ledger Ruling.—Referring to the note under head "Another Form of Ledger Ruling," page 790 of August issue, I give you enclosed the ledger ruling adopted in our bank, which, it seems, is safer against mistakes than the one above referred to.

One posting books in a hurry is liable to use the wrong pen, often giving considerable trouble in finding error when making up Balance Book. By our system it is almost impossible to place amount in the wrong column, if one will take the trouble to look at the printed letters over the Balance columns. Another advantage is gained by the fact that you can copy the balances of the Ledger, and thereby test the correctness of the Ledger independent of the Balance Book, saying nothing of the time lost in changing red from black ink pen.

DATE.						BALANCES.	
						Dr.	Cr.
May	1	To Cash	3	By Cash	2	100 00	200 00
...	2	.....	5	.....	4	50 00	175 00
...	3	.....	7	.....	8	29 50	230 00
...	4	.....	9	.....	10	75 00	230 00
...	5	.....	11	.....	12	100 00	230 00
...	6	.....	13	.....	14	550 00	400 00
...	7	.....	15	.....	16	125 00	1100 00
...	8	.....	17	.....	18	2400 00	1660 50
...	9	.....	19	.....	20		
...	10	.....	20	.....	21		
						24 50	1075 50
							336 00

Sound Banking.—The phrase "sound banking" is of such frequent occurrence in financial articles that it has become somewhat threadbare and does not always convey a very distinct and definite meaning, either to those who employ it or to those to whom it is addressed. It cannot be doubted that there are certain general principles which underlie the business of banking, whether considered as an art or a science, and it is an understanding of these principles, and an adherence to them, that constitutes what is meant by sound banking. The word sound is interchangeable in this connection with such expressions as good, conservative, or correct, and, indeed, any one of these expressions is used almost as frequently as the other. One of the first principles which would seem to underlie the correct conduct of the bank business is the choice of the men who are to carry it on. That is to say, of those persons who are held out to the public as the active and responsible people in the management of the institution. A large majority of persons who keep bank accounts have no other possible means of determining the character of the institution with which they are dealing than by the estimate placed upon the character of the men who control it; and, therefore, it is of the utmost importance that the President and Directors should not only be men of the highest reputation but should really have that character which

they are reputed to possess. It would seem to be superfluous to say that these gentlemen should be required to pay the strictest attention to the management of the affairs which they have taken in charge; but experience has brought to light so many instances of Directorial negligence that a word on this point may not be out of place. In the general methods of its business a bank should pursue always, and without any exception, the path of safety. A disposition to engage in outside enterprises is a sure road, if not to ruin, at any rate to decreased dividends, and, perhaps, impaired capital stock. Neither should a bank permit itself to encourage doubtful or speculative enterprises or to advance money to persons engaged in undertakings which would not merit the approbation of careful and prudent men. Indeed, in the long run, it is not profitable for a bank to deal with speculative people. The profits on this class of business are large and tempting, but the losses are inevitable. When a bank once gets the name of being concerned, either directly or indirectly, in hazardous enterprises, careful people become a little shy of it, and, bye and bye, the quiet accounts that keep heavy balances and employ them but little go away to what are considered safer quarters. Safety, as nearly absolute as may be, is of the first importance, and any disregard of this precept is sure to bear its fruit in due season. It is better to accumulate a surplus fund than to declare large dividends; the latter may be more gratifying for the time being, but the former will surely prove a tower of strength in the needful time of trouble. Carrying a big reserve fund may seem too costly a luxury, but it is really a better way in the end; for, in the future, as in the past, there will come sudden and unexpected stringencies in the money market and the weaker banks are embarrassed, if not injured, while the bank that habitually carries a large reserve is able to go safely through. Some bankers affect an habitual mystery in regard to all their transactions; but a bank is, by its nature, so public an institution that there are hardly any of its transactions which the public has not a right to know. No one, of course, attempts to say that the accounts of individuals should be pried into by outside persons; but there should be no secret made of the condition of the bank as a whole; and, so far from confining itself to the reports that are required to be published by the Comptroller of the Currency a bank which could have the boldness to publish a weekly statement of its condition to all the world would certainly stand fairer with the public than a bank which disclosed its condition only when compelled to do so by law. But, whatever may be the rights of the general public in this matter, it seems to be reasonable that a depositor should know at all times the condition of the institution with which he has placed his available floating capital. A small germ of this principle may be found in the National Bank Act in that section which requires that the list of stockholders should always be subject to the inspection of the shareholders and creditors of a National bank, and the principle of an occasional inspection by all concerned of the bank's condition is found in the provisions requiring published reports to be made upon the call of the Comptroller. While it is true that the relation of a bank to its depositors is the simple relation of debtor and creditor, still the Courts have recognized the principle that bank Directors are a sort of trustees, and from that standpoint justly regard their duties as being subject to many of the principles which control the action of trustees. These latter principles seem to be somewhat lost sight of in these days of corporate banking. Directors considering themselves rather as agents for the stockholders than as in any sort guardians of the money of the depositors. These are some of the principles which underlie all sound banking, and attention to them will, while not insuring success, go very far in producing it.

Suit has been brought against the Directors of the Fidelity National Bank of Cincinnati by the Receiver, seeking to make them responsible in full for gross neglect of duty. The Western National Bank of New York city has also brought suit against the same institution to establish its liability for certain certificates of its stock taken as collateral for a loan by the Western National.

BANKING LAW.

* LEGAL DECISIONS AFFECTING BANKERS.

BONDS AND NOTES UNDER SEAL—NEGOTIABILITY IN NORTH CAROLINA.

This was an action against the maker upon the following sealed instrument :

\$750.

Six months after date I promise to pay Charles L. Heitman, or order, seven hundred and fifty dollars, for value received, with interest from date at eight per cent. per annum, payable annually until paid, it being the balance of the purchase money for 143 acres of land on Reedy Creek, in Davidson County, N. C., sold this day by said Charles L. Heitman to me, and for which I hold a bond for title from said Charles L. Heitman. Witness my hand and seal this 26th day of October, 1886.

(Signed) P. W. MICHAEL. [Seal.]

The payee, Charles L. Heitman, indorsed the above instrument to the plaintiff before maturity, and the latter brought suit thereon against the maker. The defendant claimed payment to the payee, and that as the note was not negotiable, plaintiff took it subject to all the equities which attached in the hands of said payee.

Held, The statute (Code, Sec. 41) makes bonds and notes under seal for money, whether made payable to order or not, "assignable over in like manner as inland bills of exchange are by the custom of merchants," and the person to whom the same shall be assigned or indorsed may maintain an action against the maker and indorser upon the same as in case of inland bills of exchange. A promissory note in this state is a written engagement, under seal or not, wherein the maker stipulates and promises to pay a person therein named, absolutely and unconditionally, a certain sum of money at the time therein specified. The bond in question has all these requisites and qualities in it. There is a certain obligor and obligee, and there is an express promise to pay absolutely and unconditionally a certain sum of money at a time therein specified. It was therefore negotiable. It was indorsed and the plaintiff became the *bona fide* holder of it before it matured, and before the defendant obligor paid the obligee therein named the money which he intended should discharge it.

Further Held, That the reference in the body of the bond to the consideration for which it was given did not render it non-negotiable.

First National Bank vs. Michael, Supreme Court of North Carolina, April 12, 1887

TAXATION OF NATIONAL BANK STOCK IN TEXAS—THE SUPREME COURT OF TEXAS HOLD THAT IT IS NOT TAXED AT A GREATER RATE THAN OTHER MONETIZED CAPITAL IN THE HANDS OF INDIVIDUAL CITIZENS—OTHER OBJECTIONS TO THE TAX CONSIDERED.

Plaintiffs, who were the owners of certain shares of stock in the First National Bank of Galveston, sued out an injunction restraining the Tax Collector of Galveston County from selling certain of their real estate in satisfaction of taxes claimed to be due to the State of Texas, and to the County of Galveston, upon such shares. Upon final hearing the Court below dissolved the injunction and dismissed the bill. From that judgment plaintiffs appealed to the Supreme Court of Texas, insisting that the tax levied upon their shares

* All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL'S Law Department as early as obtainable.

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

in the said National bank was illegal. In support of their objections to the tax they presented the following issues:

(1) That the State of Texas had not prescribed any system for the assessment of shares of stock in National banking associations, as by the Acts of Congress it was required to do, as a condition precedent to the right of the State to tax said shares, and that the system of assessment in force in the State was not in conformity with the conditions imposed by the Acts of Congress.

(2) That no valid assessment against plaintiffs, upon the shares of stock owned by them, had been made by the Assessor of Galveston County.

(3) That plaintiffs' shares of stock were, under the laws of Texas, taxed at a greater rate than was other moneyed capital in the hands of individual citizens of the State, and that the taxes sought to be collected of plaintiffs were levied and assessed in violation of the Act of Congress by which the State was permitted to tax such shares.

Under the first of these issues plaintiffs made these propositions:

First.—That no provision was made by the tax law of the State, as required by the Act of Congress to be made, for deducting in the process of assessment the value of the real estate and other taxable property of National banks from the aggregate value of the shares of stock in such associations.

Second.—That no provision was made by the tax law of the State, as required by the Act of Congress to be made, for taxing in the city or county where the bank is located, and not elsewhere, the shares of stock owned by non residents of the State.

Third.—That there was no declaration in the tax laws of the State, as was required by the Act of Congress to be made, that the tax upon National bank shares shall not be at a greater rate than upon other moneyed capital in the hands of individual citizens of the State.

Held. It is a sufficient answer to all these propositions to say that the Act of Congress does not require that the restrictions set forth in the Act shall be embodied in the State law of taxation. It is sufficient that, upon a fair construction of the statute law, none of the provisions of the Act of Congress are violated. This was held in the case of *Harrison vs. Vines*, 46 Tex., 22, under the Act of 1864, and there is nothing in the Act of 1868 which requires that it shall receive a different interpretation.

Whether a proper construction of the Acts of our Legislature shows that they tax shares in National banks at a greater rate than other moneyed capital in the hands of individual citizens is the principal question in this case. We do not regard the points made as to the deduction of the value of the bank's real estate from the tax value of its shares as amounting to anything. Our statutes do not contemplate that real estate belonging to banks shall be taxed at all. All the provisions of these statutes which levy a tax upon any property whatever, except shares in National banks, are wholly inapplicable to these institutions. They apply only to other corporations and individuals. To hold them applicable to National banks would make the statutes violate, not only the Act of Congress, but our State Constitution; for it would subject National bank shares to double taxation. Such a construction would be in plain conflict with the whole spirit and intent of the law if not of its letter; and it is against all rules of construction to so interpret a law as to make it unconstitutional or otherwise void when no such interpretation is demanded by its language. (*St. Louis Nat. Bank vs. Papin*, 4 Dill. C. C., 29; *Commissioners vs. Bank*, 23 Minn., 280.)

We hold, then, that under our Revised Statutes of 1879 the real estate of National banks could not be taxed, and any attempt of an Assessor so to do was unauthorized. But because an officer transcends the bounds of his duty and assesses an illegal tax against a person, such a person is not freed from taxation upon other property. And even if he be entitled to a reduction upon other taxes by reason of such unlawful assessment, it is his duty to demand the reduction and pay the tax legally due from him before coming into a Court of equity to enjoin the collection of an entire tax, a part of which it is his duty to pay. (*Nat. Bank vs. Kimball*, 103 U. S., 732; *Pelton vs. Bank*, 101 U. S., 143.) So far from the appellants having done so in the present case, they have neither paid, nor offered to pay, anything upon the tax imposed upon their

bank shares; and the record does not show that the bank has even paid the tax assessed against its real estate.

Nor do we think that National bank shares are assessed at a greater rate than any other moneyed capital in the hands of individual citizens. In the assessment of State banks, brokers, etc., deductions are allowed for deposits made with them and debts due by them. But the same privilege is in effect allowed to shareholders in National banks. The value of a bank share depends upon the value of its franchise, capital, and property of all kinds, less the amount of its debts. All such property in the hands of individuals and corporations, other than National banks, is taxed under our Revised Statutes. We tax bank shares according to their actual value. In arriving at that value we must necessarily deduct liabilities from credits, and in this way the shareholder obtains the benefit of the reduction. The value of his shares is decreased to an extent proportionate to the debts and liabilities of the banking institution. Not to allow banks and individuals a deduction for the property of others held by them, such as depositors, and to tax these against the owner of the deposits would be to impose a double tax upon the same property. If the claim of the appellants is that their individual debts should be taken from the value of their shares, then it should be made to appear that they owed such debts, or else the law is valid as to them. This was in effect held in the case of the Supervisors *vs.* Stanley, 105 U. S., 315, where it is said: "When the shareholder has no debts to deduct, the law provides a mode of assessment for him which is not in conflict with the Act of Congress, and the law in that case can be held valid." For aught that appears, these appellants owed no debts; and, if they did, they may have been already deducted from debts which were due to them in making a general assessment of their property. (Pelton *vs.* National Bank, 100 U. S., 143.) An individual has no right, under our laws, to have his debts deducted from the assessment made against his property generally, but only from the indebtedness due him. A bank share is not a debt due its owner; and if these appellants had debts due themselves and also owed debts, these latter should have been deducted from their credits and not from their shares. As the Assessor was presumptively informed as to the credits, we must further presume that he took from the assessment made against them the whole amount of their indebtedness.

That legal-tender notes and United States bonds belonging to corporations and individuals are not taxed by our laws is not their fault, but is due to the positive requirements of the Acts of Congress. In the case of People *vs.* Commissioners, 4 Wall., 244, assessments against insurance companies and individuals were subject to a deduction on account of investments in securities of the United States, which deduction was not made as to assessments against shares in National banks. The law was sustained by the Supreme Court of the United States, and the decision is cited with approval in People *vs.* Weaver, 100 U. S., 546. We think this case decisive of the question.

The exceptions allowed by our laws are very few, and such as are called for by an enlightened public policy. It has been held by the United States Supreme Court that the allowance of such exemption does not show an unfriendly discrimination against National banks by the taxing power. The case of Boyer *vs.* Boyer, 113 U. S., 609, has no application to our laws, as then the exemption was of a large portion of the moneyed capital of the State, while our laws reach every article of the kind, with trifling exceptions, which the State is allowed to tax.

That some corporations escaped taxation for a large part of their property, by reason of having on hand legal-tender notes, cannot affect this case. This does not occur by any fault of the law, or of its officers; but, under any system of law, it will frequently happen that persons or corporations will escape taxation by various shifts and devices; but this does not vitiate the system or relieve property subject to taxation when listed against its owner. There was not shown in this case any systematic or intentional violation, on the part of the State or its officers, of the laws of Congress in the valuation of moneyed capital. Some of them even allowed shareholders in National banks to deduct the value of their bank's real estate from the value of their shares; others did not; but it was not demanded of them. These officers could not

have assessed legal-tender notes under any circumstances; and it was not shown that the millions of capital invested in State corporations was not assessed and taxed; and we are certainly not to presume that they escaped taxation, when there was nothing in our laws to justify it. We think that our laws, having assessed the same percentage of taxation against every description of property, excepting a few articles exempted from public policy, and having provided means for a just and fair assessment of all moneyed capital, so as to obtain as near as possible an equal rate of taxation upon all, have complied as far as possible with the true intent of the Act of Congress, and its taxation of the shares of National banks is not invalid.

Exact uniformity of taxation is almost unattainable. Shares of National bank stock could not be put upon an exact level with that of other institutions without taxing the shares in these as well as those of the National banks. But it is clear that Congress did not intend that it should be done, or it would not have stricken out the restriction which was in the law of 1864 and not in the law of 1868. States can now tax the capital and property of other corporations while they at the same time tax shares in National banks, and our laws produce as much uniformity as can possibly be attained consistently with the paramount law of the United States. There is nothing in our laws requiring shares in National banks to be taxed elsewhere than in the place where the banks are located; and, if there was, appellants are not affected by the provision.

In making this decision we have referred only to our Revised Statutes and the Act of 1876, which is in effect the same in its provisions, those being the laws governing the case. By the Act of March 31, 1885, the law now in force, an attempt has been made to more literally perform the requirements of the Act of Congress in reference to the taxation of National bank shares.

The tax being valid, the fact that the assessment was not placed upon the proper roll in a proper manner does not vitiate it. The tax was due from the shareholders, and they should have paid or offered to pay so much as was legally due and chargeable for this particular property before asking relief of a Court of Equity. (*Harrison vs. Vines, supra.*)

Judgment affirmed.

Rosenberg and o'rs vs. Weekes, Tax Collector, Supreme Court of Texas, March 26, 1887.

NEGOTIABILITY OF BILLS OF EXCHANGE IN ALABAMA — CONSTRUCTION OF SECTION 2,094 OF THE ALABAMA CODE BY THE FEDERAL COURT IN NEW YORK.

(Section 2,094 of the Code of Alabama provides that "bills of exchange and promissory notes, payable in money at a bank or private banking house, or a certain place of payment therein designated, are governed by the commercial law." *Held*, That a bill of exchange drawn and accepted in Alabama, which was not by its terms payable at a certain place of payment therein designated, was nevertheless governed by the commercial law and negotiable, and that the acceptors could not interpose the defense of fraud and want of consideration to the bill in the hands of *bona fide* holders for value and without notice.)

Plaintiffs sued defendants in the United States Circuit Court for the Southern District of New York upon a bill of exchange drawn upon and accepted by such defendants at Montgomery, Ala. The case was sent to a referee who found that the acceptance of the bill was obtained by fraud and without consideration, but that the plaintiffs received the bill without notice of any actual defense thereto or of any equities existing between the drawers thereof and the payee, in part payment of an antecedent indebtedness of the drawers. He decided that under the law of Alabama the bill of exchange was not a negotiable instrument, and was not governed by commercial law, because it was not by its terms payable at a certain place of payment therein designated. Plaintiffs moved for a new trial before Judge Wallace on exceptions to the rulings of the referee.

Held, The only question which it is necessary to consider is whether bills of exchange are "governed by the commercial law," within the meaning of Section 2,094 of the Code of Alabama of 1876, when they are not by their terms payable at a certain place of payment designated. If they are, as the

plaintiffs were holders in good faith and for value, according to the decisions controlling upon this Court, the bill of exchange in their hands was not subject to the equities existing between the original parties. (Swift *vs.* Tyson, 16 Pet., 1; Railroad Co. *vs.* National Bank, 102 U. S., 14.) The language of the section is as follows :

"Section 2,094. Bills of exchange and promissory notes, payable in money at a bank or private banking house, or a certain place of payment therein designated, are governed by the commercial law."

It is plain upon the maxim, *expressio unius est exclusio alterius*, that promissory notes are not governed by the law of commercial paper, under this section, unless they are made payable at a bank or private banking house, or some other designated place of payment. The inquiry is whether by the terms of the section the same conditions apply to bills of exchange. It is somewhat surprising that, so far as is known, this question has never been decided by the Courts of the State of Alabama, and that it should devolve upon a foreign tribunal to place a construction for the first time upon the meaning of a law of Alabama which has been in force since 1852, affecting a subject so important as the rights and obligations of parties to a bill of exchange.

Reading the section without the assistance of other provisions of the laws of Alabama *in pari materia*, or of antecedent legislation upon the same subject, the question presented would be one of much doubt. The punctuation would favor the view that bills of exchange and promissory notes are both governed by the restrictive terms. But in arriving at the real meaning of statutes the Courts disregard punctuation, and read statutes with such stops as are most consistent with the sense. In other words, punctuation is no part of the statute. (Hannibal *vs.* Loan & Trust Co., 105 U. S., 77.) It was undoubtedly the purpose of the section to change the rule of common law respecting the attributes of promissory notes. If a like intention can be gathered with respect to bills of exchange, it is because both classes of commercial paper are associated together in the section. But this consideration does not advance the inquiry, because the point is whether the qualifying words apply to both classes, or only to promissory notes.

The plaintiff invokes the rule of construction, sometimes resorted to, that relative words must ordinarily be referred to the next antecedent where the intent upon the whole statute does not appear to the contrary. (Broom, Leg. Max., 680; Dwar. St., 590, 591; Cushing *vs.* Worrick, 9 Gray, 388.) This rule is not controlling and has often been disregarded, and it is not necessary to place the decision of the question upon such a narrow consideration.

The Code of 1876 is a revision of pre-existing legislation. It succeeded the Code of 1867, and, like that Code, was authorized by an Act of General Assembly which contemplated that the substance and meaning of former statutes should remain unchanged. When a codification or revision of laws contains provisions which are substantially reproduced from previous Acts of Legislature, and doubts arise from the ambiguity of the language employed, the safest rule by which to ascertain the meaning is to resort to the original sources for the purpose of ascertaining the legislative intent. (U. S. *vs.* Bowen, 100 U. S., 50.) To quote the language of the Supreme Court of Alabama in Landford *vs.* Dunklin :

"No rule of statutory construction rests upon better reasoning than that, in the revision of statutes, alteration of phraseology, or the omission or admission of words, will not necessarily change the operation or construction of former statutes. The language of the statute as revised, or the legislative intent to change the former statute, must be clear before it can be pronounced that there is a change in such statute in construction and operation." (71 Ala., 606.)

As said by the Court in East Tennessee *vs.* Hughes, 76 Ala., 590 :

"Unless the alteration of the original Act is of such a character as to manifest a clear intent to make a change in the construction and operation, effect will be given to the statute as originally framed by the General Assembly."

Section 2,094 is a reproduction of Section 1,525 of the Code of 1852, as amended in 1873, which, as will be seen, did not exclude bills of exchange when

not payable at any designated place from the category of instruments governed by the commercial law. The origin of the legislation in reference to the general subject is found in the Act of January 15, 1828, which reads as follows :

"Hereafter the remedy on bills of exchange, foreign and inland, and on promissory notes payable in bank, shall be governed by the rules of the law merchant as to the days of grace, protest and notice."

This provision was supplemented by an Act of 1832, reading as follows :

"Bonds and other instruments payable in bank shall be governed by the rules of the law merchant as to days of grace, demand and notice, in the same manner that bills of exchange and notes payable in bank now are."

The grammatical construction of the Act of 1828 plainly limits the qualifying words, "payable in bank," to promissory notes ; and the statute is not to be construed as altering the common law, or making any innovations therein, further than the words import. (*Shaw vs. Railroad Co.*, 101 U. S. 557.) Accordingly, by the reasonable interpretation of the Acts of 1828 and 1832, bills of exchange were governed by commercial law, and so, also, were all other instruments when payable in bank, including promissory notes. That this was the true meaning and result of the legislation is made still more clear by the Code of 1852. That Code was not merely a revision of the laws previously enacted, but a code in the wider sense for the adoption of a body of laws "having regard to the general system and true spirit of the existing laws" of the State. Two sections of that Code are to be considered together as being *in pari materia*. Section 1,525 reads as follows :

"Bills of exchange and promissory notes payable in money at a bank or private banking house are governed by the commercial law, except so far as the same is changed by this Code."

Section 2,120 was as follows :

"Every action founded upon a promissory note, bond or other contract, express or implied, for the payment of money, must be prosecuted in the name of the party really interested, whether he have the legal title or not, subject to any defense the payor, obligor or debtor may have had against the payee, obligee or creditor previous to notice of the assignment or transfer ; but this clause does not apply to bills of exchange or instruments payable in bank, or at a private banking house."

Section 1,525 would not, of itself, be decisive of the present inquiry ; but it is to be observed that Section 2,120, which is the first provision in the laws of Alabama by which negotiable paper of any class was explicitly placed on the footing of other contracts for the payment of money, so far as to be subject in the hands of a purchaser to the equities existing between the original parties, makes a distinction between bills of exchange and all other instruments. The section declares that the clause is not to apply "to bills of exchange or instruments payable in bank," etc. It was unnecessary to enumerate bills of exchange unless this distinction was contemplated. They would have been included in the term "instruments," and unless the provision was intended to discriminate between them and other instruments payable in bank, or at a private banking house, there was no reason for specially mentioning them. It is a cardinal rule in the construction of statutes that every part shall be regarded and be so expounded, if practicable, as to give some effect to every part. Promissory notes were not mentioned in the proviso because they were included in the general designation of "instruments." When payable in bank, or at a private banking house, they were within the exception, although not specifically mentioned ; when not so payable, they fell within the general clause. Bills of exchange were mentioned to emphasize the distinction created by the Act of 1828. If this had not been the purpose the word "other" would probably have been inserted between the words "or" and "instruments." Sections 1,525 and 2,120 reproduce the provisions of both the previous Acts, but it is only in Section 2,120 that effect is given to the provisions of the Act of 1832.

Section 1,525 of the Code of 1852 was amended in 1873 so as to read as follows :

"Bills of exchange and promissory notes payable in money at a bank, or certain place of payment therein designated, are governed by the commercial law."

Section 2,094 of the Code of 1876 reproduces the language of Section 1,525 of the Code of 1852 as thus amended in 1873. It is to be read in connection with Section 2,890, which is a reproduction of Section 2,129 of the Code of 1852. Section 2,890 reads as follows:

"Actions upon promissory notes, bonds or other contracts, express or implied, must be prosecuted in the name of the party really interested, whether he has the legal title or not, subject to any defense the payor, obligor or debtor may have had against the payee, obligee or creditor previous to notice of the assignment or transfer; except in actions upon bills of exchange, promissory notes payable in bank, or in a designated place of payment, and commercial instruments, in which cases the suits must be instituted in the name of the persons having the legal title."

By the grammatical construction of this section neither bills of exchange, nor other commercial instruments except promissory notes, are required to be payable in bank, or at a designated place of payment, to fall within the exception.

It is apparent from this collocation of statutes that none of them exhibit any clear intention to restrict the negotiability of bills of exchange, and that the tendency of the legislation of the State has been to enlarge the negotiability of promissory notes since 1852, when they were negotiable only when payable at a bank or private banking house, and to enlarge the negotiability of other commercial instruments which, by the Code of 1852, were placed in the same category with promissory notes, but were withdrawn, apparently, by Section 2,890 of the Code of 1876.

The cases of *Cook vs. The Mutual Ins. Co.*, 53 Ala., 37, and *Oates vs. National Bank*, 100 U. S., 239, are cited in support of the contention of the defendants. Both of these cases were upon promissory notes. There was no occasion to consider the point whether bills of exchange under the statutes of Alabama were governed by commercial law or not, and the point was not considered directly or inferentially. On the other hand, the case of *Knott vs. Venerable*, 42 Ala., 186, is cited in support of the position of the plaintiff. That was a suit on an inland bill of exchange which was not payable at any particular place. The questions litigated related to presentation for acceptance, and to demand and protest. The Court held that in these regards the paper was governed by the ordinary rules of commercial law. No reference was made in the argument, so far as appears, or in the opinion of the Court, to the Code provisions; but it is urged that it can hardly be supposed that Section 1,525 of the Code of 1852, which had been in force for thirteen years when that case was decided, would have been overlooked if the Court had supposed that that section was intended to deprive bills of exchange of their ordinary attributes.

In the absence of any decision of the Courts of Alabama which can be deemed authoritative upon the present question, the duty has devolved upon this Court of deciding it by the aid of the best light of which it is possessed. The conclusion reached is not altogether satisfactory, but it is one which seems most reasonable after a very full consideration. The rules of the common law are not to be changed by doubtful implication, and especially should the Courts be slow to impute an intention to a statute not evidenced by clear, unambiguous and peremptory language, to change the law of commercial paper which circulates largely in foreign States among those who are not supposed to be familiar with restrictions peculiar to the local law of the State where it may be made, or may be payable.

Exceptions to the rulings of the referee sustained and new trial granted.

Gwathmay and others vs. Clisby and others, U. S. Circuit Court, S. D. New York, May 20, 1887.

TAXATION OF NATIONAL BANK SHARES IN NORTH CAROLINA—RIGHT OF SHAREHOLDER TO DEDUCT INDEBTEDNESS.

Plaintiff, on the 1st day of June, 1886, being the owner of 200 shares of capital stock in the Merchants & Farmers' National Bank, and of 182 shares in the First National Bank of Charlotte, both organized and operating under the Act of Congress for the formation of National banking associations, at

Charlotte, rendered during that month a list of his taxable property in which 100 shares of such stock were given in at the par value of \$100 per share, or \$10,000. The whole number of plaintiff's shares—viz., 332—were assessed by the Commissioners at \$85 per share and the plaintiff charged with all the stock at an aggregate value of \$28,220, and the list thus reformed delivered to the Sheriff for collection. The plaintiff reduced this estimated value by deducting his alleged indebtedness of \$18,220, claiming the right to do so, to the sum stated in the list. The Sheriff, acting under the directions of the Legislature of the State in reference to the raising of revenue, refused to make any abatement and was proceeding to enforce payment when, in an order made in the present action against the County Commissioners, they were restrained, he having paid the entire tax against him upon the basis of the reduction claimed and as set out in the rendered list.

Held, The Revenue Act of 1885. Ch. 177, Sec. 12, in its enumeration of taxable property contains this clause, numbered 5 :

"The amount of solvent credits, includes accrued interest uncollected, owing to the party, whether in or out of the State, whether owing by mortgage, bond, note, bill of exchange, certificate, check, or open account, and due and payable, or whether owing by any State or Government, county, city, town or township, individual, company or corporation. Any certificate of deposit in any bank, whether in or out of the State, and the value of cotton, tobacco, or other property, in the hands of commission merchants or agents, in or out of the State, shall be deemed solvent credits within the meaning of this Act. If any credit be not regarded as entirely solvent, it shall be given at its true current or market value. The party may deduct from the amount of solvent credits owing to him the amount of collectible debts owing by him as principal debtor."

Not only are stocks not included in the credits as defined in the clause, but some forms of visible property—crops in the hands of agents—are included in the term. The Act of Congress, without the authority of which no taxation upon the shares of these National banking associations could be imposed, confers the powers of taxation upon the States within whose limits they are located, with the restriction "that the taxation shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of such State, and that the shares of any National banking association owned by non-residents of any State shall be taxed in the city or town where the bank is located, and not elsewhere." (Rev. St., U. S., Sec. 5,219.) The term "moneyed capital" has been construed to embrace investments in banking associations as well as credits in a more strict sense; and hence that an Act denying deductions for indebtedness of the share-owner from the value of his stock, when it is allowed to creditors who owe, is in violation of the permitting Act of Congress, and is void as to shareholders who are indebted and have not such property as the deductions are allowed to be made from. The discrimination against such shares is wholly unauthorized. (23 Wall., 480; 95 U. S., 19; 100 U. S., 539; 101 U. S., 143; *Id.*, 153; 105 U. S., 319; *Id.*, 322.)

McAden vs. Commissioners of Mecklenburg County, Supreme Court of North Carolina, June 3, 1887.

INSOLVENT BANKER—COLLECTION OF FUNDS FOR CUSTOMER—RECOVERY OF PROCEEDS IN FULL FROM ESTATE.

Plaintiff, living in Dakota Territory, bargained with one Rundell, of Grant County, Wisconsin, to sell him his Dakota farm for two thousand dollars. He sent a deed of his farm, with an abstract of title, to Isaac Hodges, a banker doing business in Platteville, Wis., with instructions to collect from Rundell the \$2,000, and on payment of the same to deliver the deed and abstract and remit the money immediately to him in Dakota. The deed laid a few days in Hodge's bank, when Rundell learned it was there, and came to Platteville on the 8th of February, 1884, to get it. He reached the bank about 1 o'clock P. M., when Hodges delivered to him the deed and Rundell paid him the \$2,000 consideration by giving him \$400 in cash, represented by four one hundred dollar bills, and certificates of deposit which Hodges had previously issued to him and others. Hodges continued to do business that day, and at

night his bank closed. Subsequently he made an assignment for the benefit of his creditors. The amount of cash which came to the hands of the defendant, assignee, was about five hundred dollars, but did not include any one hundred dollar bill. Hodges' estate was largely insolvent and the main question to be decided was, did the plaintiff stand upon the same ground as the other creditors of Hodges and must he share ratably with them in the assets? It was claimed by his counsel that the estate in the hands of the assignee was impressed with a trust in his favor, and that upon the facts he was entitled to payment in full. On the other hand, it was contended that the estate in the hands of the defendant was not subject to any trust or equitable charge in favor of the plaintiff, but that he stood precisely on the same footing as the other creditors of Hodges.

Hell, (Following *McLeod vs. Evans*, 66 Wis., 401), that the general assets in the hands of the defendant are impressed with a trust in favor of the plaintiff to the extent of \$2,000, which Hodges wrongfully misappropriated, and that his claim for that amount is entitled to preference over those of the other creditors.

Francis vs. Evans, Supreme Court of Wisconsin, June 1, 1887.

PROMISSORY NOTE—STRANGER TAKING UP AFTER MATURITY—PURCHASE OR PAYMENT?

Anna L. Shaw, on September 5, 1882, made a note for \$500 payable to the order of Thomas Weaver two years after date, with interest after the expiration of one year, which was one of a number secured by a deed of trust to Chapin and Werden, of even date, executed by Mrs. Shaw and her husband. The payee of the note died before it became due. After his death his executor placed the note in the Central National Bank of Washington, D. C., for collection. On the 19th day of January, 1885, more than four months after its maturity, the plaintiff, Kennedy, sent to the bank his check and received from it the note. The check was in these terms:

"Riggs & Co. Pay to order Central N. Bank (for note A. L. Shaw) five hundred forty one dollars and sixteen cents."

The sum mentioned in the check was the amount of principal and interest due. Kennedy brought an action against the trustees to enforce the deed of trust securing the note, but defendants claimed that by giving his check and receiving the note from the bank Kennedy had paid the note and could not maintain the action. The question for determination was whether his transactions in regard to it amounted to a payment or an assignment of the note.

Hell, The delivery of the check must be considered as a payment of the note unless the bank intended to sell it and had power to do so. The executor and Assistant Cashier of the bank both testified that the note was placed in the bank for collection and not for sale; and, in fact, no valid sale of the note could be made without an order of the Orphan's Court if the law of Maryland is to decide this question. The deed of trust conveys land in Maryland and the note is set up in the Courts of Maryland as a lien on this land. We must necessarily be governed by our own law in the absence of proof that the law of the District of Columbia is different. Kennedy believed that he was purchasing the note and not paying it. But no valid purchase can be made without the consent of the owner or his duly authorized agent. And here there was no consent to a sale nor any power to give consent. The transaction amounting to a payment of the note, the action cannot be maintained.

Kennedy vs. Chapin and another, Trustees, Court of Appeals, Maryland, June 22, 1887.

INSOLVENT BANK—LIABILITY OF DIRECTORS TO DEPOSITORS FOR NEGLIGENCE IN PERMITTING BANK TO BE HELD OUT AS SOLVENT.

This was a case in the Circuit Court of Montgomery County, Ill., by a general depositor in a bank, against the Directors of the bank, to hold them answerable for negligence in permitting it to be held out to the public as solvent, when, in fact, it was at the time insolvent. Judgment was rendered for the plaintiff in that Court, which was affirmed on appeal to the Appellate

Court of the Third District, and an appeal was then taken to the Supreme Court of Illinois.

Held, The Appellate Court of the Third District, in its opinion filed on rendering that judgment, holds: *First*, that the Directors of a bank are trustees for depositors as well as for stockholders; *second*, that they are bound to the observance of ordinary care and diligence, and are hence liable for injuries resulting from its non-observance, and *third*, that the present appellants did not observe that degree of care and diligence, and in consequence thereof appellee sustained the damage for which the judgment was rendered. (*Delano vs. Case*, 17 Bradw., 531.) The last proposition we are relieved from inquiring into, since there was evidence tending, though it may be but slightly, to sustain it.

The propositions of law, as above stated, are, in our opinion, free from objection and sustained by authority. (*Percy vs. Millandon*, 3 La., 568; *United Soc. of Shakers vs. Underwood*, 9 Bush., 609; *Morse, Banks* (2 Ed., 138; *Thomp. Liab. Off.*, 395; *Shea vs. Mabry*, 1 Lea, 319; *Hodges vs. New England Screw Co.*, 1 R. I., 312; *Whart. Neg. Sec.*, 510.)

Judgment affirmed. Opinion by Scholfield, J. Sheldon, C. J. and Craig, J., dissent.

Delano and others vs. Case, Supreme Court of Illinois, June 17, 1887.

INDORSEMENT OF NOTE BY CASHIER IN HIS OFFICIAL CAPACITY—PERSONAL LIABILITY.

This was an action by the State National Bank against G. A. Singer to hold him liable as surety upon three promissory notes, aggregating \$8,000, made by L. D. Allen, Jr., to his own order, and indorsed in blank by him, below which the defendant had indorsed "G. A. Singer, Cashier." L. D. Allen, Jr., the maker, had since 1880 conducted a banking business in the city of Monroe under the name and style of the Bank of Monroe, of which Allen was the ostensible President and defendant the Cashier. For several years the plaintiff had been the correspondent of the bank. In May, 1886, the Bank of Monroe desired to negotiate a loan from the plaintiff, and plaintiff being unaware that such bank and L. D. Allen, Jr., were one and the same, made the loan by discounting the notes of Allen, indorsed by Singer, as above set forth, and placed the proceeds to the credit of the Bank of Monroe. At their maturity Allen made default in their payment, and they were protested, and thereupon Singer was sued. He claimed that he was not bound at all, and that he only indorsed his name upon the paper "as a memorandum for the purpose of identifying the same with the account of the bank." On the other hand, plaintiff's theory was that, inasmuch as it *dealt with the Bank of Monroe* and discounted the paper of L. D. Allen, Jr., who was at the time its reputed and ostensible President, and of which G. A. Singer was the Acting Cashier, and the proceeds thereof were placed to the credit of the latter bank, on open account, and in the usual course of their dealings the plaintiff believed and had the right to believe that the Bank of Monroe was bound to it for the amount of the notes *as security* for the maker, but that it subsequently transpired that L. D. Allen, Jr., was *one and the same person as the Bank of Monroe*; and as in this state of affairs G. A. Singer, Cashier, did not and could not bind the Bank of Monroe, as it was already bound by the signature of L. D. Allen, Jr., who was the Bank of Monroe, he (Singer) bound himself personally as surety in its place and stead.

Held, Conceding all that plaintiff claims concerning the Bank of Monroe and Allen having been one and the same judicial person, it cannot change the *status* or increase the liability of Singer. He was Cashier of the Bank of Monroe and had authority to represent it in placing his name, in his capacity as Cashier, on the notes as he did, and he did not and could not incur any personal liability thereby to the plaintiff. He in no way deceived the plaintiff, and it did not discount Allen's note at his request, or on his account, or that of his signature.

Judgment for defendant.

State National Bank vs. Singer, Supreme Court of Louisiana, June 20, 1887.

ABSTRACT OF CASES.

TAXATION OF SHARES IN ALBANY (N. Y.) NATIONAL BANKS—DEDUCTION OF INDEBTEDNESS—LEGALITY OF METHOD OF ASSESSMENT.

In *Supervisors v. Stanley*, 105 U. S., 305, 316, this Court held that the Act of New York, Chapter 761 of the Laws of 1866, was in conflict with the Act of Congress (Rev. Stat., Sec. 5,219)—prohibiting the taxation of National bank shares by a State at a greater rate than is imposed upon other moneyed capital in the hands of individual citizens of such State—so far as it did not permit a stockholder of a National bank to deduct the amount of his just debts from the assessed value of his stock, while by the laws of the State the owner of all other personal taxable property was allowed to deduct such debts from its value; but that neither the statute nor the assessment under it was for that reason void. If the stockholder had no debts to deduct, the mode of assessment adopted was not invalid as to him; he could not complain of it nor recover the taxes paid pursuant to it. If he had debts, the assessment without a deduction for them in the estimate of the taxable value of the stock was only voidable. The assessing officers, in making the assessment, were acting within their authority until duly notified of the debts which were to be deducted. In such case, therefore, the duty devolved upon the stockholder to show to the assessing officers what his debts were and to take such steps as were required by law to obtain a correction of the over-assessment.

The method adopted by the Assessors of the city of Albany to assess all shares of stock in the State and National banks in the city of Albany at par, without regard to their actual or market value, making the requisite deduction for real estate owned by the banks, comes as near as practicable, considering the nature of the property, to securing as between them uniformity and equality of taxation; it cannot be considering as discriminating against either, and is not in conflict with the Act of Congress providing that the taxation shall not be at a greater rate than is imposed on other moneyed capital in the hands of individual citizens of the State.

Stanley vs. Supervisors of Albany, Supreme Court of the United States, May 2, 1887.

BILL OF EXCHANGE—ACCEPTANCE.

The drawee of an inland bill of exchange dated May 5th, but wherein no time of payment was mentioned, on presentation by the payee wrote upon the bill the words "Payable the 15th day of May, 1888," and signed his name.

Held, That this constituted an acceptance, qualified as to time of payment, and the drawee was liable thereon.

Upon certain other inland bills of exchange the drawee on presentation wrote upon them the word "except," to which he also signed his name.

Held, That this bound him as an acceptor.

Vanstrum vs. Liljengren, Supreme Court of Minnesota, July 8, 1887.

PROMISSORY NOTE—ILLEGAL CONSIDERATION—BONA FIDE PURCHASER.

C gave his promissory note, secured by a deed of trust on certain lands, to a firm of brokers to protect and save them harmless because of certain speculations in option deals in grain then pending and thereafter to be made. The note was transferred before maturity to F. & Co. in payment of an indebtedness to the latter. C brought suit to enjoin the proposed sale of real estate under the deed of trust, claiming that the consideration was illegal and the note void in the hands of F. & Co.

Held, We do not agree with the counsel for the plaintiff that the note is void in the hands of a *bona fide* indorsee because of our statute upon the subject of gambling. These statutes (Sec. 5,721-5,723, Rev. Stat., 1879), make all notes "where the consideration is money or property won at any game or gambling devices" void. The assignment of such a note, the statute says, shall not affect the defense. Under these statutes it was held in *Hickerson vs. Benson*, 8 Mo., 8, that a wager on the result of an election was not within their meaning. Subsequently the statute was so amended (Section 5,726) as to include bets and wagers on elections, but the amendment does not include

such contracts as those here in question. The sections of the statute before noted are evidently designed to be in aid of the criminal law. This much is said in the case of *Williams vs. Wall*, 60 Mo., 320. It cannot be said that contracts like those in question come within the provisions of the criminal statutes. These wagering contracts are void, not because prohibited by statute, but because they are against public policy. The note is not void in the hands of an indorsee before maturity simply because based upon such a consideration. This is the view taken of the statute in *Third National Bank vs. Harrison*, 10 Fed. Rep., 243, and we believe to be the correct one.

Crawford vs. Spencer and o'rs, Supreme Court of Missouri, June 20, 1887.

PRINCIPAL AND SURETY—EXTENSION OF TIME—FRAUD—DISCHARGE OF SURETY.

H executed a note to the plaintiff on the 18th of August, 1882, due in six months, whereon defendant was surety. When the note became due H desired an extension and presented to the plaintiff a new note signed by himself, and to which defendant's name was also signed, which plaintiff accepted, and surrendered the former note. At the maturity of this note, H again presented a note to which defendant's name was signed, and secured a second extension. It afterwards transpired that he had forged the defendant's signature to both these instruments; but that fact was not discovered by the plaintiff until he sought to collect the third note from the defendant after its maturity.

Held, As the surrender of the original note and the extensions of time were obtained by fraud, the note was not extinguished by the surrender; nor was the surety discharged by the extensions of time. (Citing, *Kirby vs. Landis*, 54 Iowa, 150.)

Hubbard vs. Hart, Supreme Court of Iowa, June 14, 1887.

NATIONAL BANK—POWER TO ENGAGE IN BUSINESS OF CUTTING TIMBER.

A National bank loaned D a large sum of money to engage in the lumber business in West Virginia. Subsequently D became embarrassed and the bank, with a view of saving its debt, secured a deed of trust upon all of his property; which deed was foreclosed, and the bank purchased the property and was compelled, through its agent, to conduct the business of cutting and selling timber with a view of reimbursing itself, out of the proceeds of the business, for money it had loaned. It was claimed by the plaintiff, who sought to enjoin the bank from carrying on this business, that its acts were *ultra vires*—not only unauthorized by its charter, but inhibited by the National Bank Act under which it was organized.

Held, It may be conceded that there is no express power in the charter of this corporation that would authorize it to conduct a business outside of its legitimate business as a banking institution; but there is connected with all corporations certain implied powers which are incident to the express powers, and without which no corporation can successfully transact business. In this instance, we see but an effort on the part of the bank to secure and collect a debt due it. No one will question the right of a bank to loan its money in the manner authorized by its charter; as a consequence, it must have the power to collect it; and, as incident to the exercise of such power, the right to secure and save the debt. We think this view is well sustained by authority. (Citing, *First Nat. Bank vs. Nat. Exchange Bank*, 92 U. S., 122; *1 Wood R'y Law*, Sec. 169.)

John A. Roebling Sons' Co. vs. The First National Bank of Richmond, Va., U. S. District Court, D. West Virginia, 1887.

PROMISSORY NOTE—PAYABLE TO AGENT—ACTION ON IN AGENT'S NAME—DEATH.

A promissory note payable to the order of an agent of a corporation (the principal as well as the agent being specified by name in the body of the note), is in legal effect payable to the corporation; and while the agent can maintain an action thereon (Code, Sec. 2,209), so can the principal (*Id.*, 3,257).

An action upon such a note by the agent, for the use of the principal, is virtually an action by the principal, and the death of the agent before or pending the action will not affect the suit. The words importing that the

agent sues, and that the suit is for the use of the principal, are surplusage, and may be stricken from the declaration by amendment at any time, whether before or after verdict. (56 Ga., 554; 59 Ga., 644.)

Martin, for use, etc., vs. Lamb, Supreme Court of Georgia, February 26, 1887.

PROMISSORY NOTE—LIABILITY OF JOINT INDORSERS—JUDGMENT.

An action was brought by S in Michigan, under the common counts under the statute, upon a note of which G was maker and A and F were joint indorsers. No judgment was taken against G and the suit stood on trial as a suit against the two indorsers. The defense was a failure to properly present the note for payment and notify the indorsers of its dishonor. The Court below directed the jury that the evidence showed a good demand and notice on A but not on F, and directed a verdict in favor of F and against A, and judgment was rendered accordingly. On appeal,

Held, This action was upon a joint obligation of F and A. The record as framed established the fact that they made it jointly, and they were so charged. They pleaded jointly, and there is no pretence of severance by bankruptcy or other act or thing which could put an end to the liability of one and leave the other bound. This being so, it is well settled law that there must be, in a joint action, a joint judgment or no judgment at all. When the Court found there was no joint liability it was error to hold there was a sole liability against A. Unless both could be held in this action neither could be. Plaintiff could not take judgment against one of two defendants jointly charged. The discharge of one is the discharge of both.

Judgment reversed.

Seligman vs. Gray and o'rs, Supreme Court of Michigan, June 16, 1887.

NATIONAL BANK—POWER TO TAKE REAL ESTATE SECURITY.

A mortgage was given to a National bank, by way of security, for an indebtedness previously contracted and evidenced by new notes of the mortgagor.

Held, In taking such security the bank did not violate the provisions of the National banking law in reference to holding real estate. (Rev. Stat., U. S., Sec. 5,137; 22 Ohio, 516; 23 Ohio, 97; 120 Mass., 153; 16 Kan., 341; Morse, Banks, 2nd Ed., 566.)

Farmers & Merchants' National Bank vs. Wallace, Supreme Court of Ohio, May 10, 1887.

INSOLVENT BANK—CONVEYANCE OF PROPERTY TO DIRECTOR—SETTING ASIDE CONVEYANCE.

The Macon Savings Bank, on February 16, 1882, made an assignment of its property for the benefit of its creditors. Previous to the assignment, on the 2d day of March, 1880, the bank conveyed by deed to Winn, one of its Directors (who was then, and had been since 1874, a stockholder and Director in said bank), two parcels of land, of the value of \$2,700, in consideration of said Winn surrendering to the bank \$2,700 of his paid up stock. Plaintiff, a creditor of the bank, brought suit to compel the property so conveyed to be subjected to sale for the payment of his debt, claiming that at the time these deeds were made the bank was insolvent and in failing circumstances, of which he alleged the Director, Winn, had knowledge. Winn denied that he had any personal knowledge that the bank was insolvent or in failing circumstances at the time he purchased the property, and claimed that he had bought it in good faith although he had heard some rumors that the bank was not solvent.

Held, It is an admitted fact that when these deeds were executed the Macon Savings Bank was insolvent, and in such case the law is settled that the assets of the bank become a trust fund to be managed by the Directors for the benefit of the creditors, and that after such confessed insolvency they cannot in equity secure any advantage to themselves. Under this principle, if the bank was actually insolvent at the time the deeds were made to Winn, and he had knowledge of such insolvency, the deeds must give way to the claims of a creditor when a Court of Equity is asked by him to avoid them.

In view of the admission of Winn that he had heard rumors that the bank was not solvent, and the fact that he had been a Director of the bank since

1873 or 1874 and also a stockholder, under the rulings of this Court (69 Mo., 265; 71 Mo., 356), he is chargeable in the eye of the law, with knowledge.

Winn, having this knowledge, could only thereafter deal with the assets of the bank as a trustee for the creditors and having no beneficial interest as a stockholder, he is chargeable with knowledge of the fact that the \$2,700 of stock which he paid for the land and withdrew from the trust fund, though having a marketable value, was of no value and worthless. The conclusion follows that the deeds to Winn must be held fraudulent in law and the property conveyed subject to the claims of creditors.

Roan vs. Winn, Supreme Court of Missouri, June 20, 1887.

LAW NOTES AND COMMENTS.

NEGOTIABILITY OF BILLS OF EXCHANGE IN ALABAMA.—The opinion of Judge Wallace, of the Circuit Court of the United States for the Southern District of New York, found elsewhere in this number, affords an interesting example of statutory construction. Section 2,094 of the Code of that State provides that "bills of exchange and promissory notes, payable in money at a bank or private banking house, or a certain place of payment therein designated, are governed by the commercial law." At first view it would seem that the words "payable in money at a bank or private banking house, or a certain place of payment therein designated," applied to bills of exchange as well as to promissory notes, and that bills of exchange which did not specify any place of payment would not fall within the provisions of the section. Judge Wallace, while stating that the punctuation would favor this view, holds that the punctuation may be disregarded, and then by tracing the provision to its original source in the law of 1828, shows quite clearly that it never was the intention of the Legislature to restrict the negotiability of bills of exchange to those payable at a bank or other specified place, and that the restrictive words were originally only intended to be applied to promissory notes. It is interesting to note how the changing of the position of a comma will alter the meaning of a whole sentence. The original Act of 1828 provided that "hereafter the remedy on bills of exchange, foreign and inland, and on promissory notes payable in bank, shall be governed by the rules of the law merchant," etc. Here it will be seen the comma was placed after the words "bills of exchange," while after "promissory notes" it was omitted. In the section under construction the comma is placed after the words "promissory notes," and omitted after "bills of exchange," thus apparently placing the two classes of paper in the same category. The meaning which this punctuation would give to the sentence, however, is shown to be in conflict with the original intention of the Legislature, and this being ascertained, is held to govern. This decision, of course, is not binding upon the Alabama courts, but in the absence of any adjudication in that State is useful as an authority. In some of the other States provisions of a somewhat similar nature exist. Thus in Indiana, section 5,506 of the Revised Statutes of 1881 provides: "Notes payable to order or bearer in a bank in this State shall be negotiable as inland bills of exchange, and the payees and indorsees thereof may recover, as in case of such bills."

TRACING TRUST FUNDS.—Wherever the property of a party has been wrongfully misapplied, or a trust fund has been wrongfully converted into another species of property, if its identity can be traced, it will be held in its new form, liable to the rights of the new owner or *cestui que trust*. The general proposition which is maintained both at law and equity upon this subject is that if any property, in its original state and form, is covered with a trust in favor of the principal, no change of that state and form can divest it of such trust or give the agent or trustee converting it or those who represent him in right (not being *bona fide* purchasers for a valuable consideration without notice) any more valid claim in respect to it than they respectively had before such change. (Story's Eq. Juris., Sec. 1,258.)

In Taylor vs. Plumer, 3 M. & Selw. 562, a leading case, Lord Ellenborough said: "The product of or substitute for the original thing still follows the

nature of the thing itself, so long as it can be ascertained to be such, and the right only ceases when the means of ascertainment fail."

Whether in a given case the "means of ascertainment" have failed is often a question of much difficulty. Lord Ellenborough held that the means of ascertainment would fail "when the subject is turned into money and mixed and confounded in a general mass of the same description," because as money it would lose its ear-mark. By the current of recent decision, however, it would seem that the courts have gone much further in permitting trust property to be recovered and that this rule of identity has been relaxed.

In *McLeod vs. Evans*, in the Supreme Court of Wisconsin (*RHODES' JOURNAL*, July, 1886, p. 515), it was held that it was not necessary to trace the trust fund into specific property in order to enforce the trust. That if it could be traced into the estate of the defaulting agent or trustee, this was sufficient.

In *Third National Bank vs. Stillwater Gas Co.*, in the Supreme Court of Minnesota (*RHODES' JOURNAL*, March, 1887, p. 264), it is said: "It is elementary that a person obtaining property by fraud acquires no title to it, but it is held by him and by all persons claiming under him with notice in trust for the original owner. So long as the property can be identified in its original or in a substituted form it belongs to the original owner if he elects to claim it; and if it passes into the hands of an innocent purchaser for value, the title of the defrauded owner, at his option, at once attaches to the avails so long as the identity is preserved, no matter how many transmutations of form the property has passed through. So long as the trust property can be traced and followed into other property into which it has been converted, that remains subject to the trust. The product or substitute has the nature of the original imparted to it. The depositing of trust money in a bank, although it creates the relation of debtor and creditor between the bank and depositor, does not change its character or relieve the deposit from the trust. It is not the identity of form, but the substantial identity of the fund itself which is the important thing. Some cases go so far as to hold that the trust character still adheres to money even though it cannot be traced into specific property."

In *Thompson vs. Gloucester City Savings Institution*, in the New Jersey Court of Chancery (*RHODES' JOURNAL*, May, 1887, p. 474), a savings bank had collected certain drafts for a depositor and then failed. The Receiver resisted the claim of the depositor to the proceeds in full on the ground that they had been mixed with the funds of the bank and their identity as a trust fund lost, and claimed that the depositor was nothing more than a general creditor, entitled to share *pro rata*. The Court held, however, that the owner was not required to point out the identical money, but did all that was required of him if he showed that the money came into the hands of the defendant impressed with a trust to his knowledge. That in such case the Receiver must respond either in the article taken or its value.

And in *Francis vs. Evans*, reported in this number, where a banker collected certain money for his customer and then failed, the Supreme Court of Wisconsin, following *McLeod vs. Evans*, hold the assets in the hands of the Assignee impressed with a trust in favor of the customer to the extent of the amount collected.

These recent cases show a tendency of the courts to break away from the rule that the identity of the trust fund must be preserved in order that a recovery may be had, and to allow a beneficiary to recover even where the trust property has been mixed with other assets and all "ear-mark" has disappeared.

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 on another page.

Editor Rhodes' Journal of Banking:

SAN ANTONIO, TEXAS, Aug. 24, 1887.

I enclose a decision (?) clipped from a sheet published in your wicked city—the one which rejoices in being the successor of Haver's notorious *Thompson Bank Note Reporter*. We are not subscribers. It is from a sample copy which came

here recently. I am fully aware of your feeling of supreme disgust for the sheet in question—its present management as well as the Haver *regime*—but I will esteem it a favor if you will read the clipping. The reply is certainly erroneous and liable to mislead though it is doubtless true it has been seen but by a very few people.

CASHIER.

Editor American Banker:

CENTRAL CITY, Neb., July 5, 1887.

Please answer through the *American Banker* if interest can be collected by law on the three days grace of a note drawn payable Jan. 10th and paid on that day.

SUBSCRIBER.

Answer.—Interest cannot be collected, as it is optional with the maker whether he pays at maturity or on either days of grace.

Remark.—Where law and custom allow days of grace, the true date of the maturity of the note is the last day of grace. A note drawn as specified in "Subscriber's" question would not mature until the third day after Jan. 10. No rebate of interest is allowable on a note paid before maturity unless by the mutual consent of holder and payer. Unless therefore the holder of note mentioned in the quotation were willing to remit the interest for the days of grace the payer would not be released from his obligation to pay it, and it can be collected of him.

Editor Rhodes' Journal of Banking:

WATERTOWN, Me., September 2, 1887.

A manufacturing company is incorporated under the name of—say "The Smith & Jones Manufacturing Co." They keep a bank account in the name of "The Smith & Jones Manufacturing Co." They sign their checks, using simply these words, and indorse checks payable to the company in the same way.

Is such a signature or indorsement, without the name of any Treasurer or other official, customary or legal?

Answer.—The proper manner of signing for a corporation is by writing "The Smith & Jones Manufacturing Company, by James Smith, Treasurer," and it is not customary to affix the bare signature of the corporation without more. In *Draper vs. Massachusetts Steam Heating Co.*, 5 Allen, 338, a note was signed "Mass. Steam Heating Co., L. I. Fuller, Treasurer," and the Court said:

"The name of the company is signed to the note. This signature could not be made by the corporation itself, and must have been written by some officer or agent. It was manifestly proper that some indication should be given by whom the signature was made as evidence of its genuineness, and Fuller added his own name with the designation of his official character. It would have been better if the name of the principal had been inserted in the body of the contract as the contracting party, or if the word "by" had preceded Fuller's name in the signature. But we think the omission to do this does not change the apparent character of the instrument, and that the whole, taken together, shows it to be the signature of the Massachusetts Steam Heating Co. and not of Fuller."

The question remains, Is the signature of "The Smith & Jones Manufacturing Company," without the name of any Treasurer or other official, though not in the customary form, legal? Would such a signature be valid and binding?

In a note to Section 147 of the ninth edition of Story on Agency it is said:

"It has sometimes been thought not a sufficient execution for an agent to sign merely his principal's name as if it were his own personal act, but that he ought to add some words indicating that the signature was signed by an agent and not by the principal. The propriety of such a mode of execution may be easily seen, but it cannot positively be said, upon the authorities, to be absolutely necessary to the validity of the instrument."

In *Wood vs. Goodrich*, 6 Cush., 120, Fletcher, J., said:

"The first question as to the plaintiff's title to the land is, whether the form of executing the mortgage and note by the attorney was a legal execution of his power as such; whether signing the name of the principal, Benjamin Goodrich, as if it were his own personal act and signature (it not appearing upon the instruments to be done by Levi as attorney) was a good execution of the instruments under the power, so as to make them valid as the deed and note of Benjamin. * * * * *

"It should appear upon the face of the instruments that they were executed by the attorney and in virtue of the authority delegated to him for this purpose. It is not

enough that an attorney in fact has authority, but it must appear, by the instruments themselves which he executes, that he intends to execute this authority. The instruments should be made by the attorney expressly as such attorney; and the exercise of his delegated authority should be distinctly avowed upon the instruments themselves. Whatever may be the secret intent and purpose of the attorney, or whatever may be his oral declaration or profession at the time, he does not in fact execute the instruments as attorney and in the exercise of his power as attorney, unless it is so expressed in the instruments. The instruments must speak for themselves. Though the attorney should intend a deed to be the deed of his principal, yet it will not be the deed of the principal unless the instrument purports on its face to be his deed. The authority given clearly is that the attorney shall execute the deed as attorney, but in the name of the principal. There is much learning and much discussion in the books of the law as to the proper mode of executing authority by agents. In what form the agent should exercise his authority so as to bind his principal and not bind himself has been a subject largely considered in elementary works and much discussed in numerous adjudged cases. The rule commonly laid down by all the authorities is, that to bind the principal, the instrument must purport on its face to be the instrument of the principal and executed in his name, or, at least, that the tenor of the instrument should clearly show that the principal is intended to be bound thereby, and that the agent acts merely as his agent in executing it. But it is contended that it is nowhere laid down in any work of authority, or established by any adjudged case, that the agent may put the name of the principal as his own personal act and signature, the execution of the agent, as agent, not being in any way disclosed. Such an execution does not appear to be warranted by the power delegated to execute the instrument as attorney, but in the name of the principal. (*Squire vs. Harris*, 1 Lans., 282; *Webster vs. Brown*, 2 S. C., 428.)

In *Forsyth vs. Day*, 41 Me., 382, it is held that an agent authorized to sign the name of his principal effectually binds him by simply affixing to the instrument the name of his principal as if it were his own name, *Rice, J.*, saying:

"No case, I apprehend, can be found in the books which will sustain the rule so broadly laid down by the learned Judge in the case of *Wood vs. Goodrich*; nor can the doctrine be sustained on principle. It is difficult to perceive any sound reason why, if one man may authorize another to act for him, he may not authorize him thus to act for and bind him in one name as well as in another. As matter of convenience, in preserving testimony it may be well that the names of all parties who are in any way connected with a written instrument should appear upon the instrument itself. But the fact that the name of the agent by whom the signature of the principal is affixed to an instrument appears upon the instrument itself neither proves, nor has any tendency to prove, the authority of such agent. That must be established *aliunde*, whether his name appears as agent or whether he simply places the name of his principal to the instrument to be executed."

In *Berkey vs. Judd*, 22 Minn., 287 (decided November, 1875), it is said at page 302:

"As respects the execution of a deed by an attorney in fact, although it is usual and better for him to sign the name of his principal and to add thereto his own signature with proper words indicating that the act is done by him as such attorney, yet it is not in all cases necessary that he should so append his own name. When the deed on its face purports to be the indenture of the principal, made by his attorney in fact therein designated by name, it may be properly executed by such attorney by his subscribing and affixing thereto the name and seal of his principal alone." Citing *Devinney vs. Reynolds*, 1 Watts & Serg., 328; *Forsyth vs. Day*, *supra*.

While, under the authorities, the omission of the agent's name after that of the corporation may not invalidate the instrument, it is evidently the more proper and safer way to make the signature in the manner we have above indicated.

NOTICE.—We will pay fifty cents a-piece for a limited number of copies of the JOURNAL for January, 1885.

REFUNDING UNITED STATES BONDS.

REFUNDING OF THE UNITED STATES FOURS AT LOWER RATES OF INTEREST (TWO AND-A-HALF, AND ALSO TWO PER CENT.)—COMPUTATION OF PRESENT VALUE OF DIFFERENCE IN INTEREST BY THE GOVERNMENT ACTUARY.

NATIONAL BANK OF THE REPUBLIC,

NEW YORK, September 30, 1887.

Editor Rhodes' Journal of Banking:

SIR:—I transmit herewith two statements prepared at my request by the Hon. E. B. Elliott, Government Actuary, giving the amounts of interest that would be payable in advance to the holders of the four per cent. bonds of the United States from July 1, 1888, if such bonds were made exchangeable for either two and-a-half or two per cent. bonds, maturing at the same dates as the four per cents.; such amounts being the present values of the difference in interest, which would be surrendered by the holders of the fours accepting the exchange, computed at various rates of interest assumed to be realized by the Government. I also transmit copies of two bills heretofore introduced in Congress authorizing such exchange of bonds—one by Mr. Aldrich, in the Senate, on January 14, 1884, and the other by Mr. Hewitt, in the House, on December 13, 1886.

Very truly yours,

JOHN JAY KNOX.

COMPUTATION BY THE GOVERNMENT ACTUARY.

Present value of two dollars a year for nineteen years reinvested quarterly at the following rates of interest per annum.

2 per cent.	\$31,54908
2½ "	30,17557
3 "	28,88470
4 "	26,52824
5 "	24,43900

Corresponding difference in interest on \$733,000,000 reduced from 4 per cent. to 2 per cent. per annum.

\$232,832,200
222,095,700
213,169,100
195,778,400
180,359,800

Present value of one dollar and-a-half a year for nineteen years reinvested quarterly at the following rates of interest per annum.

2 per cent.	\$23,66181
2½ "	22,63168
3 "	21,66352
4 "	19,89618
5 "	18,32925

Corresponding difference in interest on \$733,000,000 reduced from 4 per cent. to 2½ per cent. per annum.

\$174,624,150
167,021,800
159,876,800
146,833,800
135,289,850

U. S. TREASURY DEPARTMENT,
September 26th, 1887.

(Signed)

E. B. ELLIOTT,
Government Actuary.

THE ALDRICH BILL.

Introduced by Mr. Aldrich on January 14, 1884.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized to receive at the Treasury from time to time, subject to such regulations as he may prescribe, any bonds of the United States bearing four or four and one-half per centum interest, and to issue in exchange therefor an equal amount in bonds of the United States (coupon or registered), of such form and denomination as he may prescribe, bearing interest at the rate of two and one-half per centum per annum, payable quarterly. Such bonds shall be exempt from taxation by or under State or municipal authority, and shall become payable at the same dates at which the four or four and one-half per centum bonds for which they are exchanged are payable, namely, on the first day of July, nineteen hundred and seven, for bonds exchanged for four per centum bonds, and the first day of September, eighteen hundred and ninety-one, for bonds exchanged for four and one-half per centum bonds: *Provided*, That the two and one-half per centum bonds herein authorized, issued in exchange for four per centum bonds, shall not be called in and paid so long as any bonds of the United States heretofore issued bearing a higher rate of interest shall be outstanding and uncalled; and the last of such bonds originally issued under this Act, or the

substitutes issued therefor, shall be first called in, and this order of payment shall be followed until all of such bonds shall have been called in or paid.

SEC. 2. That in consideration of the reduction of interest effected, the Secretary of the Treasury is hereby authorized to pay, out of any money in the Treasury not otherwise appropriated, to the holders of United States four or four and one-half per centum bonds exchanged for the two and one-half per centum bonds authorized by the preceding section, a sum equal in each case to the aggregate present worth at the time of exchange of the portion of the several quarter-yearly payments of interest from which the United States is released by such exchange: *Provided*, That in ascertaining such present worth interest shall be computed at not less than three per centum per annum, reinvested quarter-yearly; and the four and four and one-half per centum bonds received in exchange shall cease to be evidence of indebtedness against the United States, and shall be canceled and destroyed: *Provided further*, That the payments authorized by this section may be credited to and form a part of the sinking-fund of the United States provided by existing law.

SEC. 3. That when any National banking association shall deposit with the Treasurer of the United States, in the manner provided by law, the two and one-half per centum bonds authorized by this Act, or any bonds of the United States bearing a higher rate of interest, as security for its circulating notes, the association making such deposit shall be entitled to receive circulating notes, in manner, form and denominations authorized by law, not exceeding in amount the par value of the bonds so deposited; and at no time shall the total amount of notes issued to any such banking association exceed the amount at the time actually paid in of its capital stock.

SEC. 4. That all laws and parts of laws inconsistent with the provisions of this Act are hereby repealed.

THE HEWITT BILL.

Introduced in Congress December 13, 1886.

SECTION 1. That out of any money in the Treasury not otherwise appropriated, the Secretary of the Treasury is hereby authorized and empowered to anticipate the payment of so much of the interest on the interest-bearing bonds of the United States as shall be in excess of the rate of 3 per cent. per annum by the payment in gross of such sums in each case as shall be equal to the aggregate present worth of such excess at interest thereon. And for the purpose of ascertaining such present worth, the interest upon the amount paid by the United States in anticipation of such excess of interest shall be computed at the rate of 3 per cent. per annum, reinvested quarterly, so as to secure to the United States the benefit of computed interest thereon.

SECTION 2. That when such payment of interest in anticipation of the maturity thereof shall have been accepted by any holder of the bonded indebtedness of the United States, the bonds shall be distinctly stamped and properly indorsed in such manner as the Secretary of the Treasury may prescribe, so as to show the reduced rate of interest thereafter to be paid thereon, and the coupons, if any, shall be cut off and canceled, and for the coupons so canceled shall be substituted new coupons bearing the reduced rate of interest, and the bonds so stamped shall be receivable by the Comptroller of the Currency as security for the issue of the circulating notes of any National banking association to the full extent of the par value of said bonds instead of 90 per cent., as now required by law.

SECTION 3. That it shall be lawful for the Secretary of the Treasury to deposit from time to time with any National banking association any portion of the money in the Treasury not otherwise appropriated upon the security of an equal amount of the bonded or other indebtedness of the United States; provided the whole amount of special deposits thus made shall not at any time exceed \$100,000,000, and all such deposits shall be subject to call upon such notice as the Secretary of the Treasury may see fit to prescribe.

FINANCIAL MATTERS IN CHICAGO.

[From the Journal's Chicago Correspondent.]

Chicago and the West generally have been less troubled by the stringency of the money market than the East. The market has been strong, and borrowers who in August paid only 6 per cent. were glad to get funds for 7 during September. Many irregular borrowers were refused accommodation at the banks, which confined their lending almost exclusively to their own customers. Yet there was no squeeze, and persons in legitimate business have got along very comfortably. There has been very little local speculation, and the quantity of agricultural products carried here is small; otherwise there might have been some trouble. The regular rates charged at the banks are 6 per cent. for call and 6, 7 and 8 for time. It is only to customers whose accounts are very valuable or who present exceptionally good collateral that bankers lend at 6. The great aggregate of ordinary mercantile paper goes at 7.

It will be readily understood by observers of the course of business that one of the leading causes of the advance in the rates for money here is the absorption of large amounts of Eastern capital in corporate enterprises. It has been a very common thing among our business men in past years to borrow heavily in Boston and New York. Those cities now have little or no money for Chicago use. All of Chicago's business, therefore, has to be done with Chicago money. More than this, even Eastern

cities have of late borrowed in Chicago. Houses that have offices in both cities call on the Chicago banks for funds to be used in the Metropolis. Our banks discriminate against such loans when they can on the ground that all their money is needed for home use. Many direct applications have been made by Eastern people for loans here. This is a remarkable state of things, considering that in past years Chicago has been so dependent on the East for capital. Occasionally Chicago paper which has never before been seen in this city makes its appearance, and business men here are surprised at the high rates their neighbors are willing to pay. Some such paper has been offered at 10 per cent. interest. It was good paper, too, and had our bankers been in a position to lend to any outsiders they would have taken it. Some loans have been made in other cities, such as St. Louis, Minneapolis and Toledo, on wheat receipts and other first-class collateral.

Private lenders have taken advantage of this great demand for money, and good loans have been made as high as 8 per cent. The notes of excellent houses are found among these loans. These houses have received all the accommodations they can get at their banks and are obliged to go on the street for any further funds. But there are other concerns borrowing from private individuals, because they can get the money below bank rates.

But perhaps the most striking peculiarity of the market is the amount of borrowing through note-brokers. This class of men have been of comparatively small consequence here in past years. Their sales were formerly made almost exclusively in the East, but their customers are now chiefly in Chicago and other Western towns. It is easy enough to see why they have lost their Eastern market—the capital has been taken up by railroads and other corporate enterprises—but where the money of the Western people for such investments comes from in such quantities is not so well understood. Some observers have inferred that the farmers are getting out of debt and laying up money, but it is difficult to see how they can do that with prices of agricultural products so low; and others say they have mortgaged their farms, and this money is a part of the proceeds. The more rational explanation is that the immense amount of railroad building in the West has distributed money freely, and those who have received it are investing it in this mercantile paper.

There is no doubt more poor paper afloat in Chicago than for many months, yet the expansion of credit has not yet reached a dangerous point apparently. Very little paper that never should have been made reaches the banks. It is useless to present it there. It goes to the note-brokers. There is a sharper discrimination than usual. Nevertheless, there are people who are willing to lend at 8 to 10 per cent. to small houses which already have too many notes out. It is well that attention be called to the tendency among certain of our merchants to borrow without any very distinct idea as to how they are going to pay. It is not believed that the quantity of accommodation paper afloat is yet large.

It is thought that irrespective of anything the Treasury Department may do, the money market in the West will be easier thirty days hence than it is now. Business affairs are already adjusting themselves to the changed condition of affairs, and many enterprises that have all along depended on easy money will be given up. Meanwhile legitimate trade has not been seriously affected. New York exchange has, however, been almost constantly down to the point at which it pays to move currency from the Metropolis. Meanwhile the shipments of current money from this city to the country towns have reached a large volume. More gold than anything else has been sent out, as it is difficult to get small bills, and silver dollars are not wanted. The movement is by no means on so great a scale as that of last year. The bulk of the funds goes to Minneapolis, St. Paul and other towns in the spring wheat region.

The closeness of the money market has greatly depressed local securities. People will not buy a 5 per cent. bond at par when they can lend to merchants at 7 or 8. The gas and street railway stocks have taken the lead, but almost everything in the way of securities has gone down. There is yet no speculation in the Gas Trust certificates. A quarterly dividend of 1 per cent. will be declared in October, and that with the probable listing of this security on the New York Stock Exchange is expected to give it a higher price.

The mortgage of the Chicago Gas Light & Coke Company, amounting to \$10,000,000, has been executed. Of this amount \$7,650,000 is to be issued at once, \$3,650,000 having been taken by Drexel, Morgan & Co. for sale abroad. The bonds pay 5 per cent., and

were placed at 95. The amount of money brought into the city by the Philadelphia syndicate, who are interested in our street railway and gas companies, will be \$15,000,000 or \$20,000,000, provided their proposed purchase of the West Division Road is consummated. It is said that the \$4,000,000 necessary for the purpose is on deposit here.

The Union Stock Yards Company has reduced its dividend from 9 to 6 per cent. Considerable quantities of the stock of the American Exchange National Bank have changed hands at 110 (or 80 assessment unpaid). The Germans appear to be getting control of the institution.

Our stock speculators are generally bearish. N. B. Ream and N. S. Jones have made large sums selling the market. Some large losses have been suffered by holders of Chicago & Northwestern, and it is said that considerable investment stock has been sold. B. P. Hutchinson, however, buys this stock freely when it goes down. He has recently offered to lend largely on it. Armour still expresses the utmost confidence in St. Paul, and he believes that the recent scare in the stock market was groundless.

Mercantile business is on the whole in excellent condition, and the banks are making more money than in any previous year in their history. H. C. B.

GENERAL BANKING LAW OF MICHIGAN.

On February 23, 1887, Senator Geo. C. Monroe, introduced a bill in the Senate of Michigan to revise the laws authorizing the business of banking, and to establish a Banking Department for the supervision of such business. The bill was referred to the Committee on Banks and Incorporations, and on May 19 that Committee reported favorably upon the measure. Under the existing banking laws of Michigan the State banks report to the State Treasurer, but the committee says that the powers conferred on that officer are not, and never have been, sufficient either in definition or scope to secure such thorough supervision as would amount to anything like an adequate protection of the depositors, customers or stockholders, nor indeed such as to secure ample justice to the banks themselves. In fact, they report that there is a necessity for the establishment of a Department that shall be specially charged with the work of supervision of the banks in the State organized under State authority. This Department is to be presided over by an officer who is to be styled the Commissioner of the Banking Department. The feature of the bill which, in the opinion of the committee, renders it so desirable is that which provides for periodical examinations. The value of examinations is claimed to be two-fold—first to the public, and second to the banks themselves. It is claimed that, in the case of National banks, that the examination required by law not only is a safeguard to the Government and the customers and depositors, but that the Directors of those institutions are incited to more vigilance and frequently institute examinations for their own safety—becoming often very expert in such matters themselves. The other provisions of the bill are largely copied from the National banking laws. Reports of condition are required for past dates to be selected by the Commissioner. The expenses connected with the new law, including salaries of Commissioner and necessary help and the compensation of Examiners, are to be paid by fees paid by the banks themselves. The bill not only provides for commercial banks but also for savings banks, either separate or in connection with the former. When a commercial bank and a savings bank are combined, separate accounts are to be kept for each concern. The capital of savings banks, as well as that of commercial banks, is to be contributed by stockholders, who are liable to double the amount of their stock. The savings bank is not, therefore, a mutual affair, as in New York and many of the States, but is incidentally run for the benefit of the stockholders. The apparent decadence of the National banking system, owing to the rapid payment of the Government debt and the present high prices of United States bonds, have induced many of the States to revise and improve their banking systems, in anticipation that State banks will soon entirely supersede the National associations. The Legislature of the State of Michigan, soon after it was admitted to the Union in 1837, passed a general banking law, but most of the banks organized under it soon failed, and the experience made such an impression that no new general banking law was passed until 1857. In 1850 a new Constitution was adopted by the State, which forbade the issue of special charters, and also that before any general banking law could go into effect it must be ratified by the vote of the people at a general election. This Constitution provided that the stockholders of banks issuing circulation should

be individually liable to the amount of their stock, but when a general banking law was finally adopted by popular vote in 1858 no banks issued circulation under it, and, therefore, the constitutional provision as to individual liability did not apply to any of them. In 1871 this law was amended so as to include the organization of savings banks. Another law, passed in February, 1850, and amended in 1875, regulates the business of private bankers. The bill now before the Michigan Legislature is, therefore, not so much a new law as an amendment of that in existence with the design of making it more suitable for the demands of modern banking. In many respects the law follows the forms of the National Banking Act, which was in effect a compilation of some of the best provisions of State banking laws previously existing. In regard to real estate, the provisions of the bill are more liberal than those of the National banking law, as under it banks both commercial and savings are allowed to invest 50 per cent. of its paid in capital in banking house and other apartments for rent. In some respects the provisions adopted from the National banking law are made clearer, while other provisions, the true interpretation of which is a matter of much legal controversy, are adopted without change. The provisions in regard to the organization of banks leave the point of time from which the period of succession begins to run very much in doubt. The enumerated powers of the banks are also left in the same state of indefiniteness that prevails.

DEATH OF JOSEPH PATTERSON.

Joseph Patterson, President of the Western National Bank and of the Philadelphia Clearing-House Association, died at his home, on Prospect avenue, Chestnut Hill, at 7:40 A. M., on September 25th. Mr. Patterson went home on the 20th suffering, apparently, from indigestion, and a complication of disorders ensued. These did not yield to treatment, on account of his advanced age, and death was caused by exhaustion. Previous to Thursday night he suffered considerably, but after that he was free from pain. His mind remained clear until within a few minutes of his death, and as late as Friday he conversed on financial matters. Mr. Patterson was about eighty-four years old, and was born in Norriton township, four miles above Norristown, on the Schuylkill River. His father, John Patterson, was a native of Ireland, and came to America in 1798. His mother was Elizabeth Stuart, the only daughter of Col. Christopher Stuart, an officer in the Revolutionary army, who was second in command at the storming of Stony Point.

When he was very young, Mr. Patterson came to Philadelphia and went to school. Among his mates were John Welsh, with whom he then began a life-long friendship. At the age of sixteen years he entered the wholesale dry goods house of Thayer, Bryan & McKee, in Market street, near Sixth, and, after serving that house several years, engaged in the same business for himself. In August, 1842, he gave up mercantile pursuits to become President of the institution which is now the Western National Bank, although afterwards he was largely engaged as a dealer in and shipper of anthracite coal, and owned large collieries in Schuylkill County.

When he became President of the bank the country was just recovering from the effects of the panic of 1837, but when it became a National bank, in 1864, a dividend of 100 per cent. was declared out of the profits accumulated during his administration.

On the 15th of August, 1861, Mr. Patterson participated in the conference between Secretary of the Treasury Chase and representatives of the banking interests of Philadelphia, New York and Boston, held in New York. The Secretary asked for a loan of \$50,000,000 in gold to aid in defraying the expenses of the war.

In view of the alarming condition of the nation's finances, the assembled bankers hesitated to accede to his request. Mr. Patterson then made an appeal in behalf of the Government, which convinced those present that they should furnish the needed money, and the associated banks of the three cities loaned the Government at that time \$50,000,000 at par, and later in the same year \$100,000,000 more. From that time the Secretary was accustomed to consult Mr. Patterson regarding the financial policy of the Government, and his successors in office down to the present time have followed his example and availed themselves of Mr. Patterson's advice and experience.

In 1869 Mr. Patterson became President of the Philadelphia Clearing-House Association, and filled that position until his death. He was also an active member of its Executive Committee.

Twice he declined to become Comptroller of the Currency of the United States. When the National Banking Act was passed, Secretary Chase wished him to be the first Comptroller; the other tender of the position was made under a later administration. He also declined the position of Assistant United States Treasurer for Philadelphia.

In 1876 he was a member of the Centennial Board of Finance. In the same year he was appointed one of the Commissioners for the erection of the Norristown Hospital for the Insane. He was elected President of the Commission and gave much time and attention to the management of the trust committed to him and his associates. Mr. Patterson was an active member of the Presbyterian Church and connected with various charities. For many years he was a Manager of the House of Refuge, a Director and Vice-President of the Pennsylvania Institution for the Deaf and Dumb, a Vice-President of the American Sunday-School Union and a Trustee of the Jefferson Medical College.

The memorial to the late John Welsh engaged Mr. Patterson's attention to a large degree. He was Chairman of the Executive Committee of the contributions and made the address on their behalf when the memorial was transferred to the Park Commission.

Mr. Patterson married a daughter of the Rev. Dr. Cornelius C. Cuyler, of Philadelphia. She died many years ago. The surviving children are C. Stuart Patterson and Theodore Cuyler Patterson, of the Philadelphia Bar; Miss Patterson and Mrs. John C. Sims.

NATIONAL BANK STATISTICS.—Statement of the Comptroller of the Currency on October 1, 1887, showing the amount of National Bank notes outstanding, the amount of lawful money on deposit with the Treasurer of the United States to redeem National Bank notes, and the kinds and amounts of United States bonds on deposit to secure circulation and public deposits:

NATIONAL BANK NOTES.		
Total amount outstanding September 1, 1887.....		\$274,018,900
Additional circulation issued during the intervening month:		
To new banks.....	\$614,150	
To banks increasing circulation.....	830,890	
Total.....	\$1,435,040	
Surrendered and destroyed during the intervening month.....	2,801,439	
Decrease in total circulation during the month.....		1,366,399
Total amount outstanding* October 1, 1887.....		\$272,652,501
Decrease in total circulation during the preceding 12 months..	30,559,651	
Circulation secured by United States bonds (as below):		169,931,680
Decrease during the preceding month.....	19,705	
Decrease during the preceding 12 months.....	64,751,056	
Amount of outstanding circulation represented by lawful money on deposit with the Treasurer of the United States to redeem notes of—		
Insolvent National banks.....	829,786	
Liquidating National banks.....	7,913,748	
National banks reducing circulation under Section 4 of the Act of June 20, 1874.....	44,482,071	
National banks retiring circulation under Section 6, Act of July 12, 1882.....	49,495,216	
Total lawful money on deposit.....		\$102,720,821
Decrease in aggregate deposit during the preceding month.....	1,346,694	
Increase in aggregate deposit during the preceding 12 months.	34,191,404	
U. S. REGISTERED BONDS ON DEPOSIT.		
	To secure Circulating Notes.	To secure Public Deposits.
Pacific Railroad Bonds, 6 per cents.....	\$3,256,000	\$225,000
Funded Loan of 1891, 4½ per cents.....	70,030,850	9,664,500
Funded Loan of 1907, 4 per cents.....	116,214,250	17,487,500
Funded Loan of 1882, 3 per cents.....	216,000	650,000
Totals.....	\$189,717,100	\$28,027,000
* Circulation of National Gold Banks not included in the above.....	\$241,349	

W. L. TRENHOLM, Comptroller of the Currency.

BANKING AND FINANCIAL NEWS.

THIS DEPARTMENT ALSO INCLUDES: OPEN LETTERS FROM BANKERS, THE WORLD OF FINANCE, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

Commissioner's Report.—Commissioner Muirhead, the master appointed to investigate the management of the Savings Institution of the city of Rahway, N. J., which failed in 1878, has made his report. He finds that there was reason for some of the charges brought against the managers, condemns them for some of their acts, and concludes that the bank's affairs should be closed up at once.

The Security Bank, of Kingman, Kas., was established in 1878. It has been engaged in a general banking and collection business, and has a mortgage, loan and bond department under the special charge of the President, James P. Mead. Perhaps for those who desire to make investments of this kind there could be no better way than to do so through a responsible bank doing this kind of business. See advertisement on another page of the JOURNAL.

Imports and Duties at Philadelphia.—The report of John Cadwalader, collector of the port of Philadelphia, shows that the total value of imports for the year was \$40,23,863, an increase of \$3,732,064 over that of 1884, and \$9,850,356 beyond that of 1885. The duties collected the fiscal year just ended aggregated \$17,000,713.25, an increase of \$3,117,806.02 over the previous year, and \$5,399,967.44 above those of 1885. The duties on sugar alone during the past year were \$8,896,509, an increase over 1885 of \$2,212,456.

A Case of Interest to Banks.—A decision has been reached by the Supreme Court of Massachusetts in the case of William C. Cotton, executor of the will of Arria Cotton vs. Atlas National Bank, the same being a bill in equity to procure the return of the \$42,000 worth of stocks held by defendant as collateral security for a note of Frank B. Cotton, a son of said Arria Cotton, who had pledged the same to the bank at her son's request. The note was twice renewed, and it was claimed by plaintiff that this fact operated to release the security. This position is not sustained by the Court, and, in dismissing the bill, the Court says that it appeared in the evidence that the testatrix knew everything about the transaction, and that she was in fact the real debtor, as the money was practically procured by her in order that she might loan it to a third party.

Schedule of Ives' Affairs.—William Nelson Cromwell, assignee of Henry S. Ives & Company, filed on September 6, the schedule showing the assets and liabilities of that firm. The liabilities amount to \$17,656,175 and the nominal value of the assets to \$25,664,268. The actual value of the latter as estimated by the assignee is \$11,122,016. The liabilities consist of \$9,580,116 to unsecured creditors; \$5,402,244 to secured creditors on loan amounts; \$1,673,820 to secured creditors on bills payable, and \$1,010,000 stocks loaned. The assets consist of stocks of nominal value of \$22,703,804 estimated worth \$8,411,687. Bonds nominal value \$1,249,600, estimated worth \$1,219,695. Debts due, \$401,029 estimated to be worth \$298,885. Bills receivable \$1,196,609, estimated worth \$1,086,310; sundry assets, nominal value \$58,075, actual value \$51,189; borrowed stock \$54,250, worth \$54,250.

Gold Out of New York Banks.—When there first began to be talk in Wall street about embarrassments to the Bank of Nevada \$3,000,000 of gold suddenly disappeared from New York banks. It was officially denied that it had gone to Mr. Mackay's bank and the denial was backed up by convincing proof.

The money went West to protect San Francisco banks that have New York agencies, it being feared that the threats of trouble to the Bank of Nevada might lead to a run on these other conspicuous banks. One of these was the Bank of California, whose Wall street branch forwarded \$1,500,000 in gold. The Seligmans sent to their correspondents \$500,000 and Lazard Freres forwarded \$1,000,000. All of this money, for

which it proved there was no such urgent need as had been feared, has remained in San Francisco idle ever since.

Some Peculiarities of Trade in Mexico.—There are three prominent kinds of business houses in Mexico—the “Ropa” (houses making textiles their specialty), the “Ferreteria” (houses which sell everything appertaining to metals and sometimes glass and arms), and the “Abarrotes” (houses dealing in wines, liquors, preserves, produce, candles, etc. There may be added to these the chemists, and a few others dealing in glassware and weapons. The textile houses, formerly in the hands of the Germans, have been mostly secured by French manufacturers of Barcelonnette (Lower Alps), thanks to their untiring efforts and the good name they bear in Paris, where they can easily command a credit of 400,000*f.* to 500,000*f.* A distinguishing characteristic of these houses is that they render each other help when needed, which is of great material advantage to them. The “Ferreteria” houses are all in the hands of Germans, whilst the Spaniards constitute the majority in the “Abarrotes” business. The Mexican trade is almost wholly in the hands of Paris, Liverpool, London, and Hamburg commission houses, and in some cases Mexican houses have a resident partner in one of these cities.

Stolen Bonds.—The following is the list of securities stolen from the Saco & Biddeford Savings Institution by Frank C. McNeally, for whose arrest and conviction a reward of \$2,500 is offered. Five thousand dollars reward is offered for the recovery of the securities:

Thirty-seven United States registered bonds of \$5,000 each, V Letter A, 4 per cent. U. S. consols, payable July 1, 1907, Nos. 18,927, 18,928, 20,063, 20,064, 21,199, 21,200, 21,872, 21,894, 22,131, 22,132, 22,155, 22,452, 24,361, 24,362, 24,363, 24,364, 24,365, 24,456, 24,457, 24,458, 24,459, 24,460, 24,461, 24,565, 24,566, 25,190, 25,191, 25,197, 25,305, 25,306, 25,307, 25,308, 25,309, 25,310, 26,147, 26,351, 26,345; \$11,000 city Fall River (Mass.) 6*cs*, due 1905, Nos. 1,323 to 1,335 inclusive, and No. 1,462; \$6,000 Cleveland city 6 per cent., due 1895, Nos. 408 to 408 inclusive; \$26,000 St. Louis city 6 per cent., Nos. 8, 9, 26 to 38 inclusive, 712 to 720 inclusive, 6,532, 854; \$5,000 Maine Central 7 per cent., consolidated, Class B, Nos. 2,185 to 2,189 inclusive; \$19,000 Eastern Railroad 6 per cent. bonds, due 1906, Nos. 3,065 to 3,083 inclusive; \$7,000 Mad River & Lake Erie (now Cincinnati, Sandusky & Cleveland) 6 per cent., due 1900, Nos. 587, 592, 593, 594, 786, 787, 798; \$6,000 Portland Water Co. bonds, due 1888, Nos. 1,023, 1,029, 1,080, 1,081, 1,082, of \$1,000 each; Nos. 109 and 281 of \$500 each.

The Chinese Bank and Concessions.—The alleged Count Mitkiewicz who is the head centre of the great American-Chinese-Bank Telephone-Railroad syndicate, from his financial record excites astonishment in that he, without having been accredited in any way either publicly or privately by any one in the United States, should have been able to obtain from the Chinese Government, the privileges claimed. The English and Germans have for a long time been seeking to gain some business foothold in China without being able to obtain any satisfactory recognition from the Chinese Government. If there is any foundation whatever to the claims of Mitkiewicz, it must be that he is merely permitted to employ American capital in China at its own risk. That is, the Government takes no interest in or grants no protection whatever to it. If the prejudices of the people or any outcry against foreign investments should arise there is nothing to prevent the Chinese Government from confiscating the whole thing, or ordering those who might be so foolish as to invest in Chinese property to surrender it for state reasons. The Chinese fear Governments that like the English and German have a strong foreign policy. They might be more partial to American capital because less likely to involve them in a foreign war.

Commercial Check on Trade Gambling.—The Rotterdam Chamber of Commerce appears to have recognized at a distance, without any immediate experience, the evils of trade gambling, so prevalent on the American business and financial exchanges. A remedy has been applied immediately upon the appearance of the disorder in Rotterdam. The annual report of the Chamber for the year 1886, contains the following of its introduction and the means adopted for its cure:

The year 1886 saw the first time bargains in Java coffee in this market. It has been thought prudent to put some restriction to this way of doing business, and to prevent our market from degenerating into the state of things found at Havre and New York, where often in one day more coffee is sold than the whole stock amounts to. Consequently it has been arranged that these time-bargains cannot be concluded for a cer-

tain number of bags of coffee without giving further particulars, but only for a definite number of warrants of lots actually in stock. The broker through whom the business is done, has to specify the numbers of these warrants in the contract, thereby giving the buyer the disposal of a definite quantity of coffee. In this way there is no danger that an imaginary quantity of coffee changes hands; the same warrants cannot be sold to different parties at a time and the number of bags represented by the warrants really exists.

Run on the Binghamton Savings Bank.—On September 13 a crowd of politicians gathered on the bank corner prior to the meeting of a county convention. Some of the depositors in the bank thought that they were drawing out money, and a story soon started that the bank was insolvent. Then a run occurred in earnest, and before the close of the day about \$350,000 had been drawn out. The curious part of this incident is that there was no real cause for the panic. The bank was well managed and perfectly solvent. Its total assets were \$965,519, and there was \$909,421 due depositors. The investments of the bank were made under the safeguards of the New York Savings Bank Law, and most of them could be turned into cash within forty-eight hours. The real condition of the bank had no effect on the minds of the panic-stricken depositors. They all rushed blindly after their money, precipitating, if it had been possible, the very thing they dreaded. Confidence was, however, gradually restored, as the bank steadily continued to meet demands. There was to be seen the depositor who, finding that the bank had the money, didn't want it. One individual, supposed to be destitute, supported for some time by the Catholic Church, was seen by the priest to emerge with a sum of money. No doubt the reports of bank failures and defalcations, so promptly reported by the newspapers, have much to do with the substratum of suspicion of the banks which seems to lurk so persistently in the minds of the public.

On September 22, the following circular was issued by the Treasury Department:

DIVISIONS OF LOANS AND CURRENCY, TREASURY DEPARTMENT, }

OFFICE OF THE SECRETARY.

WASHINGTON, D. C., September 22, 1887.

On and after this date the Government will purchase daily until October 8, 1887, at the office of the Secretary of the Treasury, to be applied to the sinking fund, United States 4½ per cent. bonds of 1891 and 4 per cent. bonds of 1907, acts of July 14, 1870, and January 20, 1871, upon the following terms: The 4½ per cent. bonds will be accepted at one hundred and eight and four-tenths (108 4/10) during the above stated period, and the 4 per cent. bonds during the remainder of the present month at one hundred and twenty-five (125) and from October 1, to October 8, 1887, at one hundred and twenty-four (124), which prices include accrued interest to date of purchase.

The aggregate amount of both classes of bonds which will be accepted within the time above specified is not to exceed \$14,000,000.

Offers should state the specific character of the bonds, whether registered or coupon.

No further bids for bonds as provided in Circular No. 90, dated August 3, 1887, will be received after this date.

Interest due October 1, 1887, on United States bonds, amounting to about \$6,500,000, will be paid on the 23d inst. without rebate.

(Signed) HUGH S. THOMPSON, Acting Secretary.

On the day of the issue of the circular \$3,494,700 in bonds were offered and purchased of which \$694,700 were 4½, and \$2,800,000 4 per cent. bonds. The names of sellers are quite advisably not made public. On September 23d, \$1,835,650 were purchased of which \$791,850 were 4½s and \$1,044,000 were 4 per cent. bonds; on the 24th the amount purchased was \$1,900,350, \$522,650 4½s and \$1,377,700 4s.

Holiday Law of Virginia.—The following is the text of the latest enactment in regard to holidays in Virginia, approved March 6, 1886:

Be it enacted by the General Assembly of Virginia, that Sections 3 and 4 of Chapter 151 of the Code of Virginia, edition of 1873, be amended and re-enacted so as to read as follows:

Section 3. The following days, namely, the 1st day of January, commonly called New Year's Day; the 22d day of February, commonly called Washington's birthday; the 4th of July, called Independence day; the 25th of December, known as Christmas Day, and any day appointed or recommended by the Governor of this State, or the President of the United States, as a day of thanksgiving or of fasting and prayer, or other religious observance, shall for all such purposes whatsoever, as regards the presenting for payment or acceptance and of the protesting and giving notice of

dishonor of bills of exchange, promissory notes, bank checks and negotiable notes, made after the passage of this Act, be treated and considered as the first day of the week, commonly called Sunday, and as public holidays; and all such bills, checks and notes otherwise presentable for acceptance or payment on any of said holidays, or on any Sunday, shall be deemed to be presentable for acceptance or payment on the secular or business day next preceding such holiday or Sunday.

Whenever the 1st day of January, the 22d day of February, the 4th day of July, or the 25th day of December shall fall on Sunday, the Monday next following shall be deemed a public holiday for any and all purposes aforesaid; provided, however, that in such case all bills of exchange, checks, negotiable and promissory notes, made after the passage of this Act, which would otherwise be presentable for acceptance or payment on said Monday shall be deemed to be presentable for acceptance or payment on the business or secular day next preceding.

Laying the Corner Stone of the Consolidated Exchange.—The following was the programme of this interesting ceremony which took place on September 8th. At 3:15 o'clock the members of the Exchange formed in procession in front of their present business quarters on Broadway, and under command of General Phillip H. Briggs and headed by Dodworth's Thirteenth Regiment Band, marched around the sister Exchanges and back to the site of their new building. The ceremonies were opened by the presentation of the site by the Vice-President of the Building Company to the President of the Exchange for the purpose of laying the stone, which was followed by an acceptance of the same by the President. The following programme was then most successfully carried out: Prayer—Rev. Dr. J. H. Rylance. Hymn "America"—Exchange Glee Club and Band. President's address, followed by the laying of the corner-stone. Oration—Hon. Frederic R. Coudert. Addresses by the Hon. Algernon S. Sullivan; Mr. Miller, President of the Cotton Exchange; Hon. D. D. Whitney, Mayor of the City of Brooklyn; Orestes Cleveland, Mayor of Jersey City; C. L. Wheeler, President of the Bradford Oil Exchange; George Drakeley, Secretary of the Coffee Exchange, and Senator S. M. Griswold. The addresses were followed by a closing prayer and benediction by the Rev. Dr. Joseph H. Rylance, after which the hospitality of the Exchange was extended to a host of friends in the large dining rooms of the Hoffman Cafe, where the prosperity of the Exchange and the success of the new building was pledged and repledged in the most approved style.

The contents of the metallic box placed in the corner-stone are as follows: Copy of the Constitution and By-Laws, list of officers of the Exchange since its organization, list of the present members, names of the Building Committee, names of the architect and of the contractors for the principal parts of the building, a copy of the plans and specifications of the new building; the following New York papers of Sept. 8, 1887; *Journal of Commerce*, *Commercial Advertiser*, *Daily Commercial Bulletin*, *Herald*, *World*, *Tribune*, *Times*, *Sun*, *Star*, *Daily News*, *Mail and Express*, *Evening Post*, *Wall Street Daily News*, *Stockholder*, *Daily Investigator*, *Daily Graphic*, *Daily Indicator*, and *Financial Chronicle*, and *Mining Record* of Sept. 8, 1887; Annual Report of Consolidated Stock and Petroleum Exchange (fiscal year ending May 31, 1887), New York Produce Exchange Annual Report for 1886, New York Cotton Exchange Annual Report for 1886, blanks for margins, set of blanks of Consolidated Clearing Company, set of United States silver coin.

The plan of the building has been given heretofore in the JOURNAL.

Reforms Recommended by Committee of Stock Exchange.—Some months ago the New York Stock Exchange appointed a special committee to ascertain the causes of the depression existing in the business of the Exchange, and to suggest a remedy therefor. They recently reported, at a meeting of the Governing Committee, a series of amendments to the Constitution, providing for quite radical changes in the methods of doing business. The report was adopted by the Governing Committee by a large majority, and this action has been sustained by the members of the Exchange. The object of the proposed changes is to make the terms and conditions of doing business in the Stock Exchange easier and less expensive to the customers of the members. The rapidly-growing number of those who find pleasure, if not always profit, in dealing in stocks and bonds, often of small means, led to the establishment of the Consolidated Exchange with a lower rate of commission and a system of clearing contracts by which a greater amount of business could be done on a small

cash capital. Beyond this, there are the bucket shops, which do business in a manner offering even greater temptation to customers of small means. The proposition is now to adopt the London Stock Exchange system of clearances and of fortnightly settling days. The rates of commission are to be reduced from one-eighth of one per cent. to one-sixteenth.

The settling days are fixed for the 5th and 20th of each month, on which days all transactions are to be cleared and differences settled, but arrangements are made for carrying a transaction from one settling period into another. An Auditing Committee of five members is to be appointed to have charge of all matters relating to the clearances, and it shall meet every week.

Other amendments permitting brokers to establish branch offices and allowing banks, bankers and brokers having regularly-established offices for the transaction of business to become agents for members of the Exchange and to receive a percentage of the profits of such business have been proposed.

The Treasury Circular of October 22, relative to the purchase of bonds at fixed rates, revoked that portion of the circular of August 3 soliciting proposals of lowest rates at which holders would part with bonds. The results of this circular of August 3 to Wednesday, August 31st were given in the September JOURNAL. On September 7th the fifth lot of proposals were opened. The offers were as follows: E. H. Wood, of Aurora, Ind., \$1,000 registered at 108½; National Bank of the Republic, Washington, \$22,500 registered at 108½; Providence Institution for Savings, Providence, R. I., \$250,000 registered and \$100,000 coupon at 108; James P. Kohler, New York, \$500,000 registered at 108½; Maverick National Bank, of Boston, \$33,000 registered and \$7,000 coupon at 108.44; Paul Fenn, of New York, \$25,000 registered and \$75,000 coupon at 108.49; W. J. Wilson, New York, \$100,000 registered at 110; Sailor & Stevenson, Philadelphia, \$10,500 coupon at 108½; A. S. Rosenbaum & Co., New York, \$25,000 registered at 108.40; White, Morris & Co., of New York, \$30,000 registered at 108.49, \$30,000 coupon at 108.74, and \$30,000 coupon at 108.99; A. S. Pratt & Son, Washington, \$12,500 registered at 108½; Harvey Fisk & Sons, New York, \$1,500,000 registered at 108.22; Lewis Johnson & Co., Washington, \$14,000 registered at 108½.

Those offers were all regarded as too high by Assistant Secretary Thompson, and none of them were accepted.

On September 14th the proposals aggregated \$5,175,900, of which \$4,080,000 were registered and \$1,095,900 were coupon. The prices asked ranged all the way from 107 98-100 to 110. The largest single offering was \$3,500,000, by Harvey Fiske & Sons, of New York, at 108. All of the proposals at and below this figure, and one small lot of \$30,000 at 108½, making in all \$4,199,500, were accepted. The successful bidders were the Providence Institution for Savings, \$350,000 at 108; Rhode Island Hospital Trust of Providence, \$200,000 at 108; Chauncey & Gwynne Bros., of New York, \$25,000 at 108; Maverick National Bank of Boston, \$35,000 at 107 98-100; E. H. Ward, of Aurora, Ind., \$1,000 at 108; Reddle & Davis, of New York, \$30,000 at 108 25-100, and Harvey Fiske & Sons, \$3,500,000 at 108.

On September 21st the proposals amounted to \$1,370,300, of which \$1,065,300 were accepted.

The history of the circular of August 3 sums up as follows:

	Bonds offered.	Accepted.
August 10th	5,422,000	250,000
August 17th	8,233,700	2,990,000
August 24th	7,143,000	3,125,000
August 31st	3,450,200	401,700
September 7th	2,775,500	None.
September 14th	5,175,000	4,199,500
September 21st	1,370,300	1,065,300
	33,905,400	11,955,300

Law Against Compounding Felony.—A dispatch from Washington recently stated that in his next report to Congress the Comptroller of the Currency may include an important suggestion to the effect that the National Bank Act be so amended as to prevent, under severe penalties, the compromising by any bank of any case of misap-

proprietorship, embezzlement, misapplication of funds or anything else which now renders any officer or employee of a National Bank liable to a criminal prosecution under the acts now in force.

The sections of the Revised Statutes relating to the National Banks set out with great clearness and exactitude of language the various acts that are made criminal offences. Embezzlement or the tampering with any of the books, records or securities of a bank by any one connected with it, the counterfeiting of a bank note, the having in one's possession plates from which notes are printed, and, in fact, any other thing of the same character, are all severely punished. But nothing is said about a Cashier getting away with \$100,000 and the Directors agreeing not to prosecute him if he returns \$50,000. Compounding a felony is illegal, yet the Revised Statutes are silent on this point; and, in the compilation of the various sections made by the Comptroller of the Currency for the guidance of National bank officers, not a word is said about the subject. Yet, as a matter of fact, officers and employees have embezzled funds and escaped the penitentiary either because they stole enough to make a respectable showing by a compromise or else because their bondsmen made good the amount.

A case in point is that of Charles B. Ide, book-keeper of the First National Bank of Glens Falls, N. Y., an embezzler to the extent of \$18,000. "Ide will not be prosecuted," the dispatch concluded.

Acting-Comptroller of the Currency Abrahams said that the banks were not supposed to compromise cases of this kind, and it was certainly not in the interest of good morals to do so. The office of the Comptroller of the Currency, he said, was not charged with criminal prosecutions, but he thought it ought to be taken out of the power of a bank to grant immunity from a criminal prosecution, and it ought to be made incumbent on the bank to bring the criminal to justice.

The amusing part of this is the assumption that a bank can grant immunity from prosecution, or that the bank should bring the criminal to justice. What if the bank Directors do promise not to prosecute if the money is returned? Is it any the less the duty of the Department of Justice to do so when evidence of guilt is furnished to it by the Comptroller of the Currency or comes to it from any other source? The guilty act is not wiped out by the return of the money.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

- Comptroller Trenholm is taking a month's vacation.
- On September 20th, the surplus in the United States Treasury is \$50,380,000.
- The Citizen's National Bank of Concordia, Kansas, is to have a new building.
- Up to September 8, applications for pre-payment on \$90,680,150 of bonds had been received.
- Hundreds of well executed counterfeit silver dollars have been put in circulation on Long Island.
- The San Francisco papers boast that the value of the natural products of California exceeds that of any other State in the Union.
- The distillers of this country are losing their foreign trade very fast, owing chiefly to commercial treaties unfavorable to this country.
- The books of the First National Bank of Dansville, N. Y., are missing. The first step is to use up the funds and the next to destroy the books.
- The prices asked the Government for $4\frac{1}{4}$ per cent. bonds at the bidding on September 7th, averaged 1 per cent. higher than at the bidding of the previous week.
- The president and cashier of the First National Bank of Burlington, Col., were arrested in Kansas City, Mo., on August 26, charged with robbing their bank of \$40,000.
- A St. Louis banker expresses surprise that that city has not a single savings bank conducted on the Eastern plan, and he knows of no such institution west of the Ohio River.
- The statement of the condition of the savings banks of the State of New York, recently issued by the Banking Department indicates that the savings deposits of the

people of the state have increased to an amount \$26,500,000 greater than was shown by the report of the previous year. There are \$1,298,045 open accounts, and the amount on deposit is \$496,038,000.

— The State Bank of Lake Crystal, Minn., was burned out on September 15. The vault and safes were found to be safe and the bank is doing business as usual. They rebuild at once.

— One way to get bank directors to attend board meetings is to pay them regular fees for attendance. There is no reason why directors, who really direct should not have regular salaries.

— The report of Referee Cornelius A. Runkle, appointed to pass upon the accounts of Frederic P. Olcott, Receiver of the Wall Street Bank, charges Mr. Olcott with a balance of \$59,785.86.

— The actual state debt of Missouri at this date is \$10,385,000. Of this \$7,022,000 is in 6 per cent. bonds, and \$3,363,000 in 3¼ per cent. bonds. On the first day of January, 1873, the State debt was \$21,768,000.

— James C. Flood has resigned the presidency of the Nevada Bank of San Francisco, on account of ill health. His successor is Ex-United States Senator James G. Fair. George L. Brander, Vice-President also resigned.

— The Panama Canal shares have recovered some value owing to the belief that M. De Lesseps can induce the French Government to lend money to the enterprise. There is more chance of his success than is generally believed.

— Charles B. Ide, book-keeper of the First National Bank of Glens Falls, N. Y., is stated to be a defaulter to the extent of \$18,000. This will not affect the bank which has a large surplus. The money is said to have been lost in Wall Street.

— The assay office recently received a package of gold brought from Patagonia, from a man who sold a sailing vessel there and took the gold in part payment. It weighed over five ounces and was made up of grains gathered from the river sands by the natives.

— The Comptroller of the Currency has paid a final dividend of 10 per cent. with interest in full to August 18, 1887, in favor of the creditors of the City National Bank of Williamsport, Pa. The bank failed May, 1886, and the claims proved amounting to \$130,772 have been paid principal and interest in full.

— The gold held by the U. S. Treasury in its vaults is said to weigh 519 tons. The silver in the same vaults weighs 7,396 tons. These immense masses of the precious metals lying apparently as dormant and inert in the vaults of the Treasury as they did in the mines from which they were dug serve the same purpose in sustaining the financial fabric of the country, that the loadstone did in floating the flying island of Laputa, mentioned by the veracious Gulliver.

Mr. F. F. Webb, Assistant Manager of the Philadelphia Clearing-House, writes: "We consider it (the JOURNAL) by far the best publication of the kind which we receive."

Mr. E. W. Hazard, Cashier of the Bank of Hull, Iowa, writes: "We prize your JOURNAL very much. It is as full of practical information as a nut is of meat. Success to you in your efforts."

Mr. C. A. Hubbard, Cashier of the Lake City Bank, of Lake City, Minn., in renewing his subscription says: "We have been subscribers to the JOURNAL several years, and could not keep house without it."

Mr. Walter N. Carroll, formerly Cashier of the First National Bank, of De Smet, Dakota, and now doing a fine business as investment banker at the same place, writes: "Think you issue the best periodical devoted to the banking business."

Mr. S. G. Crandall, Cashier of the First National Bank, of Pomeroy, Washington Territory, writes: "I have taken the JOURNAL for some five years, and find that it grows better every year. Keep up the good work." Mr. Crandall's signature was among the difficult signatures given in the September number of the JOURNAL. The First National Bank, of Pomeroy, is building a new \$20,000 banking house.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

CERTIFICATES OF DEPOSIT AND PROMISSORY NOTES.

Editor Rhodes' Journal of Banking:

SIR:—In a decision of the Supreme Court of Ohio regarding a certificate of deposit, reported in the JOURNAL of August, it is said that a certificate of deposit possesses all the requisites of a negotiable promissory note, and, as such, is governed by the rules and principles applicable to that class of paper. There is, I believe, one point wherein a certificate of deposit differs from a promissory note. If there be several indorsements on a certificate of deposit and the first one—that of the payee—be forged, and the certificate be paid by the bank where it is payable, the bank has no recourse against the other indorsers; if, however, a note payable at a bank is paid with the indorsement of the payee a forgery, the bank has in the case of the note recourse against the indorsers subsequent to the forged indorsement. Is not this the case?

MILWAUKEE, August 22, 1887.

Yours respectfully,

SCRUTATOR.

Answer.—The rule that a banker paying a certificate of deposit on which the indorsement of the payee has been forged cannot recover back the money has been laid down by the Supreme Court of Missouri in *Stout vs. Benoit, et al.*, 39 Mo., 277, and wherever this rule is applied it constitutes a point of difference between the two classes of instruments, as stated by our correspondent. The reason of the rule is that a banker is in a position to know the signature of his depositor (the payee), and alone possesses the means of knowing whether the indorsement is genuine, and should bear the loss in preference to a stranger who has had no such means of knowledge. In the case of a promissory note payable at a bank whereon the indorsement of the payee is forged, here the banker has no means of knowing the genuineness of the payee's signature, and, consequently, may recover back the money paid in case the demand is made within a reasonable time. The rule in the case of *Stout vs. Benoit* is founded on the authority of *Price vs. Neal*, 3 Burr., 1,355, which held that a drawee who had paid two bills which turned out to be forged could not recover back the money, chiefly on the ground that he was presumed to know the drawer's handwriting. The justice of this rule, however, has been questioned by Mr. Daniel (2 Dan'l Neg. Inst., Sec. 1,361), who maintained that when the holder of an unaccepted bill, whereon the drawer's signature is forged, presents it to the drawee, he "represents, in effect, to the drawee that he holds the bill of the drawer and demands its acceptance or payment as such. If he indorses it he warrants its genuineness, and his very assertion of ownership is a warranty of genuineness in itself. Therefore, should the drawee pay it or accept it upon such presentment, and afterward discover that it was forged, he should be permitted to recover the amount from the holder to whom he pays it, or as against him to dispute the binding force of the acceptance, provided he acts with due diligence." The same reasoning applies to the case of a banker who has paid a certificate of deposit upon the forged indorsement of the payee, the latter standing in the position of drawer and the banker of drawee, and from what is here said it may be doubted if the rule will receive universal application.

Some of the Courts have found other points of difference to exist between certificates of deposit and promissory notes, and while in Wisconsin, Michigan and California certificates of deposit payable on the return of the certificate have been held to be in substance and legal effect promissory notes payable on demand, due as soon as issued without demand, and on which the Statute of Limitations commences to run from date, other cases have held that such certificates are not due until presented, and hence that the Statute of Limitations does not commence to run against them until such presentation. Some cases deny that certificates of deposit are promissory notes.

Thus, in *Shute vs. Pacific Bank*, 136 Mass., 487, the Court stated that a certificate of deposit payable on the return of the certificate properly indorsed, while having in most respects the incidents of a promissory note, and classed as such, differed from a common promissory note in important particulars. That a promissory note payable

on demand was due as soon as it was given; that an action might be brought upon it immediately without demand, and that the Statute of Limitations began to run against it from its date; whereas a certificate of deposit was not due until a demand was made and the certificate returned or tendered.

Also, in an article in the *Weekly Law Bulletin and Ohio Law Journal*, of September 5th, Mr. John F. Kelly, of Bellaire, Ohio, in commenting upon the decision by the Supreme Court of Ohio, published in our August number, maintains that certificates of deposit are not promissory notes. He says: "Deposits in banks are bailments and are of three kinds; (1) Evidenced by credit in the bank book and subject to check; (2) evidenced by certificate of deposit; and (3) special; wherein the deposit is to be returned in *individuo*. All are obligations to pay a certain sum, at a certain time, to a certain person; all are negotiable—the first by check or assignment, the others by the certificates which represent the deposits in whole or in part. Hence these evidences of deposit contain the elements of a promissory note, but are not in form or in fact notes. They are evidences of deposit, and when the question litigated is the negotiability or non-negotiability of the paper, and the liabilities arising therefrom, the rules and principles of the negotiability of commercial paper apply. * * * When the certificate contains words of negotiability and is a negotiable instrument, it is as to its negotiability governed by the same principles which control all negotiable instruments, hence the liability of an indorser is the same as upon an indorsement of any promissory note or other negotiable instrument. (Citing, 82 Wis., 85; 60 N. Y., 265; 25 Mich., 191; 22 Cal., 340.) But because it assimilates with a promissory note in the one point of negotiability it does not follow that in every point it is a promissory note, and is in truth and fact such an instrument."

COLLECTIONS FOR OUTSIDE PARTIES.

Editor Rhodes' Journal of Banking:

SIR:—In your September number you have a short article from the Collection Clerk of the Central National Bank, of this city, in reference to the "Dead-Head" annoyance in collecting items, from outside parties. I do not consider it at all a "want of courtesy" to return these items without making any effort to collect them. In fact, I think the "want of courtesy" is altogether on the part of the senders of these "duns" in ignoring the claims of their local banks. The plan we adopt, and have had in use for a number of years, is to return the drafts at once with the enclosed explanatory card:

NATIONAL BANK, PHILADELPHIA.

We respectfully return you, herewith, the paper received from you to-day, which you ask us to collect.

We are under the necessity of declining all such business, where remittances are required, except as it comes to us regularly, through banks or bankers.

We are never troubled afterwards by the same parties, and are not required to keep a "black list." If you choose to publish the card you can do so. J. G.

PHILADELPHIA, September 19, 1887.

OVER-CERTIFICATION OF CHECKS.

Editor Rhodes' Journal of Banking:

SIR:—While I usually have the pleasure of agreeing with the JOURNAL in its positions with regard to banking and financial matters generally, I find myself unable to concur in the views which you express in your September issue in regard to the over-certification of checks; and as your department of "Open Letters" seems to be a fair field and no favor for all who may choose to come, I may be excused for asking a brief space to present some views on the unpopular side of this subject. The poet tells us: "If any man, in any cause, shall be the one man, he shall be so to his cost." And this admonition is generally found to contain more truth than poetry by those who have had occasion to oppose the views of the sacred majority. Generally speaking, the case against over-certification is not always stated quite fairly. The practice, even in New York, is confined to a comparatively few banks, not perhaps more than eight or ten, and is carried on by these banks with far more attention to prudence and safety than critics seem to imagine. It is not quite correct to state that a bank over-certifies a check for a broker without any security. There is security, and that of two kinds.

There is, in the first place, the security which arises from the fact that the transaction is based upon valuable property actually in existence, namely, the stocks or bonds involved in the transaction. In other words, every over-certified check rests upon a definite amount of actual property pledged for its payment; and this is far more than can be said for the huge bulk of single name paper with which the banks are constantly loaded down, and which every now and then goes to pieces in the most disastrous manner. The second security consists in the honor and honesty of the parties to the transaction. From the way this subject is treated in newspaper editorials one would suppose that honor and honesty are unknown virtues on the floor of the Stock Exchange; whereas, in point of fact, there is scarce any place in which they flourish in more undiminished vigor. There are, it is true, instances of dishonorable and dishonest transactions, but such instances are conspicuous on account of their rarity; and it is not going too far to say that the vast bulk of the transactions on the floor of the Stock Exchange are conducted with the most scrupulous observance of honorable dealing. One hears so much and so continually about "bears" and "bulls" that one would suppose that their antics constituted the entire business of the Exchange; whereas, in point of fact, the speculation, pure and simple, is really only the froth that floats on top. By far the greater part of the enormous transactions of the Stock Exchanges are usually legitimate, and just as much out and out buying and selling as any mercantile transaction could be. There are railroads by the score whose stocks and bonds are never bought nor sold except in a purely legitimate and regular way. There are corporations whose very names are never heard of among the ring of speculators. Even if over-certifications were abolished entirely, either by law or by general agreement, there could be nothing to prevent a bank from making temporary advancements to its customers on unsecured promissory notes. Indeed, the latter matter is one which must be relegated to the managers of the respective banks. It is a matter which should rest entirely within their discretion. If they err in judgment the bank must suffer the consequences of that error. But before the objectors to over-certifications push their point too far, it might be in order for them to provide some practical substitute for the existing methods of conducting the business of the Stock Exchange and all the banks with intimate relations therewith. In other words, we ask that they shall not be iconoclasts; that is to say, that they shall not break up our present system until they have a better substitute for it. No one claims that the present system of settling exchanges by means of over-certified checks is by any means a perfect system, or even, in itself, a very desirable one; but the point is that it is the only system that has as yet been worked out. There may be another and more perfect way, but we have not as yet found it. For the uninitiated there may seem to be an analogy between a Clearing-House for settling checks between banks and a stock Clearing-House for settling the delivery of stocks, but there is really no similarity whatever between the two kinds of transactions. Nobody would welcome a stock Clearing-House more heartily than stock brokers themselves if they could only see one that would work not only in theory but in practical operations. The matter has been talked over again and again by men thoroughly acquainted with the business in its practical aspects. It has been held up in every light of which it was capable. It has been viewed on every side and from every point, and the result so far has not been specially encouraging, and the stock Clearing-House seems to be as much in the dim future as ever. Now we say to the objectors of the present plan: What do you propose to substitute in place of it? What scheme have you to offer which will work smoothly, and which will be sufficiently simple to be understood by everyday people? Do not destroy until you are prepared to rebuild. When it is remembered that it is an open secret that the present law against over-certifications by National banks had its origin and its principal support in the desire on the part of one or two State banks to control all the stock business, one may be pardoned for suspecting that its chief support does not consist entirely of disinterested devotion to the public welfare.

NEW YORK, September 16, 1887.

STOCK BROKER.

GOVERNMENT GUARANTEE OF NATIONAL BANKS.

Editor Rhodes' Journal of Banking:

SIR:—The notion that National banks work under a sort of Government guarantee of good conduct is so popular and widespread that to combat it seems almost a hopeless task. The phrase "National bank" implies to many persons an indefinite idea of

a bank created and controlled and, to some degree, owned and managed, by the National Government. Of late years people have become so accustomed to look to the Federal Government to supply all their wants that at last the popular opinion seems to be that everything ought to be done by the Government and that nothing can be done without it. As a natural corollary of this opinion, there is the disposition to hold the Government responsible for everything that goes wrong. Thus when a National bank goes to the wall there is a great cry raised against the Comptroller and the National Bank Examiners; the former should have done this, the latter should have done that. What is the use of supervision that does not supervise? Has it not become necessary for the Government to appoint a superior grade of *Inspectors* to look after the *Examiners*?—and so on to the end of the chapter.

Now nothing could be farther from the truth than to suppose that the Government guarantees the management of a National bank in any manner whatever. The National Bank Act provides a certain system under which banks may be incorporated and conducted. Upon institutions organized under this Act certain privileges are conferred and certain conditions imposed. The functions of the Government are necessarily and strictly limited to seeing that these privileges are not abused nor the conditions imposed violated. Outside of these limits the Government cannot and does not pretend to go. Within these limits the management of the bank is absolutely intrusted to the stockholders and to their authorized agents—the President and Directors. The stockholders may err in choosing their agents; these agents, whether President and Directors or Cashier and clerks, may be honest or dishonest, wise or foolish, but in no case can the Government control their actions so long as they keep within the law. And as to how many ways there are of evading the law the Comptroller's office could many a tale unfold.

Since, then, the Government is strictly limited in its action by the provisions of the law, the only question that can arise is whether the agents of the Government have fully performed their duty in enforcing the legal provisions. Under the thorough and careful administration of the gentlemen who have successively held the office of Comptroller of the Currency it would be difficult to show one instance where the Government has wilfully failed in its duty. No mere men are infallible, and all are liable to be deceived. The public knows the frauds that have occurred in spite of the vigilance of the Department, but it does not know the many more numerous instances where frauds and irregularities of all sorts have been detected and prevented. And this, too, in face of the fact that the compensation the Government allows its officers in this Department is not sufficient to retain the most competent men in its service. It is indeed high time that in this, as in other matters, the people of this country should learn to help themselves and should cease to look to the Government for constant aid and support in every difficulty.

J. B.

PHILADELPHIA, September 4, 1887.

PROPOSED BANKING LAW IN MICHIGAN.

Editor Rhodes' Journal of Banking:

SIR:—The last session of the Michigan Legislature passed an Act for the revision of the banking laws of the State. This is to be submitted to the popular vote at the next general election. Voters should understand for themselves just what they are expected to vote upon, otherwise interested parties, and others who may be particularly requested, only will vote.

The new law, as applied to State banks proper, is an improvement upon the old. Many requirements necessary to good banking are incorporated into the Act. A Banking Department is provided for; direct, positive supervision is required; statements called for without previous notice are to be published five times in each year; past due paper and accounts must be charged off at stated times. Provision is made for the increase and reduction of capital stock, and for making good any impairment of capital.

There is also a new wording of the clause respecting the liability of stockholders, removing the doubt that now maintains as to its meaning. The liability, to an amount equal to the original value of the shares, is made positive. The Act is more definite with respect to discounting and investing funds, and in requiring a legal reserve to be kept always at hand.

There is one important principle that is questionable. Savings banks may be regarded under the same law, and may transact, at the same time, all business

authorized to State banks. That is, they may do a commercial business as well as savings. This is contrary to the experience, practice, and precedents of older States and some of the new. The two are better separate. Savings depositors should not be liable to jeopardy from commercial revulsions, and commercial dealers may be much inconvenienced and suffer delays and, perhaps, loss, should a run upon a savings bank occur. Illinois has wisely passed an Act for the separate organization of "Savings Institutes"—distinct from banking generally.

All banks may loan on mortgage security.

The Michigan law may fall of approval by the people at the election next spring. Heretofore private bankers have resisted any attempt to revise banking laws. This does not touch their business in any way, unless they choose to organize under it. If no stir is made the Act will become a law. Should a vigorous onset be made upon it by the press and any class of bankers it would be rejected. In defence of this species of banking it is represented that there are many small towns in Michigan that have but one bank, and then a mixed business is a necessity. This can be provided for by making such towns or villages an exception.

It is not intended to argue the point here, but only to state the position, that public attention may be called to it. XX.

Editor Rhodes' Journal of Banking:

SIR:—A letter from Grand Island, Neb., in the JOURNAL for August inquires if a draft payable to S. Jones, Treasurer, but indorsed S. Jones, and on that account refused payment by the drawee bank, should have been protested for non-payment or returned to be correctly indorsed.

You answer that the draft should simply have been returned to have the indorsement completed.

I ask, would it not have been the proper thing to have the drawee bank *certify* the draft, but not *pay* till properly indorsed? The draft might be good when first presented, but bad before it returned properly indorsed. As I understand, when a bank certifies a draft it certifies that it is ready to pay it if the indorsements, etc., are correct, but it does not necessarily undertake to pay it as it is when presented for certification. SCRUTATOR.

MILWAUKEE, Sept. 22, 1887.

PUBLICATION OF NAMES OF SHAREHOLDERS.

Editor Rhodes' Journal of Banking:

With your permission, I should like to lay before the banking community, through the medium of the JOURNAL's "Open Letters," some suggestions in regard to publishing the names of the shareholders of National banks. The framers of the National Bank Act seem to have kept steadily in view the great advantages of public scrutiny in preventing irregularities and violations of the law in the management of the National banks. To this end, among other provisions, there is a requirement (Rev. Statutes, Sec. 5,210), that every National bank shall keep a list of its shareholders, with the residences and number of shares held by each; such list to be subject, during the usual hours of business, "to the inspection of all shareholders and creditors of the association and the officers authorized to assess taxes under State authority."

Under ordinary conditions, the classes of persons entitled to inspect this list would seem to include all whose interest in the association is sufficiently immediate to give them a right to such a privilege. But the position of a bank, in respect to the general public, is vastly different from that of an ordinary corporation. On the one hand, the great corporations and wealthy capitalists; and, on the other, the Savings banks that hoard the scanty earnings of the poor, are equally interested in the solvency of the National banks. Indeed, the banks themselves are so intimately connected, and by so numerous ties of mutual intercourse, that the concern of one may well be said to be the concern of all. There are no corporations more closely bound up with the general welfare of the mercantile world. The banks gather up, as it were, the very life-blood of commerce, distributing it again to every part of the commercial system. Hence, it follows that the failure of one of these reservoirs, so to speak, to perform its functions is always most injurious. It is further provided, in the section already alluded to, that a list of the shareholders of the National banks, as of the first day of July, shall be annually reported to the Comptroller of the Currency. Why not require the

publication of this list? Are not the public entitled to know precisely who are carrying on the public business of banking? Does it not closely concern the welfare of the community that it should be matter of common knowledge what persons are ultimately responsible for the proper conduct of the incorporated banks? It is true that, so far, the spirit of speculation seems to a great extent to have spared the banks (except indirectly in individual instances), but there is no resisting the spirit of the age, and slowly, perhaps, but none the less surely, the banking interests will be drawn into the whirlpool. But it may be said that the list of shareholders is essentially private and that it is no part of the business of a bank to make known its owners to the general public. To this it may be replied that banks, whether State or National, are essentially public institutions, carrying on a public business, chartered by public authority, and established, professedly, at least, in the public interests. The law already requires that National banks shall submit their membership to the inspection of their shareholders and creditors; why not go a step farther and require all banks, whether State or National, to publish an annual list of their membership for the information of the public, which has created and which maintains them. **BANKER.**

BALTIMORE, September 1, 1887.

A TREATY WITH CANADA.

Editor Rhodes' Journal of Banking:

SIR:—As a measure of protection to the banking interests of the United States the absolute necessity of a treaty with Canada for the extradition of embezzlers becomes more and more apparent. This matter has again and again been brought to the attention of Congress and of the Department of State, but, so far, nothing effectual has been accomplished. True, this result, so far at least as Congress is concerned, is only what might have been expected from the habitual indifference of that body to the banking interests of the country; an indifference which, in some members, intensifies into opposition and even hostility. But the time has now arrived when the banks must take this matter in hand for themselves and push it vigorously through to a successful conclusion. Canada affords too easy a refuge for defaulters and embezzlers for this condition of affairs to be longer tolerated. The "boodler" colony across the border is not only an international disgrace, but an evil in itself as well, for it holds out to all intending criminals that promise of immunity from punishment which is one of the surest encouragements to crime. For it is well settled that it is the certainty rather than the severity of punishment that really acts as the deterrent to the commission of offences. Should the Federal Government still prove unwilling or unable to effect a desirable treaty with our northern neighbor recourse might be had to the various State Governments here and to the legislative bodies in the British possessions. Laws forbidding, under severe penalties, the bringing of stolen property into the States or into British territory would go far to check, if not, indeed, to cure, the evil here complained of. At first glance one might suppose that nothing could be easier than to effect an international treaty between adjoining countries, securing and protecting for each other the full enjoyments of the rights of property. But, alas! the ways of law-makers are in the depths of the sea, and there is a deep-seated popular conviction that there are other ways of preventing the passage of good laws besides arguments and petitions. It may be asked, what are the interests arrayed in opposition to a treaty with Canada for the extradition of embezzlers and defaulters? Does any person or any interest dare to range itself openly on the side of the criminal classes? It seems hard for an honest man to believe that such can be the case, yet it cannot be denied that the influence of the criminal classes is distinctly felt in every Legislature in the Union—even in the halls of Congress itself. We cannot blind our eyes to this fact, even if we would; the examples are, alas! too many and too high. In the specific case under consideration it is this influence, watchful and potent, that is met and must be fought at every move in the game. At every turn one feels this strong and steady, though invisible, pressure, as it were, of unseen hands. This is the chief force that must be reckoned with as opposed to the adoption of desired measures, and, in this instance, it is a force amply supplied with the "sinews of war." But the indifference and even hostility already referred to must not be lost sight of. Popular prejudice against banks and bankers is of ancient date and so ingrained with those who have least to do with either that it is no wonder to find it persistently surviving even in these modern days of progress and enlightenment. And so one finds that so

soon as any legislation is proposed in favor of or is supported by the banking interest the representatives of this prejudice are up and ready, and are not to be silenced except by the pressure of overwhelming necessity. There is, however, some hope that, should the present agitation of the Fisheries question result in a Commission to frame a new treaty with Canada, consideration may at the same time be given to a more satisfactory provision for the extradition of criminals. CASHIER.

BUFFALO, N. Y., September 10, 1887.

FROM A PRIVATE BANKER'S STANDPOINT.

Editor Rhodes' Journal of Banking:

SIR:—We have noticed and read with a good deal of interest the articles that have appeared from time to time in the JOURNAL in regard to the statute affecting private banks in Minnesota passed by the former Legislature of 1887. And we are much surprised to note your commendation of what seems to us a most flagrant violation of common law and constitutional right in that this Act authorizes the taking away by law of that which is of value without any compensation. You may say "incorporate;" we answer: But suppose a private bank has not sufficient capital or does not wish to tie capital up in bonds to secure deposits, etc.? One of the chief complaints of National banks, in the West at least, is that they have to invest so much of their capital in low interest bonds that are constantly being called, and they have to pay a premium to replace them. Now if banks with a large capital complain, how would it be with institutions of small capital? It would be bound to cripple them to some extent at least if they were obliged to tie capital up in this way for any reason. As to the protection corporate banks afford the public more than unincorporated ones, we differ with you, and would respectfully beg leave to ask and obtain through the columns of the JOURNAL your answers to the following questions:

- (1) Has the public any means of knowing anything more about, or, rather, does it know anything more about the condition of a National or State bank than the sworn statement of its Cashier discloses until the Examiner comes along some day and discovers the cash gone and the President or Cashier in Canada?
- (2) Does a public Examiner ever prevent such financial disaster as the failure of the Fidelity National Bank and dozens of others that come under your notice?
- (3) Is it not a matter of fact that National bank Presidents, Cashiers and Tellers steal from the bank year in and year out and pull the wool over the eyes of Examiners, Directors and the public?
- (4) Does not this question all simmer down to one thing—that the public is safe in depositing its funds with a bank only when that bank's officials are honest men, whether it be National, State or private; and can you prove to me that there are not just as many honest private bankers as National or State bank men, or that if a private banker is dishonest, that incorporating will make him honest? Will it not rather give him a greater chance to steal by placing more funds at his disposal if he is fortunate enough to get people to invest in his stock?

There was no public demand for this Act in Minnesota. It was passed by the Senate the last thing they did before adjourning in the interest of one man in order to kill time and prevent a bill of vastly more importance from being discussed, and if a bill had been brought before them for an appropriation to ascertain if the moon is made of green cheese it would have received the same consideration at their hands. You are mistaken, we think, in your conclusion that private banks will in most cases incorporate, as we have talked with a number of bankers and so far they will all change name; and we venture to predict that within a year from January 1, 1888, the Supreme Court of this State will decide the Act unconstitutional.

Respectfully yours, B. B. WARFIELD, private banker.

BATTLE CREEK, Minn., August 24, 1887.

The Wayne County Savings Bank, of Detroit, Mich., made its sixteenth annual report on October 1, 1887, it having commenced business on October 1, 1871. During its existence the bank has paid \$1,540,000 in interest to 46,120 depositors, and has loaned \$3,068,238 on mortgages and \$13,455,066 on collaterals. Its securities and assets on October 1, 1887, were \$4,858,000, and its liabilities to depositors \$3,960,000, indicating an excess of assets of \$900,000.

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

ENGLAND'S NATIONAL DEBT.

(*Boston Commercial Bulletin.*)

At the peace of 1815, after the fall of Napoleon, Great Britain was almost overwhelmed with debt, specie payments were suspended, consols ruled low, and trade was depressed. How to manage the great debt and at the same time revive trade, were questions of vital importance. A faint attempt was made to begin paying the debt, but statesmen reasoned that posterity, ever on the increase, would be better able to pay it than the present. In other words, that forty millions would more easily begin to pay the debt than twenty millions, and therefore, it would be much better, as the revenue increased, to remove taxes, take the shackles from industry and revive trade. And this policy has been steadily pursued with advantage, until the revenue is now raised from about a dozen articles.

As the population increased, to relieve the mother country, emigration was organized upon a grand scale, and the foundations of new nations in Australia, New Zealand, the Cape of Good Hope and Canada, have been laid. These have opened new markets for the parent State. If trade is dull at intervals, is less more owing to over-production and increase of population and a decline in emigration, than to mismanagement of the National debt. The Government viewed as a business firm, has shown remarkable wisdom. Excessive competition has no doubt overstocked the market with goods, but this no free government can regulate; it must be left to regulate itself. The unseen, but ever potent laws of trade, are as inexorable as the unseen, but ever-felt law of gravitation.

What a government can do is to equalize taxation as far as possible, and leave manufacturers to work out their own salvation in their own way. This is not a question of free trade or protection, but of domestic industry. By removing taxes Great Britain has almost monopolized the steam traffic of the world afloat and will hold it while her coal mines hold out, but even then it is not to be supposed that she will give up without a struggle what she may have built up with so much prudence and foresight. The greatest coal trade the world has ever seen will be organized in the near future. Even the Great Eastern or vessels like her will be employed carrying coal from the United States and Nova Scotia to the British Islands. Already some of the British papers have begun to discuss the subject.

The National debt of Great Britain is owned by her own people, its rate of interest is low and it is easily managed. It is doubtful whether it will ever be paid. Some of our own statesmen have said that a "National debt is a National blessing," because it is a check upon revolution, owing to the fact that so many people of the best class are interested in it, but we have adopted a different policy and one which has worked with marvellous success. Posterity in our own country will have every reason to admire the present for its great sacrifices in paying off the National debt and preserving the Union.

RHYTHM IN COMMERCIAL AFFAIRS.

(Hon. David A. Wells, in *Popular Science Monthly*, for September.)

As prices fall and profits shrink, producers working on insufficient capital, or by imperfect methods, are soon obliged, in order to meet impending obligations, to force sales through a further reduction of prices; and then stronger competitors, in order to retain their markets and customers, are compelled to follow their example; and this in turn is followed by new concessions alternately by both parties, until gradually the industrial system becomes depressed and demoralized, and the weaker succumbs (fall), with a greater or less destruction of capital and waste of product. Affairs now having reached their minimum of depression, recovery slowly commences. Consumption is never arrested, even if production is, for the world must continue to consume in order that life and civilization may exist. The continued increase of population also increases the aggregate of consumption; and, finally, the industrial and

commercial world again suddenly realizes that the condition of affairs has been reversed, and that now the supply has become unequal to the demand. Then such producers as have "stocks on hand," or the machinery of production ready for immediate and effective service, realize large profits; and the realization of this fact immediately tempts others to rush into production, in many cases with insufficient capital (raised often through stock companies), and without that practical knowledge of the detail of their undertaking which is necessary to insure success, and the old experience of inflation and reaction is again and again repeated. Hence, the explanation of the now much-talked-of "periods" or "cycles" of panic and speculation, of trade activity and stagnation. Their periodical occurrence has long been recognized, and the economic principles involved in them have long been understood. But a century ago or more, when such a state of affairs occurred in any country, it was mainly confined to such country, as was notably the case in John Law's "Mississippi Scheme," or the English "South-Sea Bubble," in the last century, or the severe industrial and financial crises which occurred in Great Britain in the earlier years of the present century—and people of other countries, hearing of it after considerable intervals, and then vaguely through mercantile correspondence, were little troubled or interested. During recent years, however, they have become less local and more universal, because the railroad, the steamship and the telegraph have broken down the barriers between nations, and, by spreading in a brief time the same hopes and fears over the whole civilized world, have made it impossible any longer to confine the speculative spirit to any one country.

WITHDRAWAL OF BONDS BY NATIONAL BANKS.

(*Boston Post.*)

Treasury officials express surprise at the fact that during the past few days the National banks have withdrawn a considerable amount of 4 per cent. bonds and surrendered a corresponding amount of their circulating notes. While the treasury was engaged in calling 3 per cent. bonds for redemption National bank officers and others interested in the maintenance of the National bank system complained that the rapid redemption of bonds was calculated to interfere with the demands of business by a forced contraction of the circulating medium, and also to shorten the existence of the present National bank system. The action of the treasury in calling 3 per cent. bonds for redemption forced the banks to withdraw that class of securities held against their circulating notes, and, therefore, surprise is expressed that the banks have voluntarily begun to surrender 4 per cents. that have still twenty years to run. The withdrawal of these long time bonds at this time may have no special significance, yet it has directed attention to the fact that with the annual requirements for the sinking fund the basis of the National banking system is threatened with early extinction, and by the action of the banks themselves. The $4\frac{1}{2}$ bonds, of which \$240,000,000 are outstanding and of which amount the banks have on deposit with the Treasurer to secure circulation \$70,000,000, become payable Sept. 1, 1891. During the intervening four years the sinking fund will require at least \$200,000,000. That amount must be purchased unless the sinking fund law should be repealed or modified, and should the present ratio of excess of receipts over expenditures be continued, the treasury will be required to purchase double the amount of bonds named in order to disburse the surplus and return the money to business channels. The total amount of interest-bearing bonds outstanding is about \$970,000,000. Under existing laws and conditions the treasury, in the next five years would absorb the larger portion of that sum and practically terminate the present National banking system. The bonds held by the treasury to secure bank circulation are steadily decreasing, the amount now held being \$189,000,000, which represents about \$207,000,000 of National bank circulating notes. Should the banks continue the surrender of interest-bearing bonds this amount will be correspondingly reduced, and, in any event, there is likely to be a large reduction during the five years next ensuing. These facts are being seriously considered by the President, Secretary Fairchild and Comptroller of the Currency Trenholm, and will be discussed by each in his forthcoming report to Congress. The absorption by the Treasury of interest bearing bonds and the consequent curtailment and ultimate extinction of the National banking system suggest a highly important and serious problem for the solution of Congress, and the President is of the opinion that that body should enter upon its consideration at the earliest practicable day.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

NOTE.—We shall esteem it a favor if readers of the JOURNAL will notify us of any changes in the banks with which they are connected, as well as of new banks and banking firms organized or recently opened in their place or vicinity, in order that the changes and additions may be made without delay in this department.

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

Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.

- 3777—Ablene National Bank, Abilene, Kansas. Capital, \$150,000.
 3778—Lumbermen's National Bank, Chippewa Falls, Wisconsin. Capital, \$100,000.
 3779—First National Bank, Scandia, Kansas. Capital, \$50,000.
 3780—San Diego National Bank, San Diego, California. Capital, \$100,000.
 3781—Tazewell County National Bank, Delavan, Illinois. Capital, \$50,000.
 3782—First National Bank, Manhattan, Kansas. Capital, \$50,000.
 3783—First National Bank, Snow Hill, Maryland. Capital, \$50,000.
 3784—Flour City National Bank, Minneapolis, Minnesota. Capital, \$400,000.
 3785—Texarkana National Bank, Texarkana, Texas. Capital, \$100,000.
 3786—Sturgis National Bank, Sturgis, Texas. Capital, \$60,000.
 3787—Pratt County National Bank, Pratt, Kansas. Capital, \$50,000.
 3788—Wright County National Bank, Clarion, Iowa. Capital, \$50,000.
 3789—National Bank of Commerce, Tacoma, Washington Territory. Capital, \$200,000.
 3790—Kansas National Bank, Topeka, Kansas. Capital, \$500,000.
 3791—Second National Bank, McPherson, Kansas. Capital, \$50,000.
 3792—Asbury Park National Bank, Asbury Park, New Jersey. Capital, \$100,000.
 3793—German-American National Bank, Kansas City, Missouri. Capital, \$350,000.

ALABAMA.

ANNISTON.—Bank of Anniston is reported here. President, J. R. Draper; Cashier, C. D. Woodruff.

CLAYTON.—Clayton Banking Co. is reported here. Capital, \$80,000. President, James J. Winn; Vice-President, A. H. Alston; Cashier, Jos. L. Pitts.

ARIZONA.

PHOENIX.—National Bank of Arizona; Vice-President, Sol Lewis.

ARKANSAS.

PINE BLUFF.—Citizens' Bank; H. C. Rather, Cashier, in place of Andrew J. Thompson.

CALIFORNIA.

ELSINORE.—Bank of Elsinore reported here. President, Thompson Frame; Vice-

President, N. G. Youum; Cashier, Daniel M. Fraser.

LOS ANGELES.—Los Angeles Safe Deposit and Trust Co. has been incorporated. Capital, \$500,000.

OAKLAND.—California Bank and Trust Co. is correct title of new bank reported in September JOURNAL. Capital, \$50,000. President, A. C. Henry; Cashier, Frank H. Brooks.

PASADENA.—Pasadena National Bank; Assistant Cashier A. H. Congar.

RIVERSIDE.—Citizens' Bank of South Riverside is reported here.

SAN DIEGO.—San Diego National Bank has been authorized to commence business. Capital, \$100,000. President, D. Henderson; Vice-President, C. K. Daner; Assistant Cashier, G. W. Jones.

SAN FRANCISCO.—Nevada Bank of San Francisco; James G. Fair, President in place of J. C. Flood; John F. Bigelow, Vice-President, in place of Geo. L. Brander.

SAN JOSE.—Commercial and Savings Bank; F. P. Ryland, Cashier, in place of T. F. Morrison; John T. McGeoghegan, Secretary, in place of F. P. Ryland.

COLORADO.

BUENA VISTA.—Bank of Buena Vista; proprietor, R. W. Hookaday.

DENVER.—McIntosh & Mygatt are reported here.

KIT CARSON.—Bank of Kit Carson is reported here. President, E. F. Madden; Cashier, A. B. Montgomery.

CONNECTICUT.

GREENWICH.—Greenwich Loan and Trust Co. is reported here. Capital, \$50,000. President, Hanford Lockwood; Treasurer, Alfred A. Bunde.

NEW LONDON.—Mariners' Savings Bank; Daniel D. Latham, President, in place of C. C. Comstock, deceased.

DAKOTA.

CANTON.—Lincoln County Bank; President, A. R. Brown; O. K. Brown, Cashier, in place of A. R. Brown.

DE SMET.—Walter N. Carroll is in business here.

FOREST CITY.—Bank of Forest City is reported here. President, Andrew W. Smoot; Cashier, B. F. Bullard.

NORTHWOOD.—Bank of Northwood is reported here. Capital, \$25,000. Cashier, Sydney C. Lough.

YANKTON.—Yankton Savings Bank; President, Amos W. Howard, Vice-President, Herman Ellerman; Cashier, Miles T. Wooley.

FLORIDA.

FERNANDINA.—Bank of Fernandina is reported here. Capital \$20,000. President, Fred. W. Hoyt; Vice-President, W. O. Jeffers; Cashier, R. C. Cooley.

TAMPA.—Citizens' National Bank is being organized.

GEORGIA.

BRUNSWICK.—Oglethorpe National Bank; Vice-President, W. E. Burbage; Assistant Cashier, F. E. Cunningham.

IDAHO.

MOUNTAIN HOME.—Heifrich & Miller are reported here.

SHOSHONE.—Bank of Shoshone; discontinued.

ILLINOIS.

BEMENT.—Farmers' & Merchants' Bank is reported here. President, Wm. M. Camp; Vice-President, Wm. T. Bower; Cashier, H. S. Bower.

DELAVER.—Tazewell County Bank (Crabb & Frey); succeeded by Tazewell County National Bank. Capital, \$50,000. President, Erastus S. Hobart; Vice-President, I. W. Crabb; Cashier, Rudolph Frey; Assistant Cashier, I. N. Hall.

EARLVILLE.—D. A. Town & Son are in business here. Style, City Bank.

KINGS.—King, Oakes & Co.; Cashier, A. B. Sheadle.

MARSHFIELD.—First National Bank; W. A. Moray, President, in place of S. N. Chapple.

MOUNT MORRIS.—Bank of Mount Morris (Newcomer & Rice); Ralph W. Trine, Cashier, in place of O. H. Swingley.

PRINCETON.—Farmers' National Bank; W. W. Ferris, Cashier, resigned.

URBANA.—First National Bank; P. Richards, President, in place of Chas. L. Burpee; H. I. W. Mahan, Cashier, in place of P. Richards.

INDIANA.

NAPPANEE.—Farmers' & Traders' Bank; John C. Mellinger, Cashier, in place of Samuel Bechtel, deceased.

IOWA.

BANCROFT.—Farmers & Traders' Bank; President, R. M. Richmond; Vice-President, R. R. Richmond.

BLOOMFIELD.—Bradley's Bank; succeeded by State Bank. Capital, \$25,000. President, Henry H. Trimble; Cashier, John R. Wallace.

BRISTOW.—Bank of Bristow is reported here. Cashier, Geo. W. Moore, Jr.

CENTERVILLE.—First National Bank; J. R. Hays, Cashier, in place of Wm. Evans.

CLARINDA.—Iowa State Bank; discontinued.

CLARION.—Bank of Clarion (Duane Young & Son); succeeded by Wright County National Bank. Capital, \$50,000. President, Duane Young; Cashier, Charles Duane Young.

CLINTON.—Merchants' National Bank; Vice-President, James P. Gage; Assistant Cashier, C. D. May.

DAVENPORT.—Davenport National Bank; no Cashier in place of Geo. E. Maxwell, resigned.

DEDHAM.—Caton & Curtis have recently opened the Bank of Dedham.

DES MOINES.—Des Moines Nat. Bank; R. T. Wells, Cashier, in place of W. E. Hazen.

GREENE.—First National Bank; M. Hartness, Cashier, in place of C. H. Wilcox.

NORA SPRINGS.—Farmers' Exchange Bank is reported here. President, H. Gage;

Cashier, F. H. Gage; Assistant Cashier, W. F. Gage.

ROCK RAPIDS.—First National Bank; E. L. Partch, Cashier, in place of C. H. Huntington.

SIoux CITY.—Union Stock Yards State Bank is reported here. Capital, \$500,000.

KANSAS.

ABILENE.—Abilene Nat. Bank; Vice-Pres., W. P. Rice; Assistant Cashier, A. K. Perry.

ATCHISON.—Farmers' Bank; Assistant Cashier, J. S. Wood.

AUGUSTA.—Farmers' State Bank; E. R. Grant, President, in place of F. L. Ayres; Vice-President, Edwin Hill; F. L. Ayres, Cashier, in place of F. Rice.

BELOIT.—First National Bank; Vice-President, Alex. Campbell; Assistant Cashier, S. J. Best. — Campbell, Best & Co.; discontinued.

BLUFF.—State Bank of Bluff City is reported here. Capital, \$50,000. President, H. B. Schuler; Vice-President, L. D. Latham; Cashier, W. T. Clark.

CHERRY VALE.—First National Bank; Geo. Elkins, Vice-Pres., in place of W. W. Brown.

CIMARRON.—First National Bank; Vice-President, J. K. Hoppert.

CINCINNATI (P. O.: Surprise).—Porter, Slater & Co. are reported here. President, J. C. Porter; Cashier, Wm. A. Slater.

COOLIDGE.—Citizens' Bank is reported here.

HOPE.—Union Banking Co. is reported here. President, Geo. H. Stearns; Cashier, Edwin Coles.

HUGOTON.—Hugoton State Bank is reported here. Capital, \$50,000. President, C. E. Cook; Cashier, J. W. Calvert; Secretary, Charles L. Harlan.

JETMORE.—Union Banking Co. is reported here. President, Geo. H. Stearns; Cashier, Marion Shelden.

KANSAS CITY.—Armourdale Bank; Vice-President, N. McAlpine; Assistant Cashier, G. A. Taylor.

LARNED.—People's Bank is reported here. Capital, \$25,000. President, Geo. A. Dunn; Vice-President, W. H. Gill; Cashier, F. D. Lowrey.

LINCOLN.—State Bank is reported here. Cashier, F. F. Chase.

MANHATTAN.—First National Bank; Vice-President, Geo. S. Green.

MANKATO.—State Exchange Bank is reported here. Capital, \$50,000. President, W. O. Harrison; Vice-President, H. S. Brookins; Cashier, I. Davey; Assistant Cashier, R. E. Allen.

MARION.—Cottonwood Valley Bank; L. S. Glover, Cashier, in place of A. E. Case. — Union Banking Co. is reported here. President, Geo. H. Stearns; Cashier, Edwin M. Donaldson.

MCPHERSON.—Farmers & Merchants' Bank; succeeded by Second National Bank. Capital, \$50,000. President, O. Heggelund, Cashier, C. Aug. Heggelund.

MERIDEN.—Bank of Meriden (A. J. Kane); Cashier, T. C. Weaver.

NEWTON.—International Bank; Assistant Cashier, Wm. R. Doty.

ONAGA.—Henry Storck (Onaga Exchange Bank); succeeded by Trout & Leach.

OSKALOOSA.—State Bank is reported here. Capital, \$50,000. President, William H. Huddleston; Vice-President, Geo. I. Mosher; Cashier, A. J. Kane; Assistant Cashier, J. N. Insley.

OXFORD.—Sumner County Bank; discontinued.

PRATT.—Pratt County National Bank has been authorized to commence business. Capital, \$30,000. President, F. E. Simpson; Vice-President, F. W. Scott; Cashier, S. E. Page.

SCANDIA.—First National Bank has been authorized to commence business. Capital, \$50,000. President, J. R. Caldwell; Cashier, Wm. H. Glaskin. — Bank of Scandia; succeeded by First National Bank.

SMITH CENTRE.—First National Bank; no Cashier in place of W. H. Nelson.

SUN CITY.—Bank of Sun City; Vice-President, Thomas S. Proctor; Assistant Cashier, K. McPherson.

TESCOT.—Bank of Tescot is reported here. Capital, \$10,000. President, F. S. Trew; Vice-President, T. B. Sears; Cashier, F. F. Seidmore.

TOPEKA.—Kansas National Bank; Vice-President, L. L. Turner; Assistant Cashier, Wm. Wadsworth.

WA KEENEY.—First National Bank; Vice-President, L. E. Rogers. — Wa Keeney Bank; succeeded by First National Bank.

YATES CENTER.—Winter & Opdyke (Yates Center Bank); succeeded by Winter, Bancroft & Co.

KENTUCKY.

ADAIRVILLE.—Bank of Adairville; Edwin R. Moore, Cashier, in place of Ernest Fasy. **EMINENCE.**—Farmers & Drivers' Bank; Vice-President, Leonard Drane; Assistant Cashier, L. B. Hilburn.

OWENSBORO.—Deposit Bank; Assistant Cashier, E. G. Buckner.

SMITH'S GROVE.—Deposit Bank; Ben. S. Cooke, Cashier, in place of John W. Dicua, deceased.

MAINE.

DEXTER.—First National Bank; H. F. Derry, Assistant Cashier, deceased.

FAIRFIELD.—Fairfield Savings Bank; Chas. Rowell, Treasurer, in place of E. G. Pratt.

SOUTH BERWICK.—South Berwick Savings Bank; W. D. Jewett, President, deceased.

MARYLAND.

FREDERICK.—Frederick County National Bank; Z. James Gittinger, Cashier, in place of P. B. McCleery.

MASSACHUSETTS.

BOSTON.—Shawmut National Bank; Assistant Cashier, J. G. Taft. — Bassett, Whitney & Co.; John H. Whitney, deceased. — Charles Whitney & Co.; Charles Whitney, deceased.

GLOUCESTER.—Cape Ann National Bank; Henry Center, Acting Cashier during absence of Cashier.

NEWBURYPORT.—Mechanicks' National Bank; W. E. Chase, Acting Cashier, in place of F. O. Woods, Cashier.

NORTHAMPTON.—First National Bank; H. F. Williams, President, deceased. — Hampshire County National Bank; Lewis Warner, President, in place of Luther Bodman; F. A. Macomber, Cashier, in place of Lewis Warner.

NORTHBOROUGH.—Northborough National Bank; W. J. Potter, Cashier, in place of A. W. Seaver, deceased; no Assistant Cashier in place of W. J. Potter.

WHITINSVILLE.—Whitinsville National Bank; James F. Whitin, President, in place of Charles P. Whitin, deceased. — Whitinsville Savings Bank; Chas. P. Whitin, deceased.

MICHIGAN.

ADDISON.—G. A. Smith is reported here.

CLARKSTON.—Josman, Frank & Bird (Exchange Bank); succeeded by Josman & Bird.

DANSVILLE.—E. Rice is reported here. Style, Dansville Exchange Bank.

DECATUR.—First National Bank; L. D. Roberts, Cashier, in place of Harley E. Squire.

DETROIT.—Peninsular Savings Bank is new bank here. Capital, \$250,000. President, Alex. Chapaton, Jr.; Vice-President, Cornelius Corbett; Cashier, Joseph B. Moore.

IONIA.—W. C. Page; succeeded by Page, Bates & Co.

PETERSBURG.—Exchange Bank; proprietors, McLachlin & Gilmore.

SENEY.—Hargrave Brothers & Co. are reported here.

WILLIAMSTON.—D. S. Crossman (Exchange Bank); succeeded by Crossman & Williams. Cashier, O. C. Williams.

MINNESOTA.

BENSON.—Swift County Bank; J. N. Edwards, Cashier, in place of H. W. Stone; no Assistant Cashier in place of J. N. Edwards.

MINNEAPOLIS.—Flour City National Bank has been authorized to commence business. Capital, \$400,000. President, C. H. Chadbourne; Cashier, George E. Maxwell.

MISSISSIPPI.

CORINTH.—Tishomingo Savings Bank (A. H. Taylor); no Cashier in place of I. H. Taylor.

KOSCIUSKO.—C. C. Kelly; D. L. Brown, Cashier, in place of W. G. Colmery.

MISSOURI.

BURLINGTON JUNCTION.—Commercial Bank; John H. Ware, Jr., President, in place of John H. Ware, Sr., deceased; Edwin W. Fraser, Cashier, in place of John H. Ware, Jr.; no Assistant Cashier in place of Edwin W. Fraser.
COLUMBIA.—Columbia Savings Bank; E. W. Herndon, President, in place of John M. Samuels, deceased.
HAMILTON.—Exchange Bank is reported here. Capital, \$20,000. President, H. B. O'Neill; Cashier, C. A. Deaderick.
HARRISONVILLE.—First National Bank; Vice-President, W. C. Christopher; Assistant Cashier, W. J. Ford.
KANSAS CITY.—German-American National Bank has been authorized to commence business. Capital, \$250,000. President, James Kellogg Burnham; Cashier, Louis Bauerlein.
MACON.—First National Bank; John H. Babcock, President, in place of S. G. Wilson; W. D. Vincent, Assistant Cashier, in place of C. D. Sharp.
MONTGOMERY CITY.—Montgomery County Bank; Samuel Sharp, Jr., Cashier, in place of Samuel T. Sharp.
PERRY.—People's Bank; Assistant Cashier, Joshua Ward.
PLEASANT HILL.—Pleasant Hill Banking Co. is reported here. Capital, \$20,000. President, Benj. T. McDonald; Cashier, G. M. Smith.

MONTANA.

GREAT FALLS.—Bank of Great Falls is reported here. President, John R. Payne; Cashier, Chas. Y. Kinlock.
HELENA.—Cruse Savings Bank is new bank here.

NEBRASKA.

BURWELL.—First Bank; Assistant Cashier, W. E. Mitchell.
CHAMPION.—Mead & Hoffman are reported here.
DAWSON.—Dawson Bank is reported here. Capital, \$12,000. President, M. B. Ryan; Vice-President, B. S. Chittenden; Cashier, M. Riley.
HANDY.—Citizens' Bank is reported here. Pres., J. H. Wright; Cashier, Henry Wright.
HAYES CENTRE.—Ivers & Likes are reported here. Style, Farmers & Merchants' Bank. Cashier, Robert B. Likes.
MADISON.—First National Bank; Vice-President, F. W. Barnes. — Madison County Savings Bank; succeeded by First National Bank.
MASON CITY.—Bank of Mason City; Assistant Cashier, P. H. Morlay.
RED CLOUD.—Red Cloud National Bank; L. P. Albright, Cashier, in place of Robert Shirey; no Assistant Cashier, in place of John K. Shirey.
SOUTH SIOUX CITY (P. O.: Covington).—Citizens' Bank is reported here. President, C. C. Palmer; Vice-President, J. M. Moan; Cashier, W. S. White.

NEW HAMPSHIRE.

LEBANON.—Lebanon Savings Bank; C. E. Cooper, Treasurer, in place of E. A. Kendrick; Assistant Treasurer, G. M. Dudley.
NEWPORT.—Public Guaranty Savings Bank has been incorporated.

NEW JERSEY.

ORANGE.—Orange Savings Bank; Wm. Cleveland, President, deceased.

NEW YORK.

BREWSTER.—Putnam County Savings Bank; A. F. Lobdell, Secretary, in place of Ferdinand A. Hoyt.
BROOKLYN.—Broadway Bank is being organized under State Laws. Capital, \$100,000.
GRANVILLE.—National Bank of Granville; President, Hugh W. Hughes.
HEMPSTEAD.—Hempstead Bank has been incorporated under the State Laws. President, Martin V. Wood; Vice-President, Edward Cooper; Cashier, C. F. Norton.
NEW BRIGHTON.—First National Bank of Staten Island; F. W. Johnson, Jr., Cashier, in place of Cyrus Walser.
NEW YORK CITY.—National Bank of Commerce; Robert Lenox Kennedy, Vice-President, deceased. — Hudson River Bank is title of new bank being organized. Capital, \$200,000. — Lenox Hill Bank; President, Chas. A. Troup; Cashier, Edw. J. Connell. — Union Bank; Cashier, Walter S. Griffith. — Atlantic Trust Co.; President, William H. Male; Vice-President, John L. Riker; Secretary *pro tem.*, Walter R. T. Jones. — Brooks & Hamlin; Walter Ashley Hamlin, deceased. — De Jonge & Co.; S. De Jonge becomes special instead of general partner. — Joseph Marie; suspended. — Prince & Whitely; dissolved.
SAUGERTIES.—Saugerties Savings Bank; Albert Cornright, President, in place of John W. Davis.
UTICA.—Oneida County Bank; J. M. Butler, President, in place of Francis Kernan; F. A. Bosworth, Acting Cashier, in place of J. M. Butler, Cashier.
WORCESTER.—Bank of Worcester; Assistant Cashier, G. B. Crippen.

NORTH CAROLINA.

GREENSBORO.—People's Five Cents Savings Bank; President, Jas. M. Winstead; Vice-Presidents, W. F. Steele, J. A. Odell, J. H. Harris; Clerk, H. H. Cartland; Treasurer, Samuel L. Trogdon.

OHIO.

AKRON.—Second National Bank; Geo. D. Bates, President, deceased.
CANTON.—Farmers' Bank; H. G. McDowell, Cashier, in place of T. C. McDowell.
CALDWELL.—Noble County National Bank; George W. Taylor, Cashier, in place of Will A. Frazier.

OREGON.

HEPPNER.—First National Bank; Vice-President, E. R. Swinburne.
JACKSONVILLE.—C. C. Beekman; succeeded by Beekman & Reames.

PENNSYLVANIA.

ALLEGHENY.—Third National Bank; Wm. M. McKeivry, President, in place of Hugh S. Fleming, President, deceased; Vice-President, R. H. Boggs.

CORRY.—First National Bank; failed.

PHILADELPHIA.—Corn Exchange National Bank; William Johnson, President, deceased. — Western National Bank; Joseph Patterson, President, deceased. — Stevens & Moore; succeeded by Edward J. Moore & Co. — Philadelphia Clearing-House; Joseph Patterson, President, deceased.

PITTSBURGH.—People's Savings Bank; N. G. von Bonnhorst, Treasurer, in place of S. F. von Bonnhorst.

SCOTSDALE.—Scottdale Bank; President, J. R. Stauffer.

RHODE ISLAND.

WESTERLY.—National Niantic Bank; Assistant Cashier, J. M. Pendleton.

WOONSOCKET.—National Globe Bank; Spencer Mowry, President, deceased.

TENNESSEE.

BELLBUCKLE.—Bank of Bellbuckle; Capital, \$20,000; President, M. H. Webb; Cashier, J. L. Hutton.

CHATTANOOGA.—City Savings Bank; J. B. Merriam, Pres., in place of G. W. Thompson.

GALLATIN.—Bank of Gallatin; W. R. Tomkins, Cashier, deceased; Acting Cashier, James House.

MEMPHIS.—Memphis City Fire and General Insurance Co. is in the banking business. Capital, \$250,000; President, Napoleon Hill; Vice-President, W. L. Wilkinson; Cashier, Henry J. Lyon.

NASHVILLE.—Bank of Commerce is reported here. Capital, \$50,000. President, I. N. Brooks; Cashier, Chas. R. Duncan.

SAVANNAH.—Bank of Savannah is reported here. President, A. G. McDougal; Vice-President, Edgar Cheery; Cashier, J. J. Williams; Assistant Cashier, H. E. Williams.

TEXAS.

HALLSBURG.—First National Bank; A. Matthews, Vice-President, in place of T. S. Hill. **HILLSBORO.**—Sturgis National Bank has been authorized to commence business. Capital, \$30,000. President, W. A. Sturgis; Cashier, I. E. Page. — Geo. F. Sturgis; succeeded by Sturgis National Bank.

ROCKWALL.—Exchange Bank is reported here. Capital, \$50,000. President, J. J. Carter; Vice-President, B. M. Carter; Cashier, F. J. Wood, Jr.

TEXARKANA.—Texarkana National Bank has been authorized to commence business. Capital, \$100,000. President, Benjamin T. Estes; Cashier, C. A. Williams.

TIMPSON.—H. K. Jacobs is reported here.

UTAH.

SALT LAKE CITY.—Deseret Nat. Bank; John Sharp, Vice-President, in place of F. Little.

VIRGINIA.

HARRISONBURG.—Commercial Bank; capital, \$20,000. President, John E. Roller; Cashier, C. D. Beard.

RICHMOND.—State Bank of Virginia; John S. Ellett, President, in place of John L. Bacon, deceased.

SALEM.—Farmers' National Bank; Green B. Board, President, deceased.

WASHINGTON TERRITORY.

OLYMPIA.—First National Bank; John F. Govey, President, in place of W. P. Book; no Assistant Cashier in place of Frank J. Blodgett.

PULLMAN.—Bank of Pullman is reported here. Capital, \$25,000. President, F. A. Perkins; Vice-President, H. F. Webb; Cashier, W. V. Windus.

TACOMA.—National Bank of Commerce has been authorized to commence business. Capital, \$200,000. President, F. M. Wade; Cashier, A. F. McClaine.

WEST VIRGINIA.

WHEELING.—Commercial Bank; S. F. Crawford, Cashier, in place of S. P. Hildreth; no Assistant Cashier in place of S. F. Crawford.

WISCONSIN.

BLACK RIVER FALLS.—Black River Bank is reported here. Capital, \$30,000. President, Hugh H. Price; Vice-President, H. A. Bright; Cashier, E. B. Lewis.

CHIPPEWA FALLS.—Lumbermen's National Bank has been authorized to commence business. Capital, \$100,000. President, A. B. McDowell; Cashier, E. De F. Baruett.

FOND DU LAC.—Fond du Lac National Bank; Assistant Cashier, Louis Muentner. — German-American Savings Bank; discontinued.

WONEWOC.—A. J. White (Bank of Wonewoc); succeeded by C. E. Woolfenden.

WYOMING.

SUNDANCE.—Stobbins, Fox & Co.; succeeded by Bank of Sundance. Capital, \$25,000. President, James F. Summers; Vice-President, Ferd. E. Rounds; Cashier, Todd M. Pettigrew.

ONTARIO.

ALEXANDRIA.—Union Bank of Canada; F. W. Smith, Manager, in place of George Brown. **GANANOQUE.**—Bank of Toronto has opened a branch here. Acting Manager, T. F. How.

IPSWICH.—Union Bank of Canada has opened a branch here. Manager, George Brown. **PETROLIA.**—Bank of Toronto. Manager, P. Campbell.

WEST WINCHESTER.—Union Bank of Canada has branch here. Manager, S. L. Forrest.

QUEBEC.

MONTREAL.—Banque d' Hochelaga; M. J. A. Prendergast, Cashier, in place of A. D. Parant. — Bank of Montreal; Manager and Joint Assistant General Manager, E. S. Clouston; Assistant Manager, E. V. Meredith.

STE. CUNEGONDE.—Banque Jacques-Cartier will shortly open a branch here.

NEW BRUNSWICK.

MONCTON.—Bank of Montreal; A. H. Beddome, Manager, in place of F. M. Cotton.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, Oct. 3, 1887.

The month of September has been a most remarkable one in the history of the money market. Stocks have gone lower than at any period during the year, notwithstanding the continuous assertions of the general prosperity of the country and the increase in the aggregate amount of the currency through the issue of silver certificates and the importation of gold coin. The report of the Bureau of Statistics for the month of August, recently issued, indicates that the gold importations during the month exceeded the export by \$5,786,813, and that during the year ending August 31, 1887, the excess of gold imports has been \$36,393,672.

It is the more surprising that stocks have been so low inasmuch as large amounts have been purchased during the year by foreign investors. The condition of the stock market must be ascribed to the feeling of uncertainty that seems to exist as to the future of the money market. All the year the latter has been affected by recurring periods of stringency. The surplus of the U. S. Treasury has a great moral effect upon the public mind, and as we have heretofore pointed out there has been much money locked up in the purchase of U. S. bonds with the hope that the apparent necessity the administration lay under of relieving the money market, would induce it to buy at exorbitant prices. The Treasury Department has shown itself willing to adopt any reasonable measures in its power to relieve the situation. The circular of August 3, asking for offers of $4\frac{1}{2}$ per cent. bonds, at lowest prices that holders would take, produced the good effect of showing speculators that the government was not at their mercy, and the subsequent circular of September 22d, doubtless afforded the opportunity to many who had been holding the bonds for higher prices, to get rid of them, without much loss. It moreover had a further effect, in quieting apprehensions for the future. The interview of Secretary Fairchild, with the New York bankers, while not resulting in any definite plan gave a very favorable impression of the good intentions of the Secretary.

Railroad earnings reported continue to show an increase of business over the previous year. The dry goods trade all over the country appears to be in a very prosperous condition. While there has been an increase of business as shown by the increase in bank clearings, there has also been an increase in the business failures for the year. Some of the recent failures have exhibited a surprising discrepancy between the liabilities and assets, and this may cause apprehension that many firms are perhaps conducting business too extensive for their capital. There is at the present time so much competition in all branches of trade, and the profits being small the temptation is to extend business at almost any risk. This may perhaps amount to some extent for the difficulty in obtaining the discount of commercial paper during the past month. There is no doubt but that such failures as that of Ives & Co., of Wheeler, and others, with assets of little value have a tendency to render bankers cautious if not suspicious.

The interview of Secretary Fairchild with the New York bankers, called up the point whether under the Act of March 3, 1881, the Secretary could purchase bonds in addition to those which he is authorized to purchase for the sinking fund. There was some diversity of opinion on the subject, but the general opinion appears to be that he has not the power. That Act was passed for a special purpose to enable Secretary Windom to purchase five and six per cent. bonds, which then stood at about par. It would appear to be straining a point to construe it as intended to apply to present circumstances, when bonds are at a high premium. On the whole, however, the action of the Treasury has

been very beneficial in its results to the money-market, but how permanent in its effect remains to be seen.

Foreign Exchange for the week ending September 9th was very dull and rates unsettled. The next week it was moderately active. The next week it was again dull, and the last week the same. During the month, \$13,911,575 in gold have arrived, and more is said to be coming. The Bank of England rate continues at four per cent. The large purchases of American stocks abroad are supposed to explain a large portion of this influx of gold. The following are the latest posted and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.80½; sight, nominal, \$4.85; 60 days, actual, \$4.79½@4.80; sight, actual, \$4.83½@4.84; Cable transfers, \$4.84½@4.85; Prime commercial sterling, long, \$4.78½@4.78¾; Documentary sterling, 60 days, \$4.78@4.78¾; Paris, bankers', 60 days, 5.26¾@5.26¼; sight, 5.25@5.24¾; Paris, commercial, 60 days, 5.28¾@5.28½; sight, 5.26¾@5.26¼; Antwerp, commercial, 60 days, 5.29¾@5.28¾; Swiss, bankers', 60 days, 5.26¾@5.26¼; sight, 5.25@5.24¾; Reichsmarks (4), bankers', 60 days, 94@94½; sight, 94½@94½; Reichsmarks (4), commercial, 60 days, 93½@93¾; sight, 94½@94¼; Guilders, bankers', 60 days, 39 11-16@39¾; sight, 39¾@39 15-16; Guilders, commercial, 60 days, 39½@39 9-16; sight, 39 11-16@39¾; Copenhagen, Stockholm, and Christiania, krona, 60 days, 26½@26 11-16; sight, 26¾@26 15-16. Paris dispatches quote exchange on London 25f. 12½c.

The following shows the posted rates for prime bankers' sterling bills on London, at 60 days, and sight, and prime commercial sterling, together with exchange on Paris, on August 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of August and September:

August.	BANKERS'		Cable Transfers.	Commercial.	PARIS	
	60 days.	Sight.			60 days.	Sight.
Highest.....	4.83¼	4.85¼	—	4.81	5.23¼	5.20¾
Lowest.....	4.81¼	4.84¼	—	4.79¼	5.25¾	5.23¾
Sept. 1.....	4.81	4.85	—	4.79¼	5.26	5.23¾
" 8.....	4.81	4.85	—	4.78¾	5.26	5.24
" 7.....	4.80¼	4.84¼	—	4.78¼	5.26¾	5.24
" 9.....	4.80¼	4.84¼	—	4.78¾	5.26¾	5.24
" 12.....	4.80¼	4.85	—	4.79	5.26¾	5.24
" 20.....	4.80¼	4.85	—	4.78¼	5.26¾	5.24
" 26.....	4.80¼	4.85	—	4.78¾	5.26¾	5.24¾
Sept. Highest.....	4.81	4.85	—	4.79¾	5.26	5.23¾
Lowest.....	4.80¼	4.84¼	—	4.78¼	5.26¾	5.24¾

COINS AND BULLION.—Bar silver is quoted in London at 4 7-16 per ounce. At this quotation for silver the bullion value of the standard dollar is 75.32 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars.....	\$ 75 @ \$ 1 00	Twenty marks.....	4 73 @ 4 80
New (412½ grains) dollars...	99¼ @ 1 00	Spanish doubloons.....	15 55 @ 15 70
American silver ½s & ¼s...	99¼ @ 1 00	Spanish 25 pesetas.....	4 75 @ 4 85
American dimes.....	99¼ @ 1 00	Mexican doubloons.....	15 55 @ 15 70
Mexican dollars.....	75¼ @ ..	Mexican 20 pesos.....	19 50 @ 19 60
Peru soles & Chilian pesos..	74 @ 75	Ten guilders.....	3 96 @ 4 00
English silver.....	4 78 @ 4 85	Com'l silver bars, per oz.....	96¼@ ..
Five francs.....	93 @ 95	U. S. Assay silver bars ..	96¼ @ 97¼
Victoria sovereigns.....	\$4 83 @ \$4 88	Fine gold bars par @ ¼ % premium on the	
Twenty francs.....	3 85 @ 3 90	Mint value.	

HOME MONEY MARKET.—There has been considerable stringency in the home money market during the month and there has been considerable difficulty at times in securing the discount of commercial paper. This difficulty has been due perhaps to failures of firms, with a bad showing. There has however been little difficulty in securing loans on really good collateral. For the week ending September 2, loans on stock and bond collateral ranged from 3 to 8 per cent., commercial paper, 6 to 7. For the week ending September 9,

loans on collateral were from 3 to 7 per cent., commercial paper, 6 to 7. For the week ending September 16, loans on collateral were from 3 to 7 per cent., and commercial paper, from 7 to 8. For the week ending September 23, rates on collateral loans were from 3 to 7 per cent., on commercial paper, 6½ to 8 per cent. For week ending September 30, rates on collateral loans were from 4 to 7 per cent., and on commercial paper, from 6 to 7½.

The following are the latest rates of exchange on New York: Savannah, par, selling ¼ @ ¼ premium. Charleston, buying 3-16 @ ¼ discount, selling par. New Orleans, commercial, \$2 per \$1,000 discount, bank, par. St. Louis, 50 @ 75c. per \$1,000 discount. Chicago, 70c. per \$1,000 discount.

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of September, and the highest and lowest during the month. Actual sales marked *:

$\frac{1}{2}$ 100 2	4½% '91, coup.	4s, 1907, coup.	4s, 1907, Reg.	C'y 6s, 1895.	C'y 6s, 1899.	$\frac{1}{2}$ 100 2	4½% '91, coup.	4s, 1907, coup.	4s, 1907, Reg.	C'y 6s, 1895.	C'y 6s, 1899.
1	*108¾	125¾	124¾	121¾	130¼	19	107¾	124¼	*123¼	122	130
2	108¼	125¾	124¾	122	130¼	20	108	*124¼	123¾	122	130
3	108¾	125¾	124¾	122	130¾	21	*108	*124¼	123¾	122	130
6	108¼	125¾	*124¾	122	130¼	22	108¾	125¼	124¼	122	130
7	108¼	125¾	124¾	122	130	23	108	124¾	*123¾	122	130
8	108	*125¾	*124¾	122	130	24	108¼	124¼	123¾	121	130
9	108	125¾	124¾	122	130	25	108¼	124¼	123¾	121	130
10	108	125	124¾	122	130	27	108¼	125	124	122	130
12	*108	*125¾	124¾	122	130	28	108¼	125	124	122	130
13	108	125¼	*124¼	122	130	29	108¼	125	124	122	130
14	*108	125¼	124¼	122	130	30	108¼	125	124	122	130
15	107¾	125	124	122	130						
16	107¾	*125	124	122	130						
17	107¾	124¼	123¾	122	130	High Low	108¾ 107¾	125¾ 124¼	124¾ 123¾	122 121	130¾ 130

The public debt less cash in the Treasury has decreased \$14,247,969.80 as compared with a decrease of \$4,809,475 during the month of August. The outstanding interest-bearing debt on September 1 was \$1,060,853,712, and October 1 it was \$1,047,114,442. The accrued interest at the latter date was in addition \$11,415,570. The statement includes \$64,623,512 of Pacific Railway bonds. Four and a-half per cent., bonds outstanding on August 31, were \$244,251,600 and on September 30, these had been reduced to \$231,673,350, a reduction of \$12,578,250. Four per cent. bonds in the same time were diminished from \$737,812,800 to \$733,654,150 a reduction of \$4,158,650. The debt statement also shows that the interest prepaid by the Treasurer on fours and four and a-halves up to October 1, was \$1,092,988. One fact that seems to show the difficulty in the way of Treasury relief of the money market, is that those who are entitled to receive money for matured debt and accrued interest do not draw it. For instance the debt statement of August 31, showed that \$14,698,983.27 held ready to pay such matured debt and accrued interest, and that of September 30, showed \$15,389,938 so held. The moral effect of the willingness of the Treasury to buy bonds is greater than would be supposed, because it enables a reservoir of cash outside the ordinary money market to be drawn on. If the U. S. bonds held in anticipation of government purchases amounting to nearly 14 millions of dollars, had been thrown at once upon the ordinary New York market, the price of fours would have gone perhaps as low as 120, and all other stocks and bonds would have been similarly affected. It was doubtless the consciousness of this in banking circles that caused the great uneasiness and apprehension, which has been felt during the greater part of the month. Evidently a panic was averted by the action of the Treasury in issuing the circular of September 22d. Nevertheless the condition which rendered this action necessary was the result of the anticipation

that the government would be compelled to buy bonds. Acting on this, prices were forced up in the market, and all the offerings for several months were purchased by the speculators. The government did not respond as speedily as was expected and those who had purchased the bonds were in a tight place. Prices began to decline. How much they would have declined, if the government had not interfered, will never be known. It is certain that the Treasury upheld its own credit as well as helped the holders by fixing the prices it did. But at the same time that these bond speculators had placed themselves in an unpleasant predicament, the market generally was affected by this fact, and the aid from Washington was welcomed by all.

The following table shows the net gold and silver held by the United States Treasury on the 1st of October and on the 1st of September and August :

	Oct. 1, 1887.	Sept. 1, 1887.	Aug. 1, 1887.
Gold coin and bullion.....	\$290,702,629	\$282,039,534	\$281,296,417
Gold certificates outstanding.....	97,984,683	88,765,340	94,990,087
Gold owned by Treasury.....	\$192,717,946	\$193,274,193	\$186,306,330
Silver dollars and bullion.....	\$217,954,668	\$218,236,868	\$216,621,247
Silver certificates outstanding.....	154,354,826	147,876,385	144,166,141
Silver owned by Treasury.....	\$63,599,842	\$70,360,483	\$72,455,106

The Treasury Statement for the 30th of September, shows that the Treasury net holdings were as follows : the holdings for the three previous months and for July 1, 1886, are also given.

U. S. Treasury Net holdings of.	July 1, 1886.	July 1, 1887.	Aug. 1, 1887.	Sept. 1, 1887.	Oct. 1, 1887.
Gold	\$156,793,749	\$186,875,669	\$186,906,930	\$193,274,193	\$192,717,946
Silver	96,229,539	73,348,425	72,455,106	70,360,483	63,599,842
U. S. notes	22,868,317	21,767,376	20,013,797	21,157,538	17,610,212
Bank notes	149,014	197,048	273,802	219,313	174,370
Fractional silver....	20,282,496	27,004,192	26,803,846	26,259,313	25,064,830
In Treasury.	\$305,323,115	\$307,529,129	\$335,472,823	\$311,270,859	\$299,197,200
In Depository B'ks.	14,435,199	22,991,302	23,493,267	25,824,902	25,438,630
Total	\$319,758,314	\$330,520,431	\$358,966,090	\$337,194,760	\$324,635,830

The cash in the Treasury has decreased \$12,073,659 during September, as against an increase of \$5,798,036 during the month of August. The following table shows the amount of bonds purchased under the Secretary's circular of September 22d.

Date.	Total amount.	4 per cents.	4½ per cents.
September 22	\$3,494,700	\$2,820,000	\$694,700
September 23	1,835,650	1,044,000	791,650
September 24	1,900,350	522,650	1,377,700
September 26	1,253,250	177,050	1,076,200
September 27	717,850	181,850	540,500
September 28	253,900	99,950	153,950
September 29	405,950	338,450	67,500
September 30	49,450	.....	.....
Total	\$9,911,100	\$5,113,450	\$4,748,200

The changes during the month are a decrease of \$556,247 in net gold coin and bullion held, and a decrease of \$6,760,641 in silver dollars. In addition to the silver mentioned above the Treasury held trade dollar bullion, \$6 796,683, trade dollars, \$298,353, and fractional silver coin, \$24,984,219. Silver

certificates outstanding increased \$6,478,441. The receipts of the Government for September were \$33,859,805, and the expenditures \$18,789,968, showing an excess of receipts of \$15,069,837. The result of the bond purchases has, however, been to diminish the cash in the Treasury. The usual Treasury statement as to cash in the hands of the people shows an expansion of \$32,350,375 in the available currency of the country during the month of September.

From the statement of the Comptroller of the Currency of October 1, it appears that the total decrease in National bank circulation during the month was \$1,366,399. Of the circulation issued during the month \$614,150 was to new banks, and \$820,890 to banks increasing circulation. The total amount of lawful money on deposit with the Treasurer to retire outstanding bank circulation was \$102,720,821, which indicates a decrease in this deposit of \$1,346,697 during the month.

The following shows the amount of each description of bonds held by the Treasurer to secure National bank circulation on the dates indicated:

	Oct. 1, 1887.	Sept. 1, 1887.	Aug. 1, 1887.	July 1, 1887.	Jan. 1, 1887.
Currency 6 per cents.	\$3,256,000	\$3,206,000	\$3,176,000	\$3,175,000	\$3,680,000
4½ per cents.....	70,030,850	69,953,550	69,023,500	67,743,100	59,636,200
4 per cents.....	116,214,250	116,202,900	115,890,950	115,842,650	113,903,200
3 per cents.....	216,000	*734,500	*1,349,350	*5,205,950	52,218,950
Total.....	\$189,717,100	\$190,096,950	\$189,445,800	\$191,966,700	\$229,438,350
* Called.					

The bonds to secure public deposits amounted to \$28,027,000, including \$225,000 currency 6s, \$9,661,500 4½s, \$17,487,500 4s and \$650,000 called threes. The decrease of bonds on deposit to secure circulation is very gradual since the redemption of the three per cents. Since January 1 the total diminution in bonds has been \$39,721,250. At that date the banks held \$52,218,950 of three per cents, all of which except \$216,000 have been withdrawn. There has also been a decrease of \$424,000 in currency sixes. The total reduction in these two classes of bonds has been \$52,426,950. Of this amount \$2,311,050 has been made up by a deposit of four per cents, and \$10,394,650 by the deposit of 4½s. The probability is that not very many of the banks holding the threes in January have replaced them; they have simply reduced their circulation. The increase in fours and four and a half probably largely represents deposits made by new banks. The constant decrease of National bank circulation is not felt at the present time so much because of the increase of gold and silver coin and certificates based thereon. It is not the actual decrease in the circulation that is so alarming as the impossibility of increasing it in case of necessity. At present there is an abundance of currency of various sorts, but in the aggregate gold predominates, and the continued coinage of silver and other causes may combine to deprive the country of the use of gold as money. In such case the inability to put out National bank circulation would be seriously felt.

NEW YORK BANKS.—The following table shows the condition of the New York Clearing-House Banks for a number of weeks past, as well as about this time in 1886 and 1885.

1887.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
Oct. 1..	\$344,795,400	\$75,144,800	\$20,328,800	\$345,826,000	\$8,205,100	\$9,017,100
Sept. 24..	346,422,800	70,521,900	20,521,900	341,935,900	8,237,000	5,816,725
Sept. 17..	347,096,100	68,931,600	20,608,200	342,880,500	8,128,600	3,818,675
Sept. 10..	347,442,900	68,120,400	21,743,300	342,837,500	8,118,200	4,154,325
Sept. 3..	344,838,900	68,579,300	22,745,100	344,447,100	8,114,600	5,212,625
1886.						
Oct. 2..	310,196,700	74,082,900	18,570,100	346,756,300	8,164,400	5,963,925
1885.						
Oct. 3..	330,759,300	107,091,300	30,747,900	385,380,000	9,905,500	41,409,200

The great increase of the surplus reserve which occurred after September

17, was doubtless due to the sale of U. S. bonds to the Government by some of the banks. The reserve held on October 1, of this year is much stronger than that of about the same date in 1886. The preponderance of the New York banks as compared with the other banks of the country is shown by the following table prepared in the office of the Comptroller of the Currency which exhibits the loans and discounts, and reserves of the banks in sixteen reserve cities. Comparative figures are given showing the same items for May 13, 1887, and October 7, 1886.

STATEMENT OF LOANS AND DISCOUNTS AND BANK RESERVE IN RESERVE CITIES.

	LOANS AND DISCOUNTS.		
	Aug. 1, 1887.	May 13, 1887.	Oct. 7, 1886.
New York.....	\$261,398,297	\$267,106,521	\$253,732,375 71
Chicago.....	59,971,500	62,072,290	55,401,342 28
St. Louis.....	9,775,087	21,383,426	9,675,771 08
Boston.....	123,287,675	127,404,391	122,338,346 91
Albany.....	8,454,594	8,568,677	8,548,861 93
Philadelphia.....	85,559,585	83,188,162	79,537,714 35
Pittsburgh.....	31,899,039	31,730,419	27,783,382 08
Baltimore.....	28,919,549	27,442,849	27,505,214 16
Washington.....	4,008,470	3,937,926	3,119,405 63
New Orleans.....	9,508,683	10,194,032	9,003,338 50
Louisville.....	9,174,690	9,400,737	8,756,772 35
Cincinnati.....	24,023,427	28,355,732	24,031,575 61
Cleveland.....	16,394,438	16,098,497	15,216,538 48
Detroit.....	12,508,212	11,312,877	10,296,824 69
Milwaukee.....	3,841,492	4,175,758	4,522,095 33
San Francisco.....	4,531,327	4,096,479	3,358,835 31
Totals.....	\$691,206,024	\$717,746,663	\$664,568,424 36

	RESERVE HELD.		
	Aug. 1, 1887.	May 13, 1887.	Oct. 7, 1886.
New York.....	\$82,640,201	\$82,412,344	\$77,033,965
Chicago.....	21,978,086	20,629,701	20,319,916
St. Louis.....	3,467,774	6,324,323	3,627,163
Boston.....	22,458,678	14,554,408	25,124,116
Albany.....	3,320,166	1,325,220	2,867,108
Philadelphia.....	29,865,060	17,552,540	24,252,530
Pittsburgh.....	7,794,078	5,081,241	6,735,072
Baltimore.....	6,031,629	4,852,653	5,768,656
Washington.....	2,486,946	1,746,031	2,473,003
New Orleans.....	3,172,028	3,080,504	3,180,800
Louisville.....	2,153,174	1,175,203	1,750,049
Cincinnati.....	7,296,028	5,267,753	7,845,919
Cleveland.....	3,157,021	1,969,391	3,391,383
Detroit.....	4,043,896	2,064,433	3,176,321
Milwaukee.....	2,076,752	1,318,010	2,290,985
San Francisco.....	1,262,542	1,433,394	1,247,851
Totals.....	\$197,243,149	\$170,826,389	\$190,965,722

The figures do not show any very great increase of business in Chicago, or St. Louis as the result of their having been made central reserve cities. The loans of the St. Louis banks although large on May 13th, on August 1, had decreased to about the same amount they were in October, 1886. New York holds nearly one-half of the total reserves of the country, and the proportion would be larger were the reserves shown cash reserves, which, except in the case of the central reserve cities they are not, and in Chicago, and St. Louis, they are cash only on the two latest dates. New York city banks also show about two-fifths of the total loans and discounts of the country. It must also be remembered that only the National banks, of New York, are shown by the table. The loans of the State banks of that city by their official statements of September 17th, amounted to \$73,642,800 and their reserves to \$10,422,900.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of September, the highest and lowest since January 1, 1887, and also during the year 1886:

	SEPTEMBER, 1887.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Atlantic & Pacific....	12½	9½	10½	15¼—June 18	9½—Sept. 20	13½	7
Canadian Pacific....	56	49½	52½	68¾—Jan. 13	49½—Sept. 20	73	61
Canada Southern....	58½	50½	55½	64½—May 19	49—July 30	71½	34½
Central of N. J.....	78½	68	74½	86¼—Apr. 13	55½—Jan. 3	64	42½
Central Pacific....	38	32	33½	43¾—Apr. 12	32—Sept. 20	51	38
Chesapeake & Ohio....	7	5	5¼	9½—Jan. 8	5—Sept. 29	13½	7
do 1st pref.....	12½	9	9½	17—Jan. 13	9—Sept. 18	21½	13
do 2d pref.....	10	6	7	11½—Jan. 20	6—Sept. 29	15½	8½
Chic., Burl. & Quinoy	138½	131	135	56—May 17	131—Sept. 15	141	128½
Chic., Mil. & St. Paul	85½	78	79½	195—May 18	78—Sept. 28	96	82½
do preferred....	120½	114½	116	27¼—May 17	114½—Sept. 26	125½	116
Chic. & North-west'n.	116½	110	112½	127½—June 7	109—July 30	120½	104½
do preferred....	146¼	140	143½	153¼—June 7	138¼—Jan. 29	144	135
Chic., Rock I. & Pac.	128½	116½	118½	140½—May 17	116¾—Sept. 20	131	120½
Chic., St. L. & Pitts...	18	12½	15	122—Apr. 22	12¾—Sept. 21	19½	9½
do preferred....	45	35	40	52¼—Apr. 22	35—Jan. 27	43¾	26½
Chic., St. P., M. & O.	47¾	39½	44¼	54¼—May 17	39½—Sept. 20	55	35½
do preferred....	110	104½	108	18½—June 7	104½—Sept. 20	110½	97
Clev., Col., Cin. & Ind	56	49	54	168—Apr. 11	49—Sept. 20	75½	43½
Col. H. Val. & Tol...	25½	15	21	39¾—Jan. 11	15—Sept. 19	45	26½
Del., Lack. & West'n	134½	124¼	129½	30¼—June 1	124¼—Sept. 20	144	115
Denv. & R. Grande a.p	28	23½	26½	132¾—Apr. 14	21½—Feb. 3	35½	21½
E. Tenn., Va. & Ga...	12½	9½	11½	17—Jan. 3	9½—Sept. 21	18½	11
do 1st preferred	62	52	57½	82¼—Jan. 13	52—Sept. 21	83½	67
do 2d preferred	25	19	21½	32—Jan. 3	19—Sept. 21	35¾	23
Evans. & Terr. Haute	90	80	87	00—Apr. 9	80—Sept. 20	91¾	67½
Green B. Win. & St. P.	11½	7½	10	117—Apr. 7	7¾—Sept. 21	14½	8
Illinois Central....	121½	116	117½	38—May 28	116—Sept. 19	143½	130
Ind., Bloom. & W'n*	17½	12	15½	127¾—Apr. 1	12—Sept. 20	28½	12
Kingston & Pem....	38½	30½	32	47½—Apr. 21	30½—Sept. 20	100½	76½
Lake Shore....	96½	90½	95¼	98¾—June 30	89¾—Aug. 1	100	80
Long Island....	93½	85	91	99¼—May 14	85—Sept. 20	69	35½
Louisville & Nash'v	64½	58	61¾	70¼—Apr. 14	57—Feb. 3	71	32
Lou'ville, N. A. & Chic	41	30¼	41	67¾—June 11	30¼—Sept. 20	61	32
Manhattan consol...	109	94½	100¾	61¾—Apr. 20	93¾—Aug. 31	175	120
Michigan Central....	88	82	88	195½—May 19	80—Aug. 28	98¾	61½
Mil., L. S. & West...	88	79½	84	94½—May 18	66½—Jan. 6	71½	22
do preferred....	109	104	106½	19—May 18	98—Jan. 4	103	50½
Mineap's & St. Louis	16	10	13	120¼—Apr. 2	10—Sept. 21	23½	16½
do preferred....	34	22	26½	48½—May 31	22—Sept. 20	52½	40½
Mo., Kan. & Texas...	27½	21½	25	34¼—Apr. 9	21½—Sept. 20	38¼	21
Missouri Pacific....	100½	89¾	93½	12—May 19	89¾—Sept. 21	119	100½
Mobile & Ohio....	14	10½	11	119½—Jan. 8	10½—Sept. 20	21½	11
Nash., Chat. & St. L.	80	70	76	88¾—Jan. 3	70—Sept. 21	105½	43½
N. Y. Cent. & H. R.	110¼	105¼	109	14¾—May 19	105¼—Sept. 20	17¾	4½
N. Y., Chic. & St. Louis	18½	14	17	120¾—May 16	14—Sept. 20	31	11
do preferred....	32	26½	31¼	37½—May 18	26½—Sept. 21	38½	22½
N. Y., Lake E. & West	48¼	27	20½	35¾—Apr. 12	27—Sept. 21	38½	22½
do preferred....	70½	61¾	66½	76—May 23	61¾—Sept. 21	81¼	50½
N. Y. & New Eng....	46½	35¼	40½	66—Mar. 29	35¼—Sept. 26	66¾	30½
N. Y., Ont. & West'n	18¼	15½	17¼	20¼—Jan. 3	15½—Aug. 25	22½	15
N. Y., Susq. & West'n	10¼	7¾	9	14—Feb. 14	7¾—Sept. 20	12½	6
do preferred....	30¾	24½	29	38¼—Feb. 14	24½—Sept. 21	33¼	17½
Norfolk & Western...	18	14	15½	28¾—Jan. 3	14—Sept. 20	27¾	8½
do preferred....	45	38	42¾	55½—May 16	38—Sept. 20	58½	25
Northern Pacific....	28½	22½	24¼	34¾—July 18	22½—Sept. 21	31¾	22
do preferred....	55	48¼	50½	63½—May 19	47¾—Aug. 25	66½	53½
Ohio & Mississipp...	30¼	2¼	25½	32¼—Apr. 4	22¾—Feb. 1	35½	19½
Oregon & Transc....	28	18½	21½	35¾—Apr. 7	18½—Sept. 20	38	25
Peoria, Dec. & Evans.	26	17¼	23	39½—May 26	17¼—Sept. 21	34½	18
Phila. & Reading....	65	55½	61¼	65—Sept. 6	34—Feb. 1	57½	17½
Richm'd & W. Point	30½	20½	26½	53—Jan. 17	20½—Sept. 21	71¼	27¼
Rome, Wat'n. & O'g'bg	86	78½	85	96—Jan. 17	78½—Sept. 26	97	25
St. L. & San F....	38½	30	37	44¾—May 26	30—Jan. 27	36¾	17
do preferred....	74¼	64	75	84¼—May 26	64½—Feb. 2	72¾	37½
do 1st pref.....	115	109½	118	120—June 2	109½—Sept. 21	118½	97
St. Paul & Duluth...	74	60	66	95—June 20	55¼—Jan. 7	67	37
do preferred....	105	99½	104½	114¾—May 23	99—Aug. 2	114	92½
St. Paul, Minn. & Man	115	97	106	120½—May 27	97—Sept. 21	124½	106½
Texas & Pacific....	29	20½	25¾	35¾—May 28	20—Feb. 3	25	7¼
Union Pacific....	57¼	50	54½	63¾—May 18	50—Sept. 20	68¼	44¼
Wabash, St. L. & Pac.	18½	16¼	18¼	22¾—May 6	13½—Feb. 1	24½	12
do preferred....	33½	28½	32¾	38¼—May 18	23¾—Feb. 1	41¾	23½
Col. Coal & Iron Co.	41	30	36¼	53¼—May 19	30—Sept. 20	108¼	88¼
Del. & Hudson Canal	101½	90½	97½	105¾—Apr. 18	90½—Sept. 21	108½	93
Oregon R. & Nav. Co	95	84	90	105¾—May 19	84—Aug. 26	107½	87
Pacific Mail....	41¼	32¼	40½	58¾—Apr. 7	32¼—Sept. 21	80	45¾
Western Union Tel...	79½	70¼	75¼	79½—Sept. 9	67¼—June 24	87½	60½

* First assessment paid. + Assented. ‡ Com. Repts. § Second assessment paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange.

The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYA-BLE.	YEAR 1886.		OCT. 1, 1887.	
				High.	Low.	Bid.	Askd.
Alabama Class A 3 to 5	1906	6,728,800	J & J	108	97	104	106
do do small				105	97	104	.....
do Class B 5's	1906	539,000	J & J	110	105	104	.....
do Class C 4's	1906	959,000	J & J	103½	95	99	106
do 6's, 10-20	1900	960,000	J & J	107½	104	102	106
Arkansas 6's, funded	1899, 1900	8,000,000	J & J	11½	5	10	13
do 7's, Little Rock & Fort Smith ..		1,000,000	A & O	28	12	25	30
do 7's, Memphis & Little Rock ..		1,200,000	A & O	27	13	20	28
do 7's, L. R., Pine Bluff & N. O. ...		1,200,000	A & O	27½	12½	20	.....
do 7's, Miss., Ouachita & Red River		600,000	A & O	20½	5	20	34
do 7's, Arkansas Central R. R.		1,350,000	A & O	8	5	11	14
Georgia 7's, gold bonds	1890	2,000,000	Q J	114	108½	104	106
Louisiana 7's, consolidated	1914	12,039,000	J & J	94	84	100	.....
do 7's, do stamped 4's				82½	67	86	87
do 7's, do small bonds				78	67	83	.....
Michigan 7's	1890	231,000	M & N	112	108	106	.....
Missouri 6's	1887	3,242,000	J & J	104½	102	101	.....
do 6's	1888	3,251,000	J & J	106½	103½	101	.....
do 6's	1889 or 1890	1,105,000	J & J	110	107	107	.....
do Asylum or University	1892	401,000	J & J	113	110	110	.....
do Funding bonds	1894, 1895	1,000,000	J & J	119	115	112	.....
do Hannibal & St. Joseph	1887	1,000,000	J & J	104	101	118	.....
New York 6's, gold, registered	1887	942,000	J & J	104	102	102	.....
do 6's, coupon	1887	645,200	J & J	104	102	102	.....
do 6's, loan	1891	4,302,600	J & J	115	110	112	.....
do 6's, loan	1892	2,000,000	A & O	120	112	115	.....
do 6's, loan	1893	473,000	A & O	122	115	118	.....
North Carolina 6's, old	1846-98	4,738,000	J & J	36½	30	36	.....
do do April & October		3,639,400		36½	30	35	.....
do to N. C. R. R.	1883-4-5	3,000,000	J & J	175	165	170	.....
do do 7's, coupon off				175	165	140	.....
do do April & October			J & J	145	135	170	.....
do do 7's, coupon off				145	135	140	.....
do Funding Act	1866-1900	2,417,000	J & J	13½	10	10	.....
do do	1868-1898	1,721,400	A & O	18½	10	10	.....
do new bonds, J. & J.	1892-1898	2,383,000	J & J	23	20	20	.....
do do April & October		485,140		23	20	20	.....
do Chatham Railroad		1,200,000	A & O	13	6	6	12
do special tax, Class 1			A & O	14½	8	10	15
do do Class 2			A & O	10½	10	10	15
do do to W'n N. C. R.			A & O	.....	.....	10	15
do do to West'n R. R.			A & O	.....	.....	10	15
do do to W'il. C. & R'n R. R.			A & O	.....	.....	10	15
do do to W'n & Tar R. R.			A & O	.....	.....	10	15
do trust certificates .....				.....	.....	11	15
do consolidated 4's	1910	3,620,511	J & J	100½	88½	97	.....
do do small bonds			J & J	98	97	97	.....
do do 6's	1919		A & O	129	115	123	124
Rhode Island 6's, coupon	1893-4	1,372,000	J & J	124	118	97	.....
South Carolina 6's, Act March 23, 1899, / non-fundable, 1888, /		5,965,000	.....	7½	5	5	6½
South Carolina, Brown consolid'n 6's. 1893		4,280,000	J & J	110½	104	105	106
Tennessee 6's, old	1890-2-8	4,397,000	.....	65½	53	56	61
do 6's, new bonds	1892-8-1900		.....	65½	53	56	61
do 6's, new series	1914		.....	65½	53	56	61
do compromise 3-4-5-6's	1912	2,014,000	J & J	75½	62	72	.....
do new settlement 6's	1918	823,000	J & J	109	103	101	106
do do small bonds		49,400	J & J	.....	.....	100	105
do do 5's	1913	347,000	J & J	102	100	100	101½
do do small bonds		10,100	J & J	.....	.....	.....	.....
do do 8's	1913	10,571,000	J & J	80	71½	69	.....
do do small bonds		345,800	J & J	68	70

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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 ‡ A part of this reserved to cover previous issues, etc. † Amount authorized.

STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		OCT. 1, 1887.	
				High.	Low.	Bid.	Ask d
Virginia 6's, old.....		9,427,000		47	42	*48	.....
do 6's, new bonds.....	1866	700,000		47	42	*48	.....
do 6's, do.....	1867	466,000		49	42	*48	.....
do 6's, consolidated bonds.....		20,239,000		100	80	*90	.....
do 6's, ex-matured coupons.....				60	50	*45	50
do 6's, consolidated, 2d series.....		2,442,784		69	60	*60	.....
do 6's, deferred bonds.....		12,691,531		133¼	9	*10	12
do Trust receipts.....				133¼	9	8	99¼
District of Columbia 3-65's.....	1924			120	116	117	119
do small bonds.....		14,033,600	F & A				
do registered.....			F & A				
do funding 5's.....	1899		J & J	112½	110	*106	
do do small.....		943,400	J & J				
do do regist'd.....			J & J				
FOR. GOV. SECURITIES.—Quebec 5's. 1908		3,000,000	M & N			106	110

CITY AND COUNTY.

Brooklyn 6's.....			J & J			*110	
do 6's, Water Loan.....		9,706,000	J & J			*125	
do 6's, Improvement Stock.....		730,000	J & J			*125	
do 7's, do.....		6,084,000	J & J			*140	
do 6's, Public Park Loan.....		1,217,000	J & J			*125	
do 7's, do.....		8,016,000	J & J			*163	
Jersey City 6's, Water Loan.....		1,163,000	J & J			*106	
do 7's, do.....		3,109,800	J & J			*110	
do 7's, improvement.....		3,669,000	J & J			*117	
Kings County 6's.....							
New York City 6's, 20, 50.....	1877					*128	
do 6's.....	1878					*130	
do 6's.....	1887	3,066,000	F.M.A.N			*101	
do gold 6's, consolidated.....	1896		M & N			*121	
do do 6's.....	1902		J & J			*136	
do do 6's, Dock bonds.....		3,976,000				*110	
do do 6's, County bonds.....						*130	
do do 6's, C's, Park.....	1894-5	10,343,000	J & D			*118	
do 6's.....	1896					*120	
do 5's.....	1898	674,000	Q J			*115	

MISCELLANEOUS.

	PAY.						
Bankers & Merchants' Telegraph.....	100	3,000,000		3½	2½	*2½	
Boston Land Co.....	10	800,000					
Canton Co., Baltimore.....	100	4,500,000		65	53		
Chartiers Valley Gas Co.....	100	3,000,000					
Cent. New Jersey Land Improvement.....	100	2,200,000					
Consolidated Gas Co.....	100	35,430,000		111	74½	71½	72
Delaware & Hudson Canal.....	100	24,500,000	Q M	108½	87¼	97	97½
Equitable Gas Light Co.....	100	3,000,000				120	130
Iron Steamboat Company.....	100	2,000,000				*28	
Manhattan Beach Company.....	100	5,000,000				11	12
Philadelphia Company.....	50	7,500,000	Mthy			97½	98
Pullman's Palace Car Co.....	100	15,927,200	Q F	147½	128	151	152
Southern & Atlantic Telegraph.....	25	948,875	A & O			*142	
Sutro Tunnel Co.....	10	20,000,000					
Western Union Telegraph.....	100	81,200,000	Q F	80½	60½	74½	74½
North-Western Telegraph.....	50	2,500,000					
Central & So. American Telegraph.....	100	4,006,600	Q J			*72½	72½
Commercial Telegram Co.....	100	1,800,000				*35	
do do preferred.....	100	200,000		105	103½	*102	103
Mexican Telegraph Co.....	100	1,500,000	Q J	122½	110	*135	160
Joliet Steel Co.....	100	2,666,000		131	105	110	125

GOVERNMENT SECURITIES.

United States 4½ registered.....	1891		M.J.S.&D			108½	108½
do 4½ coupons.....	1891	250,000,000	M.J.S.&D	114	109½	108½	108½
do 4's registered.....	1907		J.A.J.&O			124	124½
do 4's coupons.....	1907	737,792,150	J.A.J.&O	129½	123	123	125½
do 6's, currency.....	1895	3,002,000	J & J			122	
do 6's, do.....	1896	8,000,000	J & J			124	
do 6's, do.....	1897	9,712,000	J & J			126	
do 6's, do.....	1898	20,904,952	J & J	130½	133	128	
do 6's, do.....	1899	14,004,560	J & J			130	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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‡ A part of this reserved to cover previous issues, etc. † Amount authorized.

RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		OCT. 1, 1887.	
				High.	Low.	Bid.	Askd
Albany & Susquehanna.....	100	3,500,000	J & J	148	138	*140	150
Atchison, Topeka & Santa Fe.....	100	68,000,000	Q F	99½	84½	*118	119½
Atlantic & Pacific.....	100	25,000,000	.....	13½	7	10½	10½
Beech Creek.....	50	3,700,000	.....	.....	.....	*23½	23½
do preferred.....	50	1,300,000	.....	.....	.....	*80	85
Burlington, Cedar Rapids & Northern.....	100	5,500,000	.....	75	45	*50	.....
Buffalo, Rochester & Pittsburgh.....	100	6,000,000	.....	35½	22½	.....	55
do do preferred.....	100	6,000,000	.....	.....	.....	57½	57½
Canada Southern.....	100	15,000,000	F & A	71½	34½	54½	54½
Canadian Pacific.....	100	65,000,000	F & A	73	61	50	52½
Central of New Jersey.....	100	18,533,200	Q	64	42½	71¾	72
Central Iowa.....	100	9,100,000	.....	22½	12	2	6
do 1st preferred.....	100	907,000	.....	.....	.....	*17	.....
do 2d preferred.....	100	1,167,800	.....	.....	.....	*10	11
Central Pacific.....	100	68,000,000	F & A	51	38	34	35
Charlotte, Columbia & Augusta.....	100	2,578,000	.....	50	30	.....	.....
Chesapeake & Ohio.....	100	15,906,138	.....	13½	7	5½	6½
do do 1st preferred.....	100	8,447,800	.....	21½	13	9½	13
do do 2d preferred.....	100	11,594,000	.....	15½	8½	6	10
Chicago & Alton.....	100	14,091,000	Q M	146	138	*134	135
do do preferred.....	100	3,479,500	Q M	162	150	*175	180
Chicago & Northwestern.....	100	41,373,000	J & D	120½	104½	*112½	112½
do do preferred.....	100	22,325,200	Q M	144	135	142	144
Chic., St. Paul, Minneapolis & Omaha.....	100	21,403,293	.....	55	35½	43½	44
do do preferred.....	100	12,646,833	J & J	116½	97	106¾	107½
Chicago, Rock Island & Pacific.....	100	*50,000,000	Q F	131	120½	120	122
Chicago, Burlington & Quincy.....	100	76,385,300	Q M	141	128½	135	.....
Chicago, Milwaukee & St. Paul.....	100	30,680,361	A & O	99	82½	78½	78½
do do do preferred.....	100	21,555,900	A & O	125½	116	115½	116½
Chicago & Eastern Illinois.....	100	3,000,000	.....	.....	.....	109	112
Chicago, St. Louis & Pittsburgh.....	100	10,000,000	.....	19½	9½	14½	15½
do do do preferred.....	100	20,000,000	.....	43¾	26½	37½	38½
Chicago & Indiana Coal Railway Co.....	100	2,197,800	.....	.....	.....	40½	50
do do do preferred.....	100	1,465,200	.....	.....	.....	85	95
Cin., New Orleans & Texas Pacific.....	100	3,000,000	.....	.....	.....	.....	.....
Cincinnati, Ind's, St. Louis & Chicago.....	100	10,000,000	.....	.....	.....	.....	.....
Cincinnati, Jackson & Mackinac.....	100	8,320,000	.....	.....	.....	.....	.....
do do preferred.....	100	4,680,000	.....	.....	.....	.....	.....
Cleveland & Pittsburgh guaranteed.....	50	11,243,736	Q M	153	146½	*56	56½
Cleve., Columbus, Cin. & Indianapolis.....	100	14,991,800	F & A	75½	43½	*53	54½
Columbia & Greenville.....	100	1,000,000	.....	.....	.....	.....	.....
do do preferred.....	100	1,000,000	.....	60	42	.....	.....
Columbus, Hooking Valley & Toledo.....	100	11,700,000	.....	45½	26½	20	21
Delaware, Lackawanna & Western.....	50	26,200,000	Q J	144	115	129½	129½
do Morris & Essex.....	50	15,000,000	J & J	144	132½	*139	140
do N. Y., Lackawanna & Western.....	100	10,000,000	Q J	109	100½	*105½	107
Dubuque & Sioux City.....	100	5,000,000	A & O	101	60½	*68	72
Denver & Rio Grande.....	100	38,000,000	.....	35½	21½	24½	2½
do do preferred.....	100	23,650,000	.....	63½	53½	57	58
Denver & Rio Grande Western.....	100	7,500,000	.....	.....	.....	12	16
Denver, South Park & Pacific.....	100	3,500,000	.....	.....	.....	.....	.....
Des Moines & Fort Dodge.....	100	4,283,100	.....	.....	.....	9½	10½
do do preferred.....	100	763,000	.....	.....	.....	.....	30
Detroit, Mackinac & Marquette.....	100	4,750,000	.....	.....	.....	.....	.....
Det. Bay City & Alp. R. R.....	100	1,670,300	.....	.....	.....	.....	.....
East Tennessee, Virginia & Georgia.....	100	27,500,000	.....	18½	11	109½	114
do do do 1st preferred.....	100	11,000,000	.....	83½	67	56½	57½
do do do 2d preferred.....	100	18,500,000	.....	35½	24	20	21
Elizabethht'n, Lexington & Big Sandy.....	50	5,000,000	.....	22	15	10	15
Evansville & Terre Haute.....	50	3,000,000	.....	91½	67½	80	85
Flint & Pere Marquette preferred.....	100	6,500,000	.....	.....	.....	*14	.....
Green Bay, Winona & St. Paul.....	100	8,000,000	.....	14½	8	9	10
do do preferred.....	100	2,000,000	.....	.....	.....	14	24
Harlem.....	50	8,518,100	J & J	240	213½	*225	240
do preferred.....	50	1,881,500	J & J	.....	.....	.....	.....
Houston & Texas Central.....	100	10,000,000	.....	44½	25	22	35
Illinois Central.....	100	30,000,000	M & S	143½	130	*118	.....
do leased line 4 per cent. stock.....	100	10,000,000	J & J	100½	93	*94	100
Indiana, Bloomington & Western.....	100	10,000,000	.....	28½	12	*17½	19
do assented, first instalment paid.....	100	10,000,000	.....	.....	.....	*23	24
do assented, full assessment paid.....	100	10,000,000	.....	.....	.....	*20	22
Joliet & Chicago.....	100	1,500,000	Q J	150½	150

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		OCT. 1, 1887.	
				High.	Low.	Bid.	Askd.
Kentucky Central.....	100	5,500,000					
Keokuk & Western.....	100	4,000,000				30	40
Kingston & Pembroke.....	50	4,500,000				33	34½
Lake Erie & Western.....	100	11,840,000				15½	16
do do preferred.....	100	11,840,000				44½	45
Lake Shore & Michigan Southern.....	100	49,466,500	F & A	100%	76½	94	94½
Long Island.....	50	10,400,000	Q & F	100	80	*95½	97
Louisville & Nashville.....	100	30,000,000	F & A	69	33½	61	61½
Louisville, New Albany & Chicago.....	100	5,000,000		71	32	30	40
Marquette, Houghton & Ontario.....	100	2,378,600				17	19
do preferred.....	100	3,278,500				*85	90
Mexican Central (limited).....	100	35,000,000				14	15½
Milwaukee, Lake Shore & Western.....	100	2,000,000		71½	22	82½	83
do do preferred.....	100	5,000,000		103	50½	103½	104
Milwaukee & Northern.....	100	4,131,000		42½	40	105	108
Michigan Central.....	100	18,738,204		98½	61½	86	90
Missouri Pacific.....	100	45,000,000	Q J	119	100½	92½	92½
Missouri, Kansas & Texas.....	100	46,405,000		58½	21	24	24½
Mobile & Ohio assented.....	100	5,320,600		21½	11	11	13
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100				120	125
Minneapolis & St. Louis.....	100	6,000,000		237½	16½	12	13
do do preferred.....	100	4,000,000		52½	40	25	26½
Manhattan consolidated.....	100	23,895,630	Q	175	120	99½	100½
Minn., S. S. Marie & Atlantic.....	100	2,426,000					
do do preferred.....	100	2,426,000					
New York Central & Hudson River.....	100	89,428,300	Q J	117½	98½	109	109½
New York, New Haven & Hartford.....	100	15,500,000	Q & J	223	204½	*222	
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000		102	96	98	100
New York, Lake Erie & Western.....	100	78,000,000		38½	22½	29½	29½
do do preferred.....	100	8,536,900	Q	81½	50½	64½	
New York, Ontario & Western.....	100	58,113,982		229½	15	16½	17½
New York & New England.....	100	20,000,000		68½	30½	39½	39½
New Jersey & New York.....	100	1,500,000					
do preferred.....	100	800,000					
New York, Chicago & St. Louis.....	100	28,000,000		17½	4½		
do do assented.....	100					16½	17½
do do preferred.....	100	22,000,000		31	11		
do do do assented.....	100					30	31½
New York, Susquehanna & Western.....	100	13,000,000		12½	6	8½	9½
do do preferred.....	100	8,000,000		33½	17½	27½	28
Northern Pacific.....	100	49,000,000		31½	22	24½	24½
do preferred.....	100	37,396,776		66½	53½	49½	50½
Nashville, Chattanooga & St. Louis.....	25	6,668,375		105½	43½	74	75
Norfolk & Western.....	100	7,000,000		27½	8	14	16
do preferred.....	100	18,000,000		59½	25	41	41½
Norfolk Southern.....	100	1,000,000					
Ohio & Mississippi.....	100	20,000,000		35½	19½	25½	26½
do preferred.....	100	4,030,000		91	79	*51½	51½
Ohio Southern.....	100	3,840,000		22½	13½	*20½	21½
Omaha & St. Louis preferred.....	100	2,220,500				*30½	31½
Oregon & California.....	100	7,000,000					
do preferred.....	100	12,000,000					
Oregon & Trans-Continental.....	100	40,000,000		38	25	20½	21½
Oregon Short Line.....	100	15,265,000		38	19½	17	20
Oregon Improvement Co.....	100	7,000,000		51	16	35	36
Oregon Railway & Navigation Co.....	100	24,000,000	Q J	109½	93	86	87½
Philadelphia & Reading 1st assm't paid.....							
do 2d do.....							
do 3d do.....							
do All do.....		34,702,000				60½	60½
do preferred, 1st do.....							
do do 2d do.....							
do do 3d do.....							
do All dd.....		1,286,800					
Pittsburgh, Ft. Wayne & Chic. guar'd. 100		19,714,285	Q J	150	141	*148	150
do do special 100		10,778,600		140	132½		
Pitts., McK'sport & Youghiogheny con.....		3,000,000				*105	
Peoria, Decatur & Evansville.....	100	8,400,000		34½	16	21½	22
Rochester & Pittsburgh.....	100	1,682,500		7½	3½	*60	66
Richmond & Allegheny reorganiz'n cert.....		5,000,000		15½	2	*14	14½
do stamped assessment paid.....							
Richmond & Danville.....	100	5,000,000	Q F	200	75	*150	

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RAILROAD STOCKS.

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				High.	Low.	Bid.	Ask d
Richmond & West Point R. & W. Co....	100	40,000,000		77½	87½	25	26½
do do preferred.....	100	5,000,000	J & J			52½	53
Rome, Watertown & Ogdensburg.....	100	5,233,900		98	25	82	85
Utica & Black River guaranteed.....	100	2,223,000		125	117½	117	
South Carolina.....	100	4,204,160		24	10½	5	9
Southern Pacific.....	100	88,076,200		41½	30½	*30	81
St. Louis, Alton & Terre Haute.....	100	2,300,000		48	27	35	37
do do pfd.....	100	2,468,400	May	95	80	70	80
Belleville & Southern Illinois pref.....	100	1,275,000	M & N			75	
St. Louis & San Francisco.....	100	11,964,300		36½	17	38	36½
do do preferred.....	100	10,000,000		72½	37½	72	78½
do do 1st preferred.....	100	4,500,000	F & A	18½	97	110	111
St. Louis, Arkansas & Texas.....	100	9,555,000					
St. Paul & Duluth.....	100	4,055,400		67	87	62	64
do preferred.....	100	5,377,003	J & J	114	99½		72½
St. Joseph & Grand Island.....	100	4,500,000		37	25	*28½	29½
St. Paul, Minneapolis & Manitoba.....	100	20,000,000	Q F	124½	106½	100½	104½
Tex. & P. Trust C'tr's, all assm'ts paid.....	100	32,188,700		28½	17½	25½	25½
Toledo & Ohio Central.....	100	1,582,000		38½	26	24	27
do do preferred.....	100	8,106,000		93½	46½	51	53
United New Jersey R. & Canal Co.'s.....	100	21,240,400					
Union Pacific.....	100	80,868,500	Q J	68½	44½	53½	53½
Utah Central.....	100	4,250,000		18	11	26	
Virginia Midland.....	100	6,000,000		51½	15	41	45
Wabash, St. Louis & Pacific.....	100	28,419,500	Q	13	6	*16½	16½
do do full-paid p. c. cert.....	100			24½	12	18½	18½
do do preferred.....	100	24,223,200		27	14		*17
do do full-paid p. c. cert.....	100			41½	22½	31½	32½
Wheeling & Lake Erie Railway.....	100	3,600,000				39½	41

RAILROAD BONDS.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Atholston, Topeka & Santa Fe 4½'s.....	1820	4,687,000	A & O				
do do sinking fund 6's.....	1911	12,348,000	J & D				*118½
Atlantic & Pacific guar'd 1st gold 4's.....	1837	17,610,000	J & J			81	83
Beech Creek 1st gold 4's.....	1836	5,000,000	J & J			70	80
Salt. & Ohio 1st 6's (Parkersb'g br'ch).....	1919	3,000,000	A & O	128½	120	117	
do 5's, gold.....	1885-1925	10,000,000	F & A	114	106½	105½	108
do do registered.....			F & A	112½	106½		*112
Boston, Hoosac Tunnel & W'n deb. 5's.....	1913	2,000,000	M & S	93½	91	95	
Bur., Cedar Rapids & Northern 1st 5's.....	1906	6,500,000	J & D	111	106		108½
do con. 1st & col. tr. 5's.....	1934	5,000,000	A & O	110	98		101
do do do registered.....			A & O				*100
Minneapolis & St. L. 1st 7's, gold.....	1927	150,000	J & D	134	128	*140	
Iowa City & Western 1st 7's.....	1909	456,000	M & S	114½	109½	*109	
Cedar Rapids, Iowa Falls & N. 1st 6's.....	1920	825,000	A & O	111	110½	107	
do do do 1st 5's.....	1921	1,905,000	A & O	108½	100		100
Buffalo, N. Y. & Phila. con. 1st 6's.....	1921	11,000,000	J & J	51	37		*71½
do do trust certificates.....						30	
do do general 6's.....	1924	3,700,000	M & S				*45
do do trust certificates.....							*50
Canada Southern 1st int. gold 5's.....	1908	14,000,000	J & J	108½	108½	105½	108½
do 2d mortgage 5's.....	1913	6,000,000	M & S	95	84	80½	
do do registered.....			M & S			*92	93
Central Iowa 1st mortgage 7's.....	1899	3,700,000	J & D	115		*112	
do do coupons off.....				111	84	81	90
do (Eastern division) 1st 6's.....	1912	1,515,000	A & O	75	66		70
do (Illinois division) 1st 6's.....	1912	1,520,000	A & O	70	66	*70½	
Cent. R. & Bkg. Co. Ga. col. g. 5's.....	1937	5,000,000	M & N			100½	100½
Chesapeake & Ohio pur. money fund.....	1898	2,300,000	J & J	117	111½	112	115
do 6's, gold, Series A.....	1908	2,000,000	A & O	114	103½		105
do 6's, gold, Series B.....	1908		M & N				*108
do do coupons off.....			M & N	84	60	69½	72
do small bonds.....	1908	15,000,000	M & N			*74	75
do do coupons off.....			M & N			68	
do extension coupon 4's.....	1886		M & N			*74	
do do reg'd 4's.....	1886		M & N				*90
do 6's, currency.....	1918	10,122,500	J & J	41½	25	18½	20
do small bonds.....	1918		J & J			16½	
do mortgage 6's.....	1911	2,000,000	A & O	103	94½	93½	94½
Ches., Ohio & S.-W. mortgage 6-6's.....	1911	6,878,000	F & A	104	88½	100	
do do 2d mortgage 6's.....	1911	2,495,000	F & A			*85	

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				High.	Low.	Bid.	Ask'd
Chicago & Alton 1st mortgage 7's... 1893		2,383,000	J & J	121½	117	113	117½
do sinking fund 6's... 1903		2,655,000	M & N	125	121	123	.....
Louisiana & Missouri River 1st 7's... 1900		1,785,000	F & A	124	120	118½	.....
do do 2d 7's... 1900		300,000	M & N	116½	116	117½	119
St. Louis, Jacksonville & Chic. 1st 7's... 1894		2,365,000	A & O	122	116½	*117½	.....
do 1st guarantee (564) 7's... 1894		564,000	A & O	.....	.....	117	.....
do 2d mortgage (380) 7's... 1898		44,000	J & J	.....	.....	*118½	.....
do 2d guarantee (188) 7's... 1898		188,000	J & J	.....	.....	*115	.....
Mississippi River Bridge 1st 6's... 1912		660,000	A & O	107	105	106½	.....
Chicago, Burlington & Quincy cons. 7's... 1913		‡30,000,000	J & J	138	132½	129½	131
do 5's, sinking fund... 1901		2,500,000	A & O	.....	.....	*110	.....
do 5's, debentures... 1913		9,000,000	M & N	110½	105	*104½	105
do (Iowa div.) sinking f'd 5's... 1919		3,000,000	A & O	113½	112½	*111½	.....
do do do 4's... 1919		10,591,000	A & O	103	99½	.....	99
do Denver division 4's... 1922		7,968,000	F & A	101½	97½	.....	96
do do do 4's... 1921		4,300,000	M & N	.....	92½	.....	96
do Neb. Extension 4's... 1927		7,600,000	M & N	.....	.....	.....	.....
do do Registered		400,000	M & N	101½	.....	.....	.....
Chic. Burlington & Northern 1st 5's... 1926		9,000,000	A & O	104½	102½	104	105
do do debentures 6's... 1896		2,250,000	J & D	.....	.....	131½	.....
Chic., Rock Island & Pacific 6's, coup. 1917		12,500,000	J & J	140	128½	129	132
do 6's, registered... 1917		J & J	140	130	131	132
do extension & cot. 5's... 1934		11,860,000	J & J	113	109	107½	108
do do reissued		J & J	.....	.....	*107	.....
Des Moines & Fort Dodge 1st 4's... 1905		1,200,000	J & J	.....	.....	85	89
do do 1st 2½'s... 1905		1,200,000	J & J	.....	.....	.....	58
do do extension 4's... 1905		672,000	J & J	.....	.....	.....	.....
Keokuk & Des Moines 1st mort. 5's... 1923		2,750,000	A & O	118	108	109	112
do do small bonds... 1923		A & O	.....	.....	110	111
Central Railroad of N. J. 1st 7's... 1890		5,000,000	F & A	114½	107	105½	105½
do 1st consolidated 7's... 1899		‡25,000,000	Q J	.....	.....	*111	113
do assented... 1902		M & N	118	106	113½	115
do convertible 7's... 1902		5,000,000	.....	.....	.....	*114	115
do assented... 1908		5,000,000	M & N	120	106	113	115
do convertible deb. 6's... 1908		12,000,000	.....	92½	63	*100	105
do Interim bond certs... 1900		11,500,000	Q M	.....	.....	97½	98½
Lehigh & Wilkes-Barre con. gold... 1900		114½	103	110½	111½
do do assented... 1900		106	.....
{\$8,116,000 held by Central R. R. of N. J. unassented; \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's... 1921		5,000,000	J & J	103	89	104½	104½
Mil. & St. Paul 1st m. 8's Pra. du Chn. 1898		3,674,000	F & A	136½	132	124	.....
do 2d 7-10 Pra. du Chn. 1898		1,241,000	F & A	129	125	119	.....
do 1st 7's \$ gold, Riv. division 1902		3,804,500	J & J	134½	180	125	.....
do 1st 7's 2 do 1902		J & J	.....	.....	116	.....
do 1st m. La Crosse div. 7's... 1893		5,264,000	J & J	125	120	115½	.....
do 1st m. Iowa & Minn. 7's... 1897		3,198,000	J & J	127½	122½	116½	.....
do 1st m. Iowa & Dakota 7's... 1899		541,000	J & J	132	124½	119	.....
do 1st m. Chicago & Milw. 7's... 1903		2,393,000	J & J	134	130	124½	126
do consolidated 7's... 1905		‡35,000,000	J & J	136	128½	125½	126½
do 1st 7's, Iowa & Dak. exten. 1908		3,505,000	J & J	134½	125½	122	125
do 1st 6's, Southwest'n div'n... 1909		4,000,000	J & J	121	115½	.....	116
do 1st 5's, La Crosse & Dav. 1919		3,000,000	J & J	109½	105	.....	104
do 1st So. Minnesota div. 6's... 1910		7,432,000	J & J	121	114½	.....	114½
do 1st Hastings & Dak. div. 7's... 1910		5,880,000	J & J	131	124	119	123
do do 5's... 1910		585,000	J & J	.....	.....	*120	.....
do Chic. & Pacific div. 6's... 1910		2,500,000	J & J	124½	119	116	118
do 1st Chicago & Pac. W. 5's... 1921		24,540,000	J & J	111	103	102½	103½
do Chic. & Mo. R. div. 5's... 1923		2,049,000	J & J	.....	.....	.....	.....
do Mineral Point div. 5's... 1910		2,840,000	J & J	108½	102	100	.....
do Chic. & L. Sup'r div. 5's... 1921		1,360,000	J & J	.....	.....	*102	.....
do Wis. & Min. div. 5's... 1921		4,755,000	J & J	109½	102	.....	102
do terminal 5's... 1914		4,668,000	J & J	108½	101½	101½	102
do Far. & So. 6's assu. 1924		1,250,000	J & J	119	114½	.....	116
do Inc. conv. sink'g fund 5's... 1916		2,000,000	J & J	.....	.....	90	.....
Dakota & Gt. Southern 5's... 1916		1,000,000	J & J	.....	.....	.....	101
Chic. & Northw'n consol. bonds, 7's... 1915		‡12,900,000	Q F	143½	138½	.....	140
do coupon gold 7's... 1902		J & J	.....	.....	127½	.....
do registered gold 7's... 1902		‡48,000,000	J & J	137	130	127½	128
do sink'g fund 6's... 1879-1929		6,305,000	A & C	2	11	120
do do registered....		A & C	116	116	120½

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				High.	Low.	Bid.	Askd
do do 5's.. 1879-1929		8,155,000	A&O	108	108	110	
do do registered.....			A&O	111½	107	109½	
do debenture 5's. 1883		10,000,000	M&N	110½	105	108½	
do do registered.....			M&N	110½	105	108	
do 25 year debenture 5's. 1909		4,000,000	M&N	109	104½	104½	104½
do do registered.....			M&N	109	104½	104½	104½
do extension gold 4's. 1888-1923		8,190,000	F & A 15	101½	101½	94	94½
Escanaba & Lake Superior 1st 6's. 1901		720,000	J & J	115½	115	*116	
Des Moines & Minneapolis 1st 7's. 1907		600,000	F & A			122	
Iowa Midland 1st mortgage 8's. 1900		1,350,000	A & O	137	134	*128	
Peninsula 1st convertible 7's. 1898		152,000	M & S			120	
Chicago & Milwaukee 1st mortg. 7's. 1896		1,700,000	J & J	133	124		121
Winona & St. Peters 2d 7's. 1907		1,592,000	M & N			128	130
Milwaukee & Madison 1st 6's. 1905		1,600,000	M & S	117½	116½	113	117
Ottumwa, C. F. & St. P. 1st 5's. 1909		1,600,000	M & S	111	108	106	106½
Northern Illinois 1st 5's. 1910		1,500,000	M & S	110½	106	105	109
C., C. & Ind'polis 1st 7's sink. fund. 1899		3,000,000	M & N	123	120		
do consolidated mtge 7's. 1914		27,500,000	J & D	134	123½		*130
do sinking fund 7's. 1914			J & D	128	124	*120½	
do gen'l consol. 6's. 1884		3,500,000	J & J	110½	100		108
do do registered.....			J & J			*110½	
Chic. St. P. Min's & Omaha con. 6's. 1930		222,839,000	J & D	126½	118½	118½	
Chicago, St. Paul & Min. 1st 6's. 1918		3,000,000	M & N	130	125	122	126
Nort'n Wisconsin 1st mortgage 6's. 1930		800,000	J & J			*124½	123½
St. Paul & Sioux City 1st 6's. 1919		6,080,200	A & O	130	125	124	126
Chic. & Eastern Ill. 1st sink'g f'd c'y 1967		3,000,000	J & D	122	115		117
do do small bonds.....			J & D			*118	119
do do 1st c. 6's. gold. 1884		3,000,000	A & O	119	110	114	115
Chic., St. Louis & Pittsb. 1st con. 5's. 1832		222,000,000	A&O	100	92	96½	
do do registered.....			A&O				
Chic. & West'n Ind. 1st sinking f'd 6's. 1919		2,500,000	M & N	116	112½		117½
do do general mortgage 6's. 1882		28,896,666	Q M	113	109	110	113
Chicago & St. Louis 1st 6's. 1915		1,500,000	M & S	108	101		
Chicago & Indiana Coal 1st 5's. 1838		3,689,000	J & J	100½	92	95	99
Cin., Ind., St. L. & Chic. 1st guar. 4's. 1936		1,255,000	J Q F				*98
do do registered.....			J Q F				
Cincin., Jack. & Mack. 1st con. g. 5's. 1836		1,400,000	J & D				97
Columbia & Greenville 1st 6's. 1916		2,000,000	J & J			*105	
do do 2d 6's. 1926		1,000,000	A & O				100
Col., Hooking Valley & Toledo 1st 5's. 1931		14,500,000	M & S	94	81	68½	
do do general mortgage gold 6's. 1904		2,000,000	J & D	97½	89½		63½
Col. & Cincinnati Midland 1st 6's. 1914		2,000,000	J & J				95
Delaware, Lackaw' & W. conv. 7's. 1892		600,000	J & D	116½	114		116
do do mtge 7's. 1907		10,000,000	M & S	140	135½	132	
Syracuse, Binghamton & N. Y. 1st 7's. 1906		1,750,000	A & O	137½	131½	131	
Morris & Essex 1st mortgage 7's. 1914		5,000,000	M & N	146	140½		141
do 2d 7's. 1891		3,000,000	F & A	117	112½	107	
do do bonds, 7's. 1900		281,000	J & J			115	
do do 7's. 1871-1901		4,991,000	A & O	133	125	125½	126½
do do 1st cons. gua'd 7's. 1915		25,000,000	J & D	134	130	134	135
N. Y., Lackawanna & W'n 1st 6's. 1921		12,000,000	J & J	133	125	123	
do do construction 5's. 1923		5,000,000	F & A	113	108½		108
Delaware & Hud. Canal 1st reg. 7's. 1891		4,988,000	J & J	115½	110	107½	108
do do 1st extension 7's. 1891		549,000	M & N	115½	112½	108	
do coupon 7's. 1884		4,829,000	A & O	121	115½	114½	
do do registered 7's. 1894			A & O	120½	118	117	
do 1st Penna. Div. coupon 7's. 1917		210,000,000	M & S	144½	136	137½	140
do do do reg. 1917			M & S	141	140½	135	
Albany & Susquehanna 1st 7's. 1848		1,000,000	J & J	109	106½	102½	103½
do do 1st con. gua'd 7's. 1906		3,000,000	A & O	135	128½	135	1
do do do registered.....			A & O	124	117½	119½	*140
do do 6's. 1906		5,449,000	A & O	119½	118	*119	120½
do do registered.....			A & O	144	141½		
Rensselaer & Saratoga 1st coup. 7's. 1921		2,000,000	M & N			141	140
do do 1st reg. 7's. 1921						141	144
Denver & Rio Grande 1st consol. 4's. 1836		22,575,000	J & J	81½	75½	77	78
do do 1st mtge 7's. 1900		6,382,500	M & N	124	114½	121½	121½
Denver, South Park & Pac. 1st 7's. 1905		1,800,000	M & N	89	72	70	
Denver & Rio Grande West'n 1st 6's. 1911		5,857,000	M & S	85½	72½	70	73
do do do assented.			M & S	83½	72	63½	65
Detroit, Mack. & Marquette 1st 6's. 1921		2,280,000	A & O	100	55	*90	

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		OCT. 1, 1887.	
				High.	Low.	Bid.	Ask d
do land grant 3½ S. A. 1911		4,580,000	.....	56	20	33	33½
Detroit, Bay City & Alp'a 1st 6's. 1913		2,300,000	J & J	106½	105	*106½	108
East Tenn., Virginia & Georgia 1st 7's. 1900		3,500,000	J & J	126	118½	114	118
do do divisional 5's. 1830		3,108,000	J & J	108	105	102	.....
do do con. 1st gtd 5's. 1858		12,770,000	M & N	96½	94½	*94½	95
E. & W. of Ala. 1st con. gld 6's. 1926		1,108,000	J & D	.....	.....	*108	.....
Elizabeth City & Norfolk s.f. deb. cert. 6's.		250,000	A & O	.....	.....	.....	*104
do do 1st mtge 6's. 1920		900,000	M & S	.....	.....	*52½	.....
Elizabeth'n. Lex & Big Sandy 6's. 1902		3,500,000	M & S	110	99	.....	95
Erie 1st mortgage extended 7's. 1897		2,482,000	M & N	127½	121	120	122
do 2d extended 5's. 1919		2,149,000	M & N	117½	113	111½	.....
do 3d extended 4½'s. 1923		4,618,000	M & S	112½	108	104	105
do 4th extended 5's. 1920		2,928,000	A & O	119	112½	106	.....
do 5th extended 7's. 1888		709,500	J & D	109	103	102	.....
do 1st consolidated gold 7's. 1920		16,890,000	M & S	139½	129	129	130½
do 1st cons. f'd coup. 7's. 1920		3,705,997	M & S	133	120½	*129½	.....
do reorganization 1st lien 6's. 1908		2,500,000	M & N	112	108½	105	115
Long Dock bonds, 7's. 1893		3,000,000	J & D	120	112½	112	.....
do do consolidated 6's. 1935		4,500,000	A & O	124	114½	117½	118
Buffalo, New York & Erie 1st 7's. 1916		2,380,000	J & D	140	133½	134½	137
N. Y., L. Erie & W. new 2d con. 6's. 1909		33,597,400	J & D	116½	89	97	100
do collateral trust 6's. 1922		5,000,000	M & N	108	102	.....	108
do fund coupon 5s. 1885-1909		4,032,000	J & D	96½	77½	80	.....
Buffalo & Southw'n mortgage 6's. 1908		1,500,000	J & J	.....	.....	*90	.....
do do small.	J & J	.....	.....	.....	.....
Evansville & Terre Haute 1st con. 6's. 1921		3,000,000	J & J	120½	111½	114	118
do Mt. Vernon 1st 6's. 1923		375,000	A & O	112½	103	110	.....
do Indianapolis 1st con. 6's. 1926		1,020,000	J & J	113	109	.....	108½
Flint & Pere Marquette mortgage 6's. 1920		5,000,000	A & O	122½	116	118	121
Fort Worth & Denver City 1st 6's. 1921		5,616,000	J & D	95½	81	82½	82½
Gal., Harrisburg & San Antonio 1st 6's. 1910		4,800,000	F & A	116	106½	.....	105
do 2d mortgage 7's. 1905		1,000,000	J & D	119½	108	.....	108
do Western division 1st 5's. 1931		13,500,000	M & N	103	92	.....	94
do do 2d 6's. 1931		6,750,000	J & J	94	80	.....	*117
Grand Rapids & Indiana general 5's. 1924		3,217,000	M & S	.....	.....	96	99
do do registered.	M & S	.....	.....	.....	.....
Green Bay, Winona & St. Paul 1st 6's. 1911		1,600,000	F & A	107½	80	102	104½
Gulf, Col. & Santa Fe 1st 7's. 1909		11,724,000	J & J	123½	116½	120½	.....
do do gold 6's. 1923		5,500,000	A & O	106½	86½	101	102
Hannibal & St. Joseph consol'd 6's. 1911		26,000,000	M & S	125	119½	*119	121
Henderson Bridge Co. 1st 6's. 1931		2,000,000	M & S	112	108½	*108½	110
Houston & Texas Cent. 1st main l. 7's. 1891		6,896,000	J & J	.....	.....	113	113½
do do 1st West. div. 7's. 1891		2,375,000	J & J	.....	.....	110½	113
do do 1st Waco & N.W. 7's. 1903		1,140,000	J & J	.....	.....	111	112
do do 2d c. main line 8's. 1912		4,118,000	A & O	95½	76	101	105
do do gen'l mort. 6's. 1921		4,325,000	A & O	73½	50	*108	.....
do do Trust Co. receipts.	61	62
Houston, E. & W. Texas 1st 7's. 1898		1,344,000	M & N	89½	65	.....	.....
Illinois Central 1st gold 4's. 1951		1,500,000	J & J	110	106½	104	107
do do registered.	107	.....
do do gold 3½'s. 1951		2,500,000	J & J	102½	99½	90	95
do do registered.	*89	.....
Springfield division coupon 6's. 1898		1,600,000	J & J	121	117½	115½	.....
Middle division registered 5's. 1921		600,000	F & A	109½	109½	112	118
Chicago, St. L. & N. O. Tenn. 1st 7's. 1897		541,000	M & N	.....	.....	115	.....
do 1st consol. 7's. 1897		857,000	M & N	122	122½	115	.....
do 2d mortgage 6's. 1907		80,000	J & D	.....	.....	118	.....
do gold 5's. 1951		J & D 15	120½	112	114	115
do gold 5's, registered.	105	112½
Dubuque & Sioux City 2d div. 7's. 1894		588,000	J & J	119	118½	110	115
Cedar Falls & Minn. 1st 7's. 1907		1,334,000	J & J	120	106	.....	105
Ind., Bloomington & W'n 1st pref'd 7's. 1900		1,000,000	J & J	120½	116	121	123
do 1st 5-6's trust receipts.		3,408,000	A & O	104½	89½	87	91
do 2d 5-6's trust receipts.		1,477,000	A & O	80	66½	70	75
do Eastern div. trust receipts.		2,950,000	J & D	105½	89	86	.....
Ind., Decatur & S. 1st 7's. ex. fund coup. 1906		1,613,000	A & O	108	98½	105	.....
Internat'l & Gt. Northern 1st 6's, gold. 1919		7,954,000	M & N	119	114	112	114
do do coupon 6's. 1909		7,054,000	M & S	96	84	.....	87
Kentucky Central R'y gold fours. 1887		5,600,000	J & J	.....	.....	74	.....
Knoxville & Ohio 1st 6's, gold. 1925		2,000,000	J & J	105½	86½	92	94
Lake Erie & Western 1st gold 5's. 1937		5,920,000	101	101½

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				High.	Low.	Bid.	Ask'd
Lake Shore & Michigan Southern.							
Cleve., Painesville & Ashtabula 7's.....	1892	920,000	A & O	119	114		
Buffalo & Erie new bonds 7's.....	1898	2,784,000	A & O	129	121½	112½	
Kal'zoo & White Pigeon 1st 7's.....	1890	400,000	J & J	108	108	121	
Detroit, Monroe & Toledo 1st 7's.....	1906	924,000	F & A			108	
Lake Shore div. bonds 7's.....	1899	1,356,000	A & O	126	121½	123½	
do consol. coupon 1st 7's.....	1900		J & J	134½	127	121½	
do consol. registered 1st.....	1900	\$25,000,000	Q J	132½	127	124	
do consol. coupon 2d 7's.....	1903		J & D	127	119½	123	126½
do consol. registered 2d.....	1903	\$25,000,000	J & D	125	119½	122½	123½
Mahoning Coal 1st 5's.....	1934	1,500,000	J & J	105	103	122	123
Long Island 1st mortgage 7's.....	1898	1,500,000	M & N	180	119		*105½
Long Island 1st consolidated 5's.....	1931	\$5,000,000	Q J	115½	108	122	124½
N. Y. & Manhattan Beach 1st 7's.....	1897	500,000	J & J			114	
N. Y., B'klyn & M'n B. 1st c. g. 5's.....	1935	783,900	A & O	125			*110
Louisville & Nashville consol'd 7's.....	1896	7,070,000	A & O	125	117		
do Cecilian branch 7's.....	1907	1,000,000	M & S	113	107½	120	121½
do N. O. & Mobile 1st 6's.....	1930	5,000,000	J & J	107½	99	105	110
do do 2d 6's.....	1930	1,000,000	J & J	97	86	109	
do Evans., Hend. & N. 1st 6's.....	1919	2,400,000	J & D	116½	112	96	98
do general mortgage 6's.....	1930	\$20,000,000	J & D	105½	100½	112½	114
do Pensacola division 6's.....	1920	600,000	M & S	102	97½	107	110
do St. Louis division 1st 6's.....	1921	3,500,000	M & S	113	108		101
do do 2d 3's.....	1980	3,000,000	M & S	57	51		
do Nash. & Decatur 1st 7's.....	1900	1,900,000	J & J	128	121	54	
do So. & N. Ala. sink'g f'd ds.....	1910	2,000,000	A & O	105	102	115	
do Louisville, Cin. & Lex. 6's.....	1931	\$7,000,000	M & N			108½	
do Trust bonds, 6's.....	1922	10,000,000	Q M	107	98	104½	106
do 10-40 6's.....	1924	5,000,000	M & N	100	84½	100	
do 5 percent 50 year g. bonds.....	1937	1,350,000				100	101
do Penn. & At. 1st 6's, gold, gr'd.....	1921	3,000,000	F & A	96	82½	90	
Lou., New Albany & Chicago 1st 6's.....	1910	3,000,000	J & J	120	100½		110½
do do consol'd gold 6's.....	1916	3,500,000	A & O	100	94½	90	92½
Louisville, N. Orleans & Texas 1st 5's.....	1934	13,641,000	M & S	92½	90½		
Memphis & Charleston 6's, gold.....	1924	1,000,000	J & J	108½	102	100½	105
Metropolitan Elevated 1st 6's.....	1908	10,818,000	J & J	123	115	114	115
do do 2d 6's.....	1899	4,000,000	M & N	113½	108½	109	108½
Mexican Central 1st mortgage 7's.....	1911		J & J			*41	42
do do ex. coupon 6-7-8.....		41,170,000	J & J	60	39	*61	
do do new assented 4's.....			J & J	57	34	65	
do do income bonds.....	1911	8,128,000				20½	
Michigan Central 1st consol. 7's.....	1902	8,000,000	M & N	183	126½	128½	129½
do do 1st consol. 5's.....	1902	2,000,000	M & N	111½	107	108½	
do do 6's.....	1909	1,500,000	M & S			*108½	109½
do do coupon 5's.....	1931	4,000,000	M & S	110	107½	*108½	
do do registered 5's.....	1931		Q M	110	107		*108
do Jackson, Lansing & Sag'w 6's.....	1891	1,100,000	M & S			101½	
Milwaukee & Nor. 1st main line 6's.....	1910	2,155,000	J & D	108½	102	107	109½
do do 1st extension 6's.....	1913	1,976,000	J & D	104	100	106½	107½
Milw., L. Shore & West'n 1st 6's.....	1921	4,350,000	M & N	121½	112½	119	120
do do conv. debent. 5's.....	1907	600,000	F & A			95	
do do Mich. div. 1st 6's.....	1924	1,281,000	J & J	120½	106½	115	116
do do Ashland div. 1st 6's.....	1925	1,000,000	M & S	117	112½	113½	
Minneapolis & St. Louis 1st 7's.....	1927	950,000	J & D	126	123		135
do do Iowa exten. 1st 7's.....	1909	1,015,000	J & D	125	119		115
do do 2d mortgage 7's.....	1891	500,000	J & J	102	101		100
do do Southw'n ext. 1st 7's.....	1910	636,000	J & D			110	
do do Pacific ext. 1st 6's.....	1921	1,382,000	A & O	110	108	110	
do do imp't and equip. 6's.....	1922	2,000,000	J & J	100	90		80
Minnesota & Pacific 1st mortgage 5's.....	1936	3,035,000	J & J				102
Minnesota & N. West 1st 5's, gold.....	1934	7,783,000	J & J	106	99½	101½	102
Minn., S. S. Marie & Atl. 1st 5's.....	1926	4,000,000	J & J			*83	
Mo., Kansas & Texas gen'l cons. 6's.....	1920	\$35,125,000	J & D	105½	87½	90	91½
do do gen'l cons. 5's.....	1920	9,230,000	J & D	83½	72½	79½	80
do do cons. 7's.....	1904, 5-6	14,877,000	F & A	118	108	110½	110½
do do 2d mort. income.....	1911	635,000	A & O	90	78	*85	91
Hannibal & Cent. Missouri 1st 7's.....	1890	664,000	M & N	115	110		
Mobile & Ohio new mortgage 6's.....	1927	7,000,000	J & D	116	109½	113½	114
do collateral trust 6's.....	1892	59,000	J & J			102	
do 1st extension 6's.....	1927	\$1,000,000	Q J	106	101	108	
{ St. Louis & Cairo 4's, guaranteed.....	1931	4,000,000	J & J	78½	72½	71	72

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				High.	Low.	Bid.	Ask'd
Morgan's Louisiana & Texas 1st 6's...1920		1,494,000	J & J	116	104½	95
do do 1st 7's...1918		5,000,000	A & O	127	118	120½	.....
Nashville, Chattanooga & St. L. 1st 7's.1913		6,800,000	J & J	131	123	124	125
do do 2d 6's.1901		1,000,000	J & J	111½	110	.....	110
{ N. Y. Central 6's .....1887		2,391,000	J & D	106	101	101½	.....
do debenture cert. ext. 5's...1893		6,450,000	M & N	108¾	104	104½	105
do & Hudson 1st coup. 7's. 1903		†30,000,000	J & J	140½	134	131½	132
do do 1st registered.1903			J & J	137½	133½	130	131½
do do deb. 5's...1904		7,850,000	M & S	112¼	107¾	107	107¾
do do deb. 5's, registered			M & S	110¼	107½	.....	*110
Harlem 1st mortgage 7's, coupon...1900		†12,000,000	M & N	129	131	130	.....
do do 7's, registered.1900			M & N	139	131½	130	132
N. J. Junction guaranteed 1st 4's...1886		2,000,000	F & A	.....	.....	.....	106
do registered certificates.....							
N. Y. Elevated 1st mortgage 7's.....1906		8,500,000	J & J	130	123	117	118
N. Y., Penn. & Ohio prior lien 6's.....1895		8,000,000	M & S	.....	.....	108	.....
{ N. Y. City & North. gen'l mtge 6's...1910			M & N	73½	55	.....	*78
do do Trust Co. receipts		4,000,000		73½	54	.....	*63
do do assented.....			M & N	.....	.....	61	62
N. Y. & New England 1st 7's.....1905		6,000,000	J & J	130	125	*71½	72
do do 1st 6's.....1905		4,000,000	J & J	117½	117½	*116	.....
N. Y., Chicago & St. Louis 1st 6's.....		15,000,000	J & D	99	85½	*97½	.....
do do Trust Co. receipts.....			J & D	100½	84	98	100
do do 2d 6's.....1923		10,000,000	M & S	77	66	93	.....
N. Y., Ontario & W. 1st gold 6's .....1914		3,000,000	M & S	109	103	106	107½
N. Y., Susquehanna & W'n debent. 6's.1897		600,000	F & A	.....	.....	.....	.....
do do coupons off.....			F & A	94	76½	*78	.....
do do 1st refund g 5's.1937		3,750,000	J & J	.....	.....	.....	90
do do 2d mtge. 4½'s...1937		636,000	F & A	.....	.....	69	.....
Midland R. of New Jersey 1st 6's...1910		3,500,000	A & O	110	100	109	110
N. Y., N. Haven & H. 1st reg. 4's .....1903		2,000,000	J & D	112½	112	.....	*111½
N. Y., Tex. & Mex., guar. 1st 4's.....1912		1,442,500	A & O	.....	.....	.....	.....
No. Pac. g'l 1st m. r'd and l.g. c. 6's.1921		53,309,000	J & J	120	111½	114	114½
do do do reg. 6's.1921			J & J	117½	111½	114	.....
do g'l 2d m. r'd & l.g. s.f. c. 6's.1933		20,000,000	A & O	104	91½	102½	.....
do do do reg. 6's.1933			A & O	.....	.....	103½	103½
do dividend scrip.....			J & J	.....	.....	.....	100
do do extended.....		4,640,821	J & J	.....	.....	.....	190
{ James River Valley 1st 6's, gold. ....1936		963,000	J & J	109	105½	110	.....
Spokane & Pal. 1st sinking f. gold 6's.1936		688,000	M & N	.....	.....	.....	104½
St. Paul & North'n Pacific gen'l 6's.1923		6,000,000	F & A	.....	.....	.....	116¾
do registered certificates.....			Q F	.....	.....	.....	.....
Helena & Red Mountain 1st gold 6's...1937		400,000	M & S	.....	.....	102½	.....
Duluth & Manitoba 1st g. 6's.....1936		1,650,000	J & J	.....	.....	103½	.....
Hel., B. Val. & Butte 1st 6s g. ....1937		600,000	M & N	.....	.....	104	.....
No. Pacific Terminal Co. 1st gold 6's.1933		3,000,000	J & J	109½	102½	101½	102½
New Orleans Pacific 1st 6's, gold...1920			J & J	.....	.....	*62½	63
do do coupons off.....		6,720,000	J & J	85½	51	.....	*81
do do Trust Co. receipts.....			J & J	85½	73¾	73	73½
N. O. & N. East'n prior lien gold 6's...1915		1,050,000	A & O	.....	.....	.....	*107
Norfolk & Western gen'l mtge 6's...1931		6,902,000	M & N	115½	104	110	.....
do New River 1st 6's.....1932		2,000,000	A & O	118	99½	.....	112
do improvement & ext. 6's.1934		3,500,000	F & A	102	87½	98	.....
do adjustment mortg. 7's...1924		1,500,000	Q M	107	82½	103	104
Ogdensburg & Lake Champl. 1st con. 6's.1920		3,500,000	A & O	104½	96	*104½	.....
Ohio & Miss. consol. sinking fund 7's...1898		3,435,000	J & J	125	118½	113	117
do consolidated 7's.....1898		3,066,000	J & J	125	118	113	115½
do 2d consolidated 7's.....1911		3,715,000	A & O	120	113½	110	116
do 1st Springfield division 7's.1905		3,000,000	M & N	110¼	91	.....	109½
do 1st general 5's.....1932		3,216,000	J & D	94¾	87½	*85	.....
Ohio Central 1st terminal trust 6's...1920		600,000	J & J	.....	.....	.....	.....
do 1st Mineral division 6's...1921		300,000	J & J	.....	.....	.....	.....
Ohio River 1st 5's.....1936		2,000,000	J & D	.....	.....	98	100½
Ohio Southern 1st mortgage 6's.....1921		2,100,000	J & D	108	97¾	102½	104
Omaha & St. Louis 1st 4's.....1937		2,717,000	J & J	.....	.....	75½	78
Oregon & California 1st 6's.....1921		9,000,000	J & J	.....	.....	*99	100
Oregon & Transcontinental 6's...1882-1922		10,063,000	M & N	104½	92½	94	95½
Oregon Improvement Co. 1st 6's .....1910		5,000,000	J & D	99	84	93	.....
Oregon Railroad & Navigation 1st 6's.1909		6,000,000	J & J	114½	110	108½	109
do do consol. m. 5's...1925		9,137,000	J & D	108½	102	100
Panama Sinking Fund subsidy 6's...1910		2,747,000	M & N	*90

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				High.	Low	Bid.	Askd
Peoria, Decatur & Evansville 1st 6's...1920		1,287,000	J & J	119	103	112
do Evansville division 1st 6's....1920		1,470,000	M & S	111½	108	100	106
do 2d mortgage 5's.....1927		2,088,000	M & N			75	80
Peoria & Pekin Union 1st 6's.....1921		1,500,000	Q F	112	106	106	115
do do 2d mortgage 4½'s....1921		1,490,000	M & N				75
Central Pacific gold bonds 6's.....1895			J & J	118½	112½	114½	.....
do do.....1896			J & J			114½	.....
do do.....1897		25,883,000	J & J			114½	115
do do.....1898			J & J			116½	.....
do San Joaquin branch 6's.....1900		6,080,000	A & O	112	107¾	116½	118
do California & Oregon 1st 6's...1888		6,000,000	J & J	106	100	100	.....
do do Series B 6's...1892		5,860,000	J & J			100	.....
do land grant 6's.....1890		9,436,000	A & O	107½	102½	102	.....
do mortgage bond 6's.....1926		12,000,000	A & O			103½	.....
Western Pacific bonds 6's.....1899		2,735,000	J & J	116	109	112	.....
Nor. Ry. (Cal.) 1st 6's, guaranteed...1907		3,961,000	J & J	123	118½	118	.....
Southern Pac. of California 1st 6's 1906-12		38,447,000	A & O	114	105¾	111½	.....
Southern Pac. of Arizona 1st 6's 1906-1910		10,000,000	J & J	112	100½	111½	112
South'n Pacific of N. Mexico c. 1st 6's 1911		5,000,000	J & J	109½	100	107½	.....
Union Pacific 1st 6's.....1896			J & J	119½	114	114½	115
do do.....1897		27,229,000	J & J			115	.....
do do.....1898			J & J			116	.....
do do.....1899			J & J			117	.....
do land grant 7's.....1887-9		1,270,000	A & O	106½	101½	104	.....
do sinking fund 8's.....1893		14,348,000	M & S	123½	116	110	.....
do registered 8's.....1893			M & S	121	117		111
do collateral trust 6's.....1908		4,423,000	J & J	108½	104	104	.....
do do 5's.....1907		5,583,000	J & D			96	.....
Kansas Pacific 1st 6's.....1895		2,240,000	F & A	114½	110½	108	112
do 1st 6's.....1896		4,063,000	J & D	116	110	108	.....
do Denver division 6's, ass'd...1899		6,242,000	M & N	118	118	116	.....
do 1st consol. 6's.....1919		18,955,000	M & N	109¾	99½	100½	101
Central Br'oh U.P. fund coup. 7's...1895		630,000	M & N			108	.....
Atchison, Colorado & Pac. 1st 6's.....1905		3,672,000	Q F	107	101½	100	104
Atchison, Jewell Co. & West. 1st 6's 1905		542,000	Q F	105	100	100	.....
Oregon Short Line 1st 6's.....1922		14,931,000	F & A	109	97½	97½	97¾
Utah South'n general mortgage 7's 1909		1,950,000	J & J	90½	85	82	.....
do extension 1st 7's.....1909		1,950,000	J & J	88	72½	90	.....
Missouri Pacific 1st consol. 6's.....1920		20,184,000	M & N	117	108	114	114½
do 3d mortgage 7's.....1906		3,328,000	M & N	127½	116½		119
Pacific R. of Mo. 1st mortgage 6's...1888		7,000,000	F & A	107	108½	100½	101
do 2d mortgage 7's.....1891		2,573,000	J & J	118	109	106	.....
Verdig's V'y Ind. & W. 1st 5's.....1926		750,000	M & S			112½	.....
Leroy & C'y Val. A-L. 1st 5's.....1926		520,000	J & J			112½	113
St. L. & S. Francisco 2d 6's, class A...1906		530,000	M & N	118	108	112½	.....
do 6's, class C.....1906		2,400,000	M & N	117	105½	112½	114
do 6's, class B.....1906		2,766,500	M & N	118	105½	112½	.....
do 1st 6's, Pierce C. & O. b.....1906		1,090,000	F & A	117	111½	*118	.....
do equipment 7's.....1895		650,000	J & D			107	.....
do general mtg. 6's.....1931		7,732,000	J & J	114	99½	113½	113¾
do general mtg. 5's.....1931		5,000,000	J & J			94½	101
South Pacific (Mo.) 1st 6's.....1888		7,144,500	J & J	106	108	101½	.....
Kansas City & Southw'n 1st 6's, gold 1916		744,000	J & J	107½	105	100½	105
Fort Smith & Van B. Bdg. 1st 6's.....1910		475,000	A & O				109
St. L. Kansas & Southw'est'n 1st 6's 1916		735,000	M & S			*101	.....
Texas & Pacific 1st 6's.....1905		3,784,000	M & S	106½	105½		*111
do ex coupon.....			M & S			104	111
do consolidated 6's, trust receipts...		\$9,316,000	J & D	103½	90	97	100
do inc. l. gt. ass'ted trust receipts...		7,922,000	July	63¾	53½	47½	47¼
do Rio. G. 6's, 1930, trust receipts...		13,028,000	F & A	75	72½	62½	68¾
do gen'l m. & term. trust receipts...		\$2,859,000	F & O	71	49	58	70
Pennsylvania Railroad Company.							
Penna. Co.'s guar'd 4½'s, 1st coup. 1921		15,000,000	J & J	106½	102½	104	.....
do do do registered 1921			J & J	106½	101½		103¾
Pitt., C. & St. Louis 1st coupon 7's...1900		2,706,000	F & A	121	120¼	*119	.....
do 1st registered 7's...1900		4,157,000	F & A			*119	.....
do 2d 7's.....1913		2,500,000	A & O				*124
Pitts., Ft. Wayne & Chicago 1st 7's...1912		5,250,000	J & J	145	141	140	.....
do do 2d 7's...1912		5,160,000	J & J	142½	158	187½	.....
do do 3d 7's...1912		2,000,000	A & O	138	133½	131½
Clev. & Pitts. con. sinking fund 7's...1900		2,202,000	M & N	131	126	127½

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		OCT. 1, 1887.	
				High.	Low	Bid.	Ask d
do. 4th do 6's.. 1892		1,105,000	J & J	111	109	106½	109
St. L., Van. & Terre H. 1st guar. 7's. 1897		1,599,000	J & J	122	120		118
do do 2d 7's. 1898		1,000,000	M & N				*129
do do 2d guar. 7's. 1898		1,600,000	M & N			*112	
Phila. & Reading inc. m. coupon 7's. 1896			J & D			*71	72½
do do trust receipts. 1896		10,000,000	J & D			*66	70
do do 3d assessment paid. 1893			J & D			*69	70½
do do debent. coupon 6's. 1893			J & J			*66	70
do do trust receipts. 1893		670,500	J & J				
do do 3d assessment paid. 1893			J & J				
do do debent. conv. 7's. 1893			J & J				
do do trust receipts. 1893		10,395,900	J & J			*57	62
do do 3d assessment paid. 1893			J & J			*57	62
do do pfd. 1st series con. 5's. 1922			M & N				
do do trust receipts. 1893		6,000,000	M & N				
do do 3d assessment paid. 1893			M & N			*60½	60¾
do do 2d series con. 1893			F & A				
do do trust receipts. 1893		5,000,000	F & A			*61	
do do 3d assessment paid. 1893			F & A			59	61
Pine Creek 6's. 1892		3,500,000	J & T			*114	
Pittsburgh, Cleve. & Toledo 1st 6's. 1922		2,400,000	A & O	110¾	106½	114	
Pittsburgh Junction 1st 6's. 1922		1,440,000	J & J			*122	
Pittsburgh, McKeesport & Y. 1st 6's 1892		2,250,000	J & J				*130
Rome, Watertown & Ogd. 1st 7's. 1891		1,021,500	J & D	117	108½	108½	
do do consol. 1st ex. 5's. 1922		6,337,000	A & O	103	87½	102	102½
Rochester & Pittsburgh 1st 6's. 1921		1,300,000	F & A	117	113½	114	
do do consolidated 1st 6's. 1922		3,920,000	J & D	112	105½	113½	114
Richmond & Allegheny 1st 7's. 1920			J & J			*71½	
do do Trust Co.'s receipts. 1920		5,000,000	J & J	80	85	57½	59
do do stamped. 1921			J & J			*62	
Richmond & Danville consol. gold 6's. 1915		6,000,000	J & J	119¼	111¾	105	110
do do debenture 6's. 1927				114	86		109
do do do assented. 1927		4,000,000	A & O	113¾	106½		*94
do do consol. m. g. 5's. 1936		1,500,000	A & O				87
Atlanta & Charlotte 1st pfd. 7's. 1897		500,000	A & O			114	
Atlanta & Charlotte income. 1900		750,000	A & O			*105	
Rich. & W. Point terminal trust 6's. 1897		8,500,000	F & A			82½	86
San Antonio & Aran. Pass 1st g. 6's. '85. 1916		1,750,000	J & J			*88	90
do do 1886-1926		1,608,000	J & J				90
Scioto Valley 1st consolidated 7's. 1910			J & J	72	47	*65	
do do do coupons off. 1910		603,000	J & J			60	65
St. Joseph & Grand Island 1st 6's. 1925		7,000,000	M & N	110¾	104	96	98
St. Louis & Iron Mountain 1st 7's. 1892		4,000,000	F & A	118	110	106½	107½
do do do 2d 7's. 1897		6,000,000	M & N	119	111	112½	115
do do Arkansas branch 1st 7's. 1895		2,500,000	J & D	116½	112½	108	111
do do Cairo & Fulton 1st 7's. 1891		7,555,000	J & J	113	108½	105	
do do Cairo, Ark. & Texas 1st 7's. 1897		1,450,000	J & D	116½	109½	110½	
do do gen'l con. r'y & land g't 5's. 1931		*38,201,000	A & O	100	90	94	96
St. L., Alton & Terre Haute 1st 7's. 1894		2,200,000	J & J	119¼	115	113	115
do do 2d mortgage preferred 7's. 1894		2,800,000	F & A	114	110½		110
do do 2d mortgage income 7's. 1894		1,700,000	M & N	108	103½	105½	
Belleville & Southern Illinois 1st 6's. 1896		1,041,000	A & O	117½	116½	110	
Bellev' & Carondelet 1st 6's. 1923		485,000	J & D	110½	110½		108½
St. Louis, Ark. & Tex. 1st cfs. 6's. 1936		12,191,000	M & N			97¾	98
do do 2d cfs. 6's. 1936		11,804,000	F & A			40¾	40¾
St. Paul, Minn. & Manitoba 1st 7's. 1909			J & J	116	112	112½	
do do do small. 1909		5,250,000	J & J			111¾	112¾
do do do 2d 6's. 1909		8,000,000	A & O	122¾	116½	116½	118½
do do Dakota extension 6's. 1910		5,676,000	M & N	122	116½	117	
do do 1st consolidated 6's. 1933			J & J	125	115	114½	
do do do registered. 1933			J & J	119	114¾	*114	115½
do do do reduced to 4½'s. 1933		21,144,000	J & J			97¾	98¾
do do do do regist'd. 1933			J & J			*98¾	
Minneapolis Union 1st 6's. 1922		2,150,000	J & J				112
St. Paul & Duluth 1st 5's. 1931		1,000,000	F & A			*111	113
South Carolina Railway 1st 6's. 1920		5,000,000	A & O	113	102	97	99
do do do 2d 6's. 1931		1,500,000	J & J	90	81		79
Shenandoah Valley 1st 7's. 1909			J & J				
do do Trust Co. receipts. 1921		2,270,000	J & J				100
do do do gen'l mtge 6's. 1921			A & O			38½	40
do do do Trust Receipts. 1921		*4,115,000	A & O	49½	29	37¾	40

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886. OCT. 1, 1887.			
				High.	Low.	Bid.	Ask d
Sodus Bay & Southern 1st 5's, gold....	1824	500,000	J & J	105	101	.....	.....
Texas Central 1st sinking fund 7's....	1909	2,145,000	M & N	80	68	78	.....
do 1st mortgage 7's....	1911	1,254,000	M & N	.....	.....	79	.....
Toledo & Ohio Central 1st gold 5's....	1835	3,000,000	J & J	102½	92½	94½	95
Toledo, Peoria & W'n 1st 7's....	1917	4,500,000	Q J	.....	.....	.....	*104
do do Trust Co. receipts..	.....	.....	.....	106	91	.....	99½
Toledo, Ann Arbor & No. Mich. 1st 6's, 1824	.....	2,120,000	M & N	95	90	102½	105
Toledo, Ann Arbor & G.T. 1st 6's, gold, 1921	.....	1,260,000	J & J	107	101	95	95½
Toledo, St. Louis & Kan. City 1st 6's, 1916	.....	2,000,000	J & D	.....	.....	.....	*106½
Texas & New Orleans 1st 7's....	1905	1,620,000	F & A	.....	.....	.....	.....
do do Sabine div. 1st 6's, 1912	.....	2,075,000	M & S	107½	100½	.....	100
Valley R'y Co. of O. con. gold 6's....	1921	1,700,000	M & S	.....	.....	.....	*105
Virginia Midland mortgage inc. 6's....	1927	4,000,000	J & J	100	53½	.....	.....
do gen'l mortgage 5's....	1936	3,195,000	M & N	.....	.....	75	80
Wabash, St. L. & Pac. gen. mtge 6's....	1920	16,000,000	J & D	62	45	.....	*90
do Trust Co. receipts....	.....	.....	J & D	67	44	52	56
do Chicago division 5's....	1910	4,500,000	J & J	97	85	99	99½
do Havana division 6's....	1910	1,600,000	J & D	88	88	.....	*90
do Indianapolis division 6's....	1921	2,275,000	J & D	.....	.....	.....	*90
do Detroit division 6's....	1921	2,052,000	J & J	92	78	100	103
do Cairo division 5's....	1931	3,857,000	J & J	55	55	*50	.....
Wabash mortgage 7's....	1879-1909	2,000,000	A & O	91	70	91	95
Tol. & Wabash 1st extended 7's....	1890	3,400,000	F & A	115½	110	114	116
do 1st St. Louis division 7's....	1889	2,700,000	F & A	111	100	110	113
do 2d mortgage extended 7's, 1893	.....	2,500,000	M & N	105½	97	98½	99½
do equipment bonds 7's....	1883	600,000	M & N	6	4	*102	.....
do consol. convertible 7's....	1907	2,600,000	Q F	100	84½	90	95
G't Western 1st mortgage 7's....	1888	2,500,000	F & A	114	109½	112½	.....
do 2d mortgage 7's....	1893	2,500,000	M & N	106	96	98½	100
Quincy & Toledo 1st mortgage 7's....	1890	500,000	M & N	97	94	95	.....
Hannibal & Naples 1st 7's....	1909	500,000	J & D	.....	.....	.....	.....
Illinois & So. Iowa 1st exten. 6's....	1912	800,000	F & A	.....	.....	100	.....
St. L., Kan. C. & N. R'l E'e & R'y 7's, 1895	.....	3,000,000	M & S	116	108½	108½	109
do Omaha div. Trust Co. receipts	.....	2,298,000	A & O	.....	.....	110	114
do Clarinda br. 6's....	1919	264,000	F & A	76½	65	45	50
do St. Charles bridge 1st 6's....	1908	1,000,000	A & O	103½	94	101	106
North Missouri 1st mortgage 7's....	1895	6,000,000	J & J	120	112½	108	.....
Wabash, St. L. & P. Iowa trust receipts..	.....	2,289,000	M & S	.....	.....	.....	*50
West Shore 1st guaranteed 4's....	.....	50,000,000	J & J	108	100½	98½	99
do do registered....	.....	.....	J & J	105½	101½	98½	99
Western Union coupon 7's....	1900	3,920,000	M & N	123	116	117	.....
do do registered....	1900	.....	M & N	125	117	117	.....
North Western Telegraph 7's....	1904	1,250,000	J & J	.....	.....	102	.....
Wheeling & Lake Erie 1st 5's....	1926	3,000,000	A & O	.....	.....	99½	101½
Mutual Union Tel. sinking fund 6's....	1911	5,000,000	M & N	90½	75	84	84½
Man. B. Imp. Co. lim'd 7's....	1909	1,000,000	M & S	.....	.....	100	.....
Colorado Coal & Iron 1st 6's....	1900	3,500,000	F & A	101½	90	97½	98½
Tenn. Coal, Iron & R. consol. 6's....	1901	620,000	M & N	100	97	.....	105
do South Pittsburgh 1st 6's....	1902	720,000	F & A	98	96	.....	105
do Bir. div. 1st consolidated 6's....	1917	4,000,000	J & J	.....	.....	.....	77
Col & Hocking Coal & Iron gen'l 6's, 1917	.....	1,000,000	J & J	.....	.....	*70	.....

COAL AND MINING.

American Coal Co.	PAR 25	1,500,000	.....	.....	.....	*25	.....
Consolidated Coal Co. of Maryland	100	10,250,000	.....	.....	.....	*20	24
Cumberland Coal and Iron Co.	100	500,000	.....	.....	.....	34	35
Colorado Coal and Iron Co.	100	10,000,000	.....	.....	.....	.....	42
Cameron Iron and Coal Co.	100	2,72,900	.....	.....	.....	26	29
Columbus & Hocking Coal & Iron Co.	100	4,700,000	.....	.....	.....	*24½	.....
Marshall Consol. Coal Co.	100	2,000,000	.....	.....	.....	10	13
Maryland Coal Co.	100	4,400,000	.....	.....	.....	.....	52
New York & Perry Coal and Iron Co.	100	3,000,000	.....	.....	.....	10	12
New Central Coal Co.	100	5,000,000	.....	.....	.....	.....	275
Pennsylvania Coal Co.	50	5,000,000	Q F	.....	.....	54	6
Quicksilver Mining Co.	100	5,708,700	.....	.....	.....	22	28
do do preferred....	100	4,291,300	.....	.....	.....	.....	.....
Silver bullion certificates	100	100,000,000	.....	.....	.....	26½	26½
Tenn. Coal, Iron & R. R. Co.	100	100,000,000	.....	.....	.....	.....	.....

EXPRESS

Adams Express.....	Par 100	12,000,000	Q M	150	136½	140	150
American Express.....	" 100	18,000,000	J & J	111	101½	106	108
United States Express.....	" 100	7,000,000	Q F	86	81	70	73
Wells Fargo Express.....	" 100	6,250,000	J & J	120	115	125	131
Pacific Mail Steamship Co.	" 100	20,000,000	67	45½	89½	40

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				High.	Low.	Bid.	Ask d
Atlantic & Pacific West'n div. income. 1910		10,500,000	A & O	31½	20¼	26	26¼
do do do small.			A & O			25	
do do Cent'l div. income. 1922		2,100,000	J & D			*25	
Central Iowa coupon debt certificates....		620,000	A & O			*25	
Chicago & Eastern Illinois income..... 1907		1,000,000	D			*100	
Des Moines & Fort Dodge 1st inc. 6's. 1905		1,200,000	J & J			*57	
Detroit, Mack, & Marquette income. 1921		1,500,000		43½	12	*54	
Elizabeth City & Norfolk 2d income. 1970		1,000,000					
Green Bay, Winona & St. Paul 2d inc. 1911		3,781,000		42¾	24½	34	36
Ind., Bl'n & W'n consol. inc. trust receipts		4,560,000	J & J			22	22½
Indp's, Decatur & Springfield 2d inc. 1906			J & J	39	22		*33
do do Trust Co. receipts.....		2,850,000	J & J	41	20		*45
Lehigh & Wilkesbarre Coal Co..... 1888		1,119,200	M & N	100	90	*97	
do do small bonds..... 1888			M & N				
Milw., L. Shore & Western income.....		500,000	M & N	107	88		104
Mobile & O. 1st preferred debentures.....		4,763,000		74¾	53	45	49
do 2d do do do.....		1,850,000		44½	32	18	23
do 3d do do do.....		600,000			35	30	20
do 4th do do do.....		900,000		31	25	12	18
N. Y., Lake E. & Western income 6's. 1977		508,000		76	56	*70	
N. Y., Penn. & Ohio 1st inc. acc. 7's. 1905		35,000,000	J & J			*48½	
Ohio Central (Min'l division) inc. 7's. 1921		300,000				*39½	35
Ohio Southern 2d income 6's. 1921		2,100,000	J & D	49½	34	34	37½
Ogdensburg & L. Champlain income. 1920		800,000	Oct			*40	
do do small.....		200,000	Oct			*84	
Rochester & Pittsburg income..... 1921		1,870,000				60	
South Carolina Railway income 6's. 1931		3,000,000	Feb	33	22½	13	15
St. Louis, I. M. & S. 1st 7's pref. int. ac'e..		348,000	Mch				
Sterling Iron & Railway (series B) inc. 1894		418,000	Feb				
do plain income 6's. 1896		491,000	April				
Sterling Mountain Railway income..... 1895		476,000	Feb				
St. Louis, Alton & Terre H. div. bds. 1894		1,357,000	June	50	33	30	
St. Joseph & Grand Island 2d income. 1925		1,680,000	J & J	77	55½	50	60
Shenandoah Valley income 6's. 1923		2,500,000	Feb			30	

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph..... 100	3,000,000		45	30		
Albany City 6's.....						
Albany City 6's..... 1909	500,000	J & J				*115
Alabama Central Railroad 1st 6's. 1918	1,000,000	J & J				
Allegheny Central 1st mortgage 6's. 1922	600,000	J & J				
Atlantic & Pacific (W'n div.) 1st m. 6's. 1910		J & J				
Boston & New York Air Line..... 100	1,000,000					
Bradford, Bordell & Kinzua..... 100	500,000					
do do 1st 6's. 1932	500,000	J & D			*65	60
Bradford, Eldred & Cuba..... 100	500,000					
do do 1st 6's. 1932	500,000	J & J			*37	42
Brooklyn City R. R..... 10	2,000,000	Q F				
Brooklyn Gas Company..... 25	2,000,000					
Brooklyn, Bath & Coney Island 1st 6's. 1912	200,000	F & A				
Brooklyn & Montauk 1st 6's. 1911	250,000	M & S			108½	
do do 1st 5's. 1911	750,000	M & S				
Buffalo & Southwestern..... 100	471,900					
do do preferred..... 100	471,900					
Carolina Central 1st mortgage 6's. 1920	2,000,000	J & J			*107	107½
Cedar Falls & Minnesota..... 100	1,586,000		19½	11	9	12
Cincinnati, Sandusky & Cleveland..... 50	4,500,000		51	32		
do do preferred.....	429,000					
do do 1st 7's. 1896	1,072,300	J & D				
Cincinnati, Lafayette & Chic. 1st 7's. 1901	900,000	M & S				118
Cin. & Sp. 1st mort. C., C. & I. 7's. 1901	1,000,000	A & O	119	114	*119	
do 1st m. g'd Lake S. & M. S. 7's. 1901	1,000,000	A & O	121	117¾	*121	
Cincinnati, Hamilton & Dayton..... 100	3,500,000		149	105¼	*50	60
do consol sinking fund 7's. 1905	1,000,000	A & O	120	120		118
do do consol. 6's. 1920	1,000,000	M & N				
Cin., W. & Baltimore prior lien 4½'s. 1893	500,000	A & O				
do 1st 6's. 1931	1,250,000	M & N			*15	
do 1st 4½'s guaranteed. 1931	5,922,000	M & N	106¾	108½	*104	105½

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FREE LIST—Continued.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886.		OCT. 1, 1887.	
				High.	Low.	Bid.	Ask'd
do	2d 5's.....	1831	3,040,000	J & J			
do	3d 3/4's.....	1831	2,270,000	F & A			
do	1st income mortgage	1831	3,040,000	F & A			
do	2d income mortgage	1831	4,000,000				
do	preferred stock.....	100	12,993,000		12	5	5 1/4
do	common stock.....	100	5,886,100		6 3/4	2 1/4	3 3/4
Citizens' Gas Company.....	20	1,200,000					
Columbus, Springfield & Cin. 1st 7's.....	1901	1,000,000	M & S				
Consolidation Coal convertible 6's.....	1897	1,250,000	J & J				
Cumberland & Penn. 1st 6's.....	1891	903,500	M & S			100 1/4	
do do 2d 6's.....	1888	392,000	M & N			101 1/4	
Cumberland & Elk Lick Coal.....	100	1,000,000					
Chicago City 7's.....	1890	220,000	J & J				
Charlotte, Col. & Augusta 1st 7's.....	1895	2,000,000	J & J				
Chicago & Atlantic 1st 6's.....	1920	6,500,000	M & N			*90	
do do 2d 6's.....	1923	2,500,000	F & A				
Dubuque & Dakota 1st 6's.....	1919	630,000	J & J				
Duluth Short Line 1st 5's.....	1916	500,000	M & S				
Danbury & Norwalk.....	50	600,000					
Detroit, Hillsdale & Southwestern.....	100	1,350,000		82	79		
Eighth Avenue.....	100	1,000,000					
Erie & Pittsburgh.....	50	1,998,400	Q M			*112	
do do consolidated 7's.....	1898	22,485,000	J & J				112
Farmers' Loan & Trust Company.....	25	1,000,000				430	
Frankfort & Kokomo.....	50	600,000					
do do 1st 7's.....	1908	200,000	J & J				
Fort Worth & Denver City.....	100	6,440,000		25 1/2	15	46 1/8	46 3/8
Galveston, H. & H. of '82, 1st 5's.....	1913	2,000,000	A & O	79	71	*77	
Gold & Stock Telegraph Co.....	100	5,000,000	Q J				
Grand Rapids & Indiana 1st 7's.....	1899	505,000	A & O			*105	
do 1st guaranteed 7's.....	1899	3,934,000	J & J			*117	125 1/8
do 1st extended land 7's.....	1899	1,010,000	A & O			*113	120
Henderson Bridge Co.....	100	1,000,000					
Ind., Decatur & Sp. 1st coupon 7's.....	1900	187,000	A & O				
Iron Steamboat Company 6's.....	1901	500,000	J & J	90	85 1/4		*94
Int. & Great Northern 2d income.....	1909	370,000					
Jefferson R. R. 1st mortgage 7's.....	1889	2,000,000	J & J	107	102 1/4	*101	
Jerome Park Villa Site & Imp. Co.....	100	1,000,000					
Keokuk & Des Moines.....	100	2,600,400		16	5 1/2	*6	8
do do preferred.....	100	1,524,800		38 1/2	29	*31	31 1/2
Little Rock & Fort Smith.....	100	4,096,135					
do 1st 7's.....	1905	3,000,000	J & J				
Louisville City 6's, act. of Leb. br'h. 1886		225,000	J & D				
do 6's, Leb. branch extension. 1893		333,000	A & O			*75	
Long Island Railroad.....	50			100	80		
{ Brooklyn & Montauk.....	100	900,000					
do do preferred.....	100	1,100,000					
{ Smithtown & Port Jefferson 1st 7's.....	1901	600,000	M & S				
Louisiana & Missouri River.....	100	2,272,700				*243 1/4	25
do do preferred.....	100	1,010,000				*55	
do do preferred g'd.....	100	329,100	F & A			*120 1/2	124
Louisiana Western 1st 6's.....	1921	2,240,000	J & J				
Lac. & Sus. Central 1st E. side 7's.....	1892	500,000	J & D				
do W. side 7's.....	1892	500,000	J & D				
Metropolitan Elevated.....	100	1,136,000	Q J				
Mariposa gold convertible 7's.....	1886	250,000	J & J				
Memphis & Charleston.....	25	5,312,725		69 1/2	29	*52	54
do 1st consolid'd Tenn. lien 7's.....	1915	1,400,000	J & J			*128	
Missouri, Kansas & Texas.....	100			38 1/4	21		
{ Union Pacific (South branch) 1st 6's.....	1899	2,296,000	J & J				
Tebco & Neosho 1st mortgage 7's.....	1903	347,000	J & D				
Hannibal & Central Missouri 2d 7's.....	1892	32,000	M & N				
Boonville Bridge Co. 7's, guarant'd.....	1906	1,000,000	M & N				
Milwaukee & St. P. con. sink. f'd 7's.....	1905	209,000	J & J				
do 1st m. Hastings & Dakota 7's.....	1902	89,000	J & J				
Milwaukee & Lake Winnebago.....	100	520,000					
do do preferred.....	100	780,000					
do do 1st 6's.....	1912	1,430,000	J & J			*106	
do do income 5's.....	1912	520,000					
New York Life & Trust Co.....	100	1,000,000	F & A			550	
Norwich & Worcester.....	100	2,604,000					

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

A* indicates no quotation for past month, the last previous quotation being given.

*A part of this reserved to cover previous issues, etc. † Amount authorized.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

FREE LIST—Continued.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886.		OCT. 1, 1887	
				High.	Low.	Bid.	Ask'd
Nash., C. & St. L. 1st 6's, T. & P. branch. 1917		300,000	J & J				
do 1st mort. 6's, McM., M. W. & A. l. b.		220,000	J & J				
New London Northern	100	1,500,000					
New York Mutual Gas Light	100	3,500,000					*100
N. J. Southern Int. guaranteed 6's	1899	1,449,600	J & J	101½	91	95	99
New Orleans, Mobile & Texas	100	4,000,000					
N. Y. & Texas Land Co., limited	50	1,500,000		180	149½	*161½	
do do land scrip		1,006,600		57½	50	40	55
N. Y., Brooklyn & Man. Beach pref.	100	650,000	A & O				
Nevada Central 1st mortgage 6's	1904	720,000	A & O				
Oswego & Syracuse		1,320,400					
Ohio Central incomes	1920	642,000				*1½	
Panama	100	7,000,000	Q F				
Pullman's Palace Car debenture 7's	1888	1,000,000	A & O			*103½	
Phila. & Reading con. coupon 6's	1911	7,304,000	J & D				
do registered 6's	1911	663,000	J & D				
do coupon 7's	1911	7,310,000	J & D				
do registered 7's	1911	3,339,000	J & D				
do imp't mtge. coupon 6's	1897	9,394,000	A & O				
do general mtge. coupon 6's	1908	19,686,000	J & J				
do def'd inc. irredeemable		34,300,000					
do do small							
Pitts'b'h, Bradford & Buffalo 1st 6's	1911	800,000	A & O	82½	70	*80	85
Rensselaer & Saratoga R. R.	100	7,000,000		170	155		
Second Avenue R. R.	100	1,199,500					
Sixth Avenue R. R.	100	1,500,000					
do 1st mortgage	1889	415,000	J & J				
Savannah & Charleston 1st 7's	1889	500,000	J & J				
Sandusky, Day'n & Cincinnati 1st 6's	1900	608,000	F & A				
St. Louis, Jacksonville & Chicago	100	1,448,800					
do do preferred		1,034,000					
St. Louis Southern 1st gold 4's	1931	550,000	M & S				
do 2d income 5's	1931	525,000	M & S				
Sterling Iron & Railway Co.	50	2,300,000					
Scioto Valley Railway	50	± 2,500,000		17	6½	*10	11
Spring Valley Water Works 1st 6's	1906	+ 7,000,000	M & S				
Terre Haute & Indianapolis	50	1,988,000	F & A			*97	100
Third Avenue R. R.	100	2,000,000				*220	240
do coupon bonds			J & J				
do registered bonds		2,000,000					
Tonawanda Valley & Cuba	100	600,000					*35
do do 1st 6's	1931	500,000	M & S				
Union Trust Co.	100	1,000,000				425	
United States Trust Co.	100	2,000,000				540	
Vermont Marble Co.	100	3,000,000					
do do sinking fund 5's	1910	1,200,000	J & D				
Warren Railroad	50	1,800,000				125	
do 2d mortgage 7's	1900	750,000	A & O			120	
Williamsburgh Gas Light Co.	50	1,000,000	Q J				
Wabash funded interest bonds	1907					100	
Toledo & Illinois Division 7's		126,000	F & A			100	
Lake Erie, Wabash & St. Louis 7's		350,000	F & A			100	
Great Western 1st mortgage 7's		350,000	F & A			100	
Illinois & Southern Iowa 7's		42,000	F & A			*95	
Decatur & East St. Louis 6's		472,500	F & A			*90	
Quincy & Toledo 6's		37,500	F & A			85	
Toledo & Wabash 2d mortgage 6's		127,500	F & A			85	
Wabash & Western 2d mortgage 6's		262,500	F & A			85	
Great Western 2d mortgage 6's		437,500	F & A			85	
Consolidated convertible 6's		637,000	F & A			60	
Central Arizona Mining	10	3,000,000					
Excelsior Water & Mining Co.	100	10,000,000					
Homestake Mining Co.	100	12,500,000	Mo.	23	11	12	14
La Plata Mining & Smelting Co.	10	12,000,000					
Little Pittsburgh Consol. Mining	100	10,600,000					
Mariposa L. & M. Co., California	100	20,000,000					
do do preferred	100	5,000,000					
Ontario Silver Mining Co.	100	15,000,000	Mo.	30	22	26	27
Robinson Consolidated Gold Mining	50	10,000,000					
Standard Consol'd Gold Mining Co.	100	10,000,000					
Silver Cliff Mining Co.	50	10,000,000					

BANKERS' OBITUARY RECORD.

Board.—Col. Green B. Board, President of the Farmers' National Bank, of Salem, Va., died September 18th. He was also President of the Board of Trustees of Roanoke College.

Cleveland.—William Cleveland, President of the Orange Savings Bank, of Orange, N. J., died on September 8th. He was a second cousin of President Cleveland.

Crane.—Walter B. Crane, a prominent resident of Rondout and for many years Vice-President of the Rondout National Bank, died recently at the age of eighty.

Derry.—Henry F. Derry, Assistant Cashier of the First National Bank, of Dexter, Me., died on August 28th. He was Town Treasurer and a highly respected citizen.

Fleming.—Hugh S. Fleming, President of the Third National Bank, of Allegheny, Pa., died on July 2d.

Holbrook.—Colonel Charles L. Holbrook, of Boston, died September 13. For thirty or more years he had been an officer in the Suffolk National Bank.

Johnson.—William Johnson, President of the Corn Exchange National Bank, of Philadelphia, died suddenly on the evening of September 21.

Kennedy.—Robert Lenox Kennedy, of New York city, died on September 14th on board the steamship "Trave" on his return from a European trip. He was formerly President of the National Bank of Commerce.

Lewis.—James M. Lewis, of Elizabeth, N. J., who formerly for twenty-six years was Cashier of the Union National Bank, of New York city, died during the month at the age of 78 years. He was well known in New York banking circles.

Lincoln.—A. S. Lincoln, Paying Teller of the Bank of Commerce, of Boston, died at Medford, Mass., on September 14th, in the seventy-sixth year of his age. He had been employed in the Bank of Commerce thirty-five years, and left a record for faithfulness and honesty.

Mowry.—Hon. Spencer Mowry, of Woonsocket, R. I., died on August 25th. He was well known in banking circles, having in 1837 been elected Director of the Smithfield Union Bank and President of the Globe Bank, afterwards National Globe Bank, of Woonsocket. At various times he has been connected with every savings bank in Woonsocket. He was eighty-five years of age.

Patterson.—Joseph Patterson, President of the Philadelphia National Bank and the oldest bank President in Philadelphia, died on September 25th, at the age of eighty-four. He was active in assisting Secretary Chase to negotiate a war loan of \$50,000,000 and in aiding other financial operations of that period. His death removes one more of that rapidly disappearing group of men which for half a century constituted the centre of the business and intellectual activities of Philadelphia. Earnest in work, active in patriotic endeavor, and ever alert in keeping pace with the mental progress of the century, Mr. Patterson was a delightful companion to every intelligent man, and a shining example of the cordial but ever dignified bearing which constituted so much charm in the true gentleman of the old school. When a man has passed fourscore years it must be that he does but "join the majority" of his friends when he is called away; but the city will long regret the loss of the well-weighed counsel and matured judgment of one of its most eminent citizens.

Reed.—Hon. Isaac Reed, of Waldoborough, Me., and President of the Waldoborough National Bank, died on September 19th, at the age of 78. He was President of the bank mentioned for the thirty-two years of its existence as a State and National bank.

Seaver.—Abraham W. Seaver, Cashier of the Northborough National Bank, of Northborough, Mass., died on September 2d, at the age of 78. In 1854 he, with others, organized the Northborough Bank and became its first Cashier, and, with the exception of a brief period, held the office until his death.

Whitin.—Chas. P. Whitin, President of the Whitinsville National Bank, of Whitinsville, Mass., and of the Whitinsville Savings Bank, died August 29th.

Whitney.—Charles Whitney of Boston, Massachusetts, and formerly President of the Wameet National Bank of Lowell, Mass., died September 22. He was a leading lumber merchant of Boston and his estate is estimated at from \$3,000,000, to \$5,000,000.

Williams.—H. F. Williams, President of the First National Bank, of Northampton, Mass., died on September 6, of consumption. He was highly respected as a citizen and had held many positions of trust under the town and city government.

WANTED—OFFICERS AND CLERKS, POSITIONS, BANKS FOR SALE, LOCATIONS WANTING BANKS, ETC.

[Notices under this head—space not over four lines—cost \$2 an insertion. If replies are to be sent to this office the advertiser must send us two stamped envelopes addressed to himself, in which the replies will be forwarded.]

WANTED.—A banker, thoroughly posted in the details of both city and country banking, having occupied positions from Teller to President, conversant with mortgage and other investment securities, desires a position in, or will undertake the entire management of bank. Address D. Y. W., care RHODES' JOURNAL OF BANKING.

RHODES' JOURNAL OF BANKING.

Vol. XIV. NOVEMBER, 1887. No. 11.

THE Secretary of the Treasury has recently signified his willingness to make deposits with the National banks, designated as public depositories, to the extent of \$110 for every \$100 four per cent. bond deposited as security. The JOURNAL has several times pointed out that four per cent. bonds having a market value of 125 were satisfactory security for a much larger amount of public deposits than has heretofore been permitted. This action of the Treasury has had a much better effect upon the money market than the purchase of bonds, because the money goes at once to the banks, and from them to the loan market, while the money paid out in the purchase of bonds might or might not take this course. Mr. St. John, in a paper read at the Bankers' Convention, at Pittsburgh, advocated an enlargement of the public deposits with the designated depositories. In order to discover what could be done under the law, he asked the *Journal of Commerce* whether Section 5,153 of the United States Revised Statutes which, provides that the Secretary of the Treasury shall require the designated depositories to give satisfactory security, by the deposit of United States bonds and otherwise, for the safe keeping and prompt payment of the public moneys deposited with them, empowers the Secretary to lodge with designated National banks, under satisfactory security, any portion of the fund in the Treasury (now 102½ millions of dollars) received from National banks for the redemption of their surrendered circulation. The *Journal of Commerce* sapiently replied, after deprecating the exercise of this authority as a "tremendous power in one man's hands," "We have no doubt that he has the right to make such deposits, and we pointed it out as one of the possible dangers of the National banking system when the project was first broached, twenty-five years ago." Systems may come, and systems may go, but the *Journal of Commerce* goes on forever. We presume it was in existence when the public moneys were deposited in the pet banks during Jackson's administration, and that it has never recovered from the bank terror of that day sufficient to exercise its powers of discrimination. There can be no better means of putting Government money in

circulation than through responsible banks. The banks of Jackson's day were not responsible, and they could not be made so, as National banks can to-day, by requiring them to deposit Government bonds, for in 1837 there was no Government debt. The deposit of Government bonds makes the Government sure either of its money or of the payment of its debt. There can be no favoritism shown by the Secretary in depositing public money where all depositories are required to put up security worth more than the money received. That he might offer deposits in too large amounts, and cause a rise of prices by the resulting ease in the money market, may be admitted; but how this is a danger arising from or affecting the National banking system we fail to see. It is a danger resulting more from the system of having a Secretary of the Treasury than from the system of having National banks. The latter have to put up ample security, and they are not likely to take more money than they can loan to advantage. If section 5,153 be construed in all its possibilities, it could be held to give the Secretary of the Treasury authority to designate any National bank to compel it to take any amount of public deposits and put up security therefor, whether it wanted to or not. Any one can see the absurdity of such a proposition, and this is the only way in which the National depositories can be made to take more money than they can profitably loan. The only difficulty with this method of relieving the Treasury is that the Government gets no benefit from the use of its money, as it would in employing it in refunding its debt at a lower rate of interest.

THE ATTORNEY GENERAL of the United States, in compliance with the request of the Comptroller of the Currency, on Monday, the 23d of October, made a motion in the United States Supreme Court to have the case of E. H. Movius, Receiver of the First National Bank, of Buffalo, against Elbridge G. Spaulding and others, Directors of the bank, advanced on the calendar, and set down for argument on an early day. This case involves the responsibility of Directors of National banks for losses resulting from neglect of duty. It was first tried in the Circuit Court of the United States for the Northern District of New York, and the decision rendered was that the Directors, with the exception of Lee, the President, who wrecked the bank, and another, were not liable for neglect. The main points of this decision were published in the July number of the JOURNAL. In comment on this case in the same number, it was remarked that this decision "refines the liability of Directors for simple neglect of duty to a point that virtually amounts to nothing"; and that "If this decision is sustained by the United States Supreme Court, it will render the office of Director of a National bank a sinecure without labor or difficulty." The Comptroller deserves credit for ordering the appeal on this important question to the Supreme Court of the United States. Not that this course is at all new or unusual. Under his predecessors in office, the Supreme Court was

called upon to finally settle many questions involving points arising under the National banking laws. Mr. Trenholm, has, however, we think, laid himself open to criticism, because he has permitted some important questions to be settled by decisions of the lower Courts, when there was a good chance of reversal by the Supreme Court of the United States. This was notably the case with the question of the right of a National bank to borrow money upon time promissory notes, which arose in the case of Brown Brothers, of Baltimore, against the Receiver of the Exchange National Bank, of Norfolk. There was quite a large sum of money involved, which would have been saved for the creditors of the bank by a reversal of the decision; but this was of less importance than an authoritative settlement of the legal point that would save an immense amount of future litigation. As it is, this question will have to be fought over again the next time it arises. In the letter to the Attorney General, asking that the case against the Directors of the First National Bank, of Buffalo, be brought to a speedy trial, the Comptroller says:

"In support of the request, I have the honor to say that I regard it exceedingly important that the Supreme Court should lay down at the earliest day practicable the principles upon which the responsibilities of bank Directors are to be measured and enforced. Of National banks alone there are now in the United States upward of three thousand in active operation, and there are also quite a number of State and Savings banks. The stockholders and depositors in these various institutions are entitled to know to what degree of responsibility they can hold their Directors, and, on the other hand, the Directors themselves are entitled to know what responsibilities they incur in accepting their offices. The decisions of record are conflicting, not only as to the application of principles, but as to the principles themselves underlying the general question of responsibility, and for that reason it would appear to be of national importance that the present state of uncertainty should be terminated, and that conclusive judgment should be rendered upon the points in controversy. I believe that the case cited above involves the most important and the most fundamental of the issues awaiting determination."

The full importance of a decision at this time, establishing the liability of Directors, can be realized when it is remembered that the liability of the Directors forms the most important asset of the Fidelity National Bank, of Cincinnati, and of the First National Bank, of Dansville, as well as the first National Bank, of Buffalo.

THE FAILURE OF the Stafford National Bank, of Stafford Springs, Conn., has raised the storm of criminations and recriminations that, recently, always appears to arise when the question of who is to blame is asked in connection with the failure of a National bank. As far as can be gathered from the various accounts, the true history of this feature of the case is as follows. When Mr. Hyatt became Treasurer of the United States there was a vacancy in the office of National Bank Examiner for Connecticut. After some delay it was discovered that the man best fitted to fill the office was perhaps Michael T. Dooley, Chairman of the Democratic State Committee. The holding of this latter position indicates general ability, but Mr. Dooley had no special experience in examining banks. It was therefore necessary before

appointing him to give him some opportunity to learn. Mr. Forman, the Examiner for Illinois, was ordered into Connecticut, and instructed to go around with Mr. Dooley making examinations. In the course of their trip the irregularities at Stafford Springs were detected. This of course was a feather in the caps of Messrs. Forman & Dooley, though whether Mr. Forman found the defalcation and showed it to Mr. Dooley, or Mr. Dooley first detected the embezzlement and pointed it out to Mr. Forman, does not appear. All would have gone well had not some of the newspapers friendly to Mr. Dooley seized the occasion to blame Mr. Mygatt for not discovering the condition of the bank when he examined it in 1886. Other papers, in defending Mr. Mygatt, brought out the fact that Mr. Hyatt examined the bank in January, 1887, and reported it all right. Last of all a Washington dispatch alleges that Comptroller Trenholm has said that the newspapers are unjust in blaming Treasurer Hyatt for not discovering the irregularities while Bank Examiner. He is quoted as saying further :

"The discovery of the criminal conduct of the Cashier is, in my judgment, due in the first instance to the fact that the bank was examined unexpectedly. In the regular course of things the examination would not have taken place until next January, but Mr. Hyatt, who examined it last January, mentioned to me that he intended to make a re-examination during the summer, and suggested that whoever should be appointed his successor should be instructed to visit that bank. For this reason Bank Examiner Forman was ordered to make the September examination which, as Mr. Hyatt expected, took the Cashier unawares and led to the detection of the embezzlement."

We thus find the blame shifted from Mr. Mygatt to Mr. Hyatt, and from Mr. Hyatt to the Comptroller, who admits that Mr. Hyatt informed him in January, 1887, that the Cashier must be taken unawares, but the Comptroller did not act on the suggestion until September. He probably wanted the Cashier to be taken very much unawares, as the Cashier undoubtedly was when Messrs. Forman & Dooley bore down upon him. Both the evil and the good of political influence in the appointment of National bank Examiners are shown in this history. The evil, in that the vacancy could not be filled until the political factions in the State were agreed on some man, and the good, that in opening up a school for the instruction of candidates the teacher was enabled to illuminate the subject with a brilliant object lesson. If however, the Comptroller could send Mr. Forman into the State of Connecticut in September, why could he not have sent him in February, immediately after Mr. Hyatt intimated that the Cashier of the Stafford National Bank needed watching ?

THE LABOR QUESTION received some attention at the Bankers' Convention. The address of President Murray was largely a plea for union between labor and capital. Comparing the bankers and the laboring classes he said :

Twenty-five years ago laborers received one dollar a day wages; now they are receiving an average of two dollars a day, and these two dollars will buy more of the necessities of life than five dollars would twenty-five years ago. A banker gets a lower rate of interest for his money than he did twenty-five years ago, yet his living is more

expensive and his wants are increasing; the demands upon him for charities increase in untold amount, and his happiness is not augmented in a relative proportion. Unquestionably the last twenty-five years have given the race for happiness, contentment and profit in this country to the laboring class * * *

* * * Here to-day let honest labor and honest capital be bethrothed to each other in a mystical tie as one flesh. Let no man enter in with his theories to mar this contract. What will be your answer, ye laboring men? If yes, then what God has joined together let no man put asunder.

These and other portions of Mr. Murray's address, set forth what may be called the optimistic view of the labor question. Assuming that moral rectitude, and self control, were universal among capitalists and laboring men alike this view would be the correct one. If every man would pursue the path in life which reason and experience point out to be the best, always making the wisest use of his opportunities, and never turning aside through any temptation, there would doubtless be universal contentment and happiness. There is no doubt about what men ought to do, or about what they can do, if they permit their reason to guide them. Unfortunately, it is not the material conditions and surroundings of humanity that are so much at fault; as the moral condition of humanity itself. The emotions and passions of men have more to do with their conduct than their reason. You can lead a horse to the water but you can't make him drink. The laboring classes number more individuals than the capitalists, and, as Falstaff said, "the more flesh the more weakness." In other words, the larger the number of individuals in any class the larger the number that will not make the best use of the advantages offered, and the larger the number of those who suffer from the consequences. Then the question arises is there to be no allowance for sympathy, for charity, or for the exercise of forbearance toward those whose lack of wisdom has prevented them from improving the chances they have. The doctrine of the survival of the fittest would have it, that in the struggle for existence all the weak, the incompetent and the foolish are gradually weeded out, but the history of the world does not bear out the theory. There is as large a proportion of those individuals in all classes who are unable to succeed in life as there ever was. It is useless to expect that such will be any more contented with their lot, though their misfortunes may be due to themselves, because the opportunities they have failed to appreciate are proved to have been ample. Alleged grievances of labor can be ameliorated by good laws bringing about suitable conditions, but the real settlement of the labor question rests with the laborer himself, to whatever class he belongs.

Another paper exclusively on the labor topic was presented by Mr. Elliott F. Shepard of New York. Mr. Shepard started by saying,

"Let us look a moment at the fundamental principles underlying this much vexed question of capital and labor; and the inspection will show that there is, and can be, no conflict between them, but that they are identically the same thing, one and inseparable, one and indissoluble."

This reminds one of the lawyer who endeavored to convince his imprisoned client that he could not be put in jail. The people of

Pittsburgh doubtless have a vivid recollection of certain labor riots that once occurred there, which looked a little as if there might be such a thing as a conflict between labor and capital. Mr. Shepard said in another place,

"Statisticians have shown that it is possible for a wage-earner to save thirty per centum of his income, and put it accumulating as surplus or capital, and that it is possible for the employer to make and put to accumulating, not more than from five to twenty per centum upon the amount he pays the wage-earner."

This is undoubtedly true. The extreme to which saving may be carried has been often exemplified in the lives of celebrated misers, but such a statement as that quoted, is simply a truism about as satisfactory to the laborer, as the similar statement that two and two make four, except when they make twenty-two. In fact, the whole of Mr. Shepard's paper was of this truly edifying character and read to an assembly of bankers, was singularly inappropriate, and more calculated to incite than to allay antagonism. In fact, if there was any conclusion to be drawn from it at all, it was merely that these laboring people have only themselves to blame for their poverty, and they deserve no sympathy.

Papers on the labor question drawn up by capitalists naturally lean toward their own class, and the same may be said of those drawn up by the advocates of labor. We have often thought these papers should be exchanged, in order that those prepared by the capitalists might be read in the labor conventions, and those by the labor advocates in the conventions composed of capitalists. Each could then see clearly the light in which they were viewed by the other.

MR. KKOX'S REFUNDING PLAN, as set forth in his address at the Pittsburgh Convention, has attracted much attention from the press of the country. As a rule, the comments have been exceedingly favorable. There is, however, evidence that some of the conceptions upon which the plan is based are not clearly understood even by those most favorably inclined. It has been suggested that the Government cannot save compound interest, because it has no way of investing its money at compound interest. Under the plan, the Government, taking the gross sum that it will require to pay $1\frac{1}{4}$ per cent. of the interest on the 4 per cent. bonds for the next $19\frac{1}{4}$ years as a basis, proposes to discount this sum at a certain rate. If it was six per cent. simple interest it would be easy to say what the discount would be. It is no more difficult to say what the discount will be at $2\frac{1}{4}$ per cent. compounded quarterly. The amount of the discount is arrived at as easily in one way as the other. Assuming \$199,500,000 to be the gross amount of $1\frac{1}{4}$ per cent. of the interest on the four per cent. bonds for 19 years, it is found that a discount of $2\frac{1}{4}$ per cent. compounded quarterly on this sum is \$32,478,200. Deducting this discount the Government pays \$167,021,800, instead of \$199,500,000. How can any one say that the Government does not make, or more properly save, the \$32,478,200?

Roughly estimated, the \$32,478,200 saved is over 16 per cent. of the total interest which would otherwise have to be paid in the next nineteen years.

GOVERNMENT OFFICIALS WERE conspicuous by their absence at the Bankers' Convention, even the Comptroller of the Currency sent a letter of regret, alleging as the cause of his inability to attend, the labor incident to the preparation of his annual report. The only prominent person connected with any branch of the Government was the Hon. Beriah Wilkins, Chairman of the Banking and Currency Committee of the House of Representatives. There seems to be a feeling among politicians that whatever is recommended by bankers is for that reason unpopular. It was said by some of the speakers at the Convention that it was unwise to make any recommendations as to legislation, as the recommendation of the bankers of the country is a drawback to the success of any measure. Even admitting, for the sake of argument, that this is true, it does not follow that the bankers should give up trying to secure just treatment from legislators. It is certainly a new doctrine to assert that obstacles are to be overcome by flying from them. There has always been something of a popular feeling against banks, and demagogues are constantly attempting to make the most of it. Notwithstanding this, the banks are able to exert a great influence upon legislation, or at least as much as any other business interest. It is not so much the difficulty of securing bank legislation as it is the difficulty of securing any legislation at all that has characterized the sessions of recent Congresses. If the let alone policy should be adopted by the banks, it is more reasonable to conclude that Congress, instead of taking more interest, will become more indifferent than ever.

A TWO PER CENT. BOND would be a better bond for the Government to issue in exchange for fours, if a refunding law is enacted by Congress in accordance with Mr. Knox's plan, than a two and a half per cent. bond. The two per cent. bond would always be below par in the market, and if the revenues of the Government are not reduced could always be bought at prices not to exceed par. Such a bond would be equally useful to the National banks as a basis for circulation, so long as its market price did not sink below ninety. The Government, in exchanging two per cents. instead of two and a halves for fours, would buy two dollars of the interest for nineteen years instead of one dollar and a half of interest for nineteen years. The discount or profit to the Government would in each case be computed at the same rate, but the purchase of the larger amount of interest would permit the immediate and profitable use of a larger portion of the Government surplus. The surplus for the next two or three years being thus disposed of, and the fours refunded into twos, if a further surplus still continued to accumulate, the two per cents., though having a definite time to run, being below par in the market, could always be purchased by the

Government. In fact they would combine the advantages both of an optional and of a fixed date bond.

THE WASHINGTON CORRESPONDENT of the New York *Daily Indicator* says that Acting Secretary Thompson told the correspondent that before the issue of his circular, offering to buy \$14,000,000 in bonds, he went to New York and made a personal acquaintance with the condition of the banks, and found it to be good. The Secretary has, it seems, been advising the New York banks not to tie "themselves up too tightly with real estate paper," and lays it down as a fundamental principle that the assets of a bank should be in a "fluid state," and that the more frequently a bank can turn over its funds the more money it will make and the better it is for the commercial community. The banks and bankers of the country will breath freer, knowing that Secretary Thompson has discovered these fundamental principles of banking. "*Fluid state*" is especially good. The advice to bankers, not to tie "themselves up too tightly with real estate paper," should be observed. It reminds one of the solemn decree issued by the imbecile Roman Emperor, Claudius, to the vine growers of Italy, that the best time to trim their vines was in the spring. (See Suetonius.)

THE MAJORITY OF the New York bankers, consulted by Secretary Fairchild, were of the opinion that the Act of March 3, 1881, permits him to purchase United States bonds for cancellation in excess of the amount required for the Sinking Fund. Perhaps Secretary Fairchild thought that the bankers might not prove the best authority on a purely legal point, and he still is of the conviction that he will have to apply to Attorney General Garland for an opinion on the subject. After all, the Attorney General and not the Secretary of the Treasury very often has the shaping of the financial policy of the Government. Secretary Windom never dared to extend the fives and sixes of 1881 at three and a half per cent. until Attorney General Wade McVeagh gave him backbone in a favorable opinion. Yet the three and a halves were called "Windoms" and not "McVeaghs."

THE RESOLUTION PRESENTED by Mr. O. M. Carter, of Ashland, Neb., at the Bankers' Convention, requires the Executive Council to prepare a bill, embodying desirable and expedient amendments to the National banking laws, which is to be sent to members of the Bankers' Association for criticism and suggestion. The measure, as finally corrected and adopted by the Council, is to be presented to Congress. Each member of the Association is to use his influence with the members of Congress and Senators of his State to secure the passage of the perfected bill. The Executive Council is also required by the resolution to examine the banking laws of the various States and endeavor to secure uniform bank legislation throughout the country. The expense is to be assessed on the members of the Association.

THE SURPLUS AND THE PUBLIC DEBT.

ADDRESS OF THE HON. JOHN JAY KNOX, OF NEW YORK, BEFORE THE
AMERICAN BANKERS' ASSOCIATION, AT PITTSBURGH,
ON THE 12TH OF OCTOBER, 1887.

Mr. President and Gentlemen of the Convention :

Truth is stranger than fiction ; and there is no better illustration of the force of this saying than the history of the growth of the public debt of a great nation like England, or that of France, or the United States. The historian Macaulay gives a graphic description of the growth of the English debt, which dates its beginning in the year 1692, and continued to increase for 123 years, until it reached the maximum of 800 millions pounds sterling, or about 4,000 millions of dollars, in the year 1815, just after the wars of the French Revolution. From time to time it has been slightly reduced, but again increased, so that it is but 44 million pounds less than when it attained its greatest proportions.

ENGLISH DEBT.

Mr. Knox then quoted from Macaulay the history of the origin and growth of the English debt, the quotation ending with the following passage : " Soon, however, the wars which sprang from the French Revolution, and which far exceed in cost any that the world had ever seen, tasked the powers of public credit to the utmost. When the world was again at rest the funded debt of England amounted to eight hundred millions. * * * "

" It was, in truth, a gigantic, a fabulous debt ; and we can hardly wonder that the cry of despair should have been louder than ever. But again that cry was found to have been as unreasonable as ever. Like Addison's valetudinarian, who continued to whimper that he was dying of consumption, till he became so fat that he was shamed into silence, England went on complaining that she was sunk in poverty, till her wealth showed itself by tokens which made her complaints ridiculous. The beggared, the bankrupt society not only proved able to meet all its obligations, but, while meeting these obligations, grew richer and richer so fast that the growth could almost be discerned by the eye. In every county we saw wastes recently turned into gardens ; in every city we saw new streets, and squares, and markets, more brilliant lamps, more abundant supplies of water ; in the suburbs of every great seat of industry we saw villas multiplying fast, each embosomed in its gay little paradise of lilacs and roses. While shallow politicians were repeating that the energies of the people were weighed down by the weight of the public burdens, the first journey was performed by steam on a railway. Soon the island was intersected by railways. A sum exceeding the whole amount of the debt at the end of the American war was in a few years voluntarily expended by the ruined people on viaducts, tunnels, embankments, bridges, stations, and engines. Meanwhile taxation was almost constantly becoming lighter and lighter ; yet still the exchequer was full. It may be now affirmed without fear of contradiction that we find it as easy to pay the interest of eight hundred millions as our ancestors found it a century ago to pay the interest of eight millions. * * "

" Those who so confidently predicted that England must sink, first, under a debt of fifty millions, then under a debt of eighty millions, then under a debt of

a hundred and forty millions, then under a debt of two hundred and forty millions, and lastly under a debt of eight hundred millions, were beyond all doubt under a two-fold mistake. * * They erroneously imagined that there was an exact analogy between the case of an individual who is in debt to another individual, and the case of a society which is in debt to a part of itself; and this analogy led them into endless mistakes about the effect of the system of funding. They were under an error not less serious touching the resources of the country. They made no allowance for the effect produced by the incessant effort of every experimental science, and by the incessant effort of every man to get on in life. They saw that the debt grew, and they forgot that other things grew as well as the debt." *

THE DEBT OF THE UNITED STATES.

The debt of the United States affords a still better illustration of this saying, for until the late civil war, the public debt was but a trifle when compared with the resources of the country which, to a large degree, were undeveloped. In the course of about four years the great debt of the civil war was accumulated and immediately thereafter the work of its reduction commenced, and in the course of about twenty years it was decreased considerably more than one-half. In striking contrast to the history of the English debt, the most important financial question now under discussion by the American people and one of greatest interest, is not how the revenue can be realized for the reduction of the debt; but how the holders of the debt may be induced to surrender for payment the bonded indebtedness of the nation, payable four and a half years hence at a premium of 8.40 per cent., or the other and larger indebtedness of the four per cents, payable in nineteen and a half years at a round premium of 25 per cent.

But a few days since the highest officials of the General and of the State Governments assembled at your neighboring City of Philadelphia to celebrate the Centennial Anniversary of the framing and the promulgation of the Constitution, which, however, was not formally adopted until the year 1789. During this, less than a century, which may be said to be but a year in the life of a nation, many important financial events have been recorded.

IMPORTANT EVENTS IN THE HISTORY OF THE DEBT.

Alexander Hamilton was appointed Secretary of the Treasury in 1790, and his plan, the first in the history of the country, for the payment of the debt of the Revolution, was almost immediately presented to Congress. The question of the Government of the United States, assuming the debts of the different States for their full value, encountered serious opposition, and was discussed throughout the country under an excitement fully equal to that caused by the discussion of the greenback issue during our time; and the first great measure of Alexander Hamilton was only finally carried by the aid of Jefferson, and the change of vote of two southern members, who were induced to make the change upon the promise of the subsequent passage of the measure providing for the location of the Capital upon the banks of the Potomac, where it now stands.† Among the most notable financial events during the first century of our existence, are:

The purchase by Jefferson against his constitutional scruples, of Louisiana, from the First Napoleon, under the treaty of 1803, by which the United States

* Macaulay's *History of England*, Vol. 4, pp. 260-2.

† McMaster's "*History of the People of the United States*." Vol. 1, p. 582. N. Y., 1863.

acquired the control of the Mississippi River, and of that immense tract of country reaching from the Mississippi to the Pacific, out of which so many great States and Territories have been developed.

The sinking fund first established in 1802.

The loans of the war of 1812 that increased the debt from 45 millions, to which it had been reduced at the beginning of that year, to over 127 millions in 1816. This was the time when our national credit was at the lowest; it being estimated that 80 millions bonds placed on the market only realized 84 millions to the Treasury.

The purchase of Florida under the treaty of 1819, by which was set at rest the Spanish claim, to that land, of "sand heaps, mosquitoes, frogs, serpents and alligators," as it was then through misapprehension of its beauties styled by the opponents of the treaty.

The extinction in 1836 of the entire public debt, including the charges of the wars of the Revolution and of 1812, was followed by the distribution or more properly deposit with the States of the surplus that by 1837 had accumulated in the Treasury; an event in the history of the United States looked upon by some as affording a precedent for disposing of our present surplus.

The borrowings of the Government rendered necessary, in time of peace by the financial crises of 1837 and 1857, the earlier of these crises being closely connected with the distribution of the surplus.

The war with Mexico in 1847 and '48, and the additional debt which it entailed are still fresh in the recollection of the majority of the Convention. Either of these events would in itself constitute an interesting topic for an occasion like this.

Last and most important are the financial operations of the civil war beginning in 1861, during which period of four years the United States succeeded in incurring a debt that in magnitude rivalled the debts which England and France had taken centuries to accumulate.

LOANS JUST PREVIOUS TO THE CIVIL WAR.

Just previous to the civil war in 1860 a loan of 21 million 5 per cent. bonds was authorized. Such bonds at that time were selling in the market at 3 per cent. premium, and the whole amount offered was subscribed for at par, or a small premium, but on account of the political complications which were impending just previous to the war, some of the subscribers failed to make good their subscriptions. Upon the recommendation of the Secretary, Congress authorized instead of bonds the issue of 10 millions of Treasury notes at 6 per cent. interest, or at the lowest rates possible. This amount of one-year notes was issued, about one-half of which were subscribed for at 10 per cent. interest, and the remainder at 12 per cent. Additional offerings ranging from 15 per cent. to 86 per cent. were declined. Only about 7 millions of this subscription at these high rates was taken by the subscribers, and the credit of the Government had become so low that Secretary John A. Dix proposed in effect that the States with whom the surplus moneys had been deposited in 1837 should guarantee the notes and bonds of the Government. Not long thereafter 18 million of 6 per cent. twenty-year bonds were sold at a discount of about 17 per cent. When Mr. Chase became Secretary on March 7, 1861, the bonds of the Government were selling in the market at 88, when money was worth at call in New York from 4 per cent. to 5 per cent. At the same time the interest bearing Treasury notes were sold at par, because they

could, by the terms under which they were issued, be used at the Custom-House in payment of duties, exactly as the silver certificates are now used.

THE OUTBREAK OF THE CIVIL WAR.

Civil war was inaugurated by the attack on Fort Sumter on April 12th, about one month after Secretary Chase had entered upon his duties.

"The fort surrendered on April 14th, and on the following day President Lincoln issued a call for seventy-five thousand soldiers. The Southern States were declared blockaded. Seven of these States had, by ordinances, publicly declared their secession from the Union, and their defiance of the National authority, and a convention at Montgomery, Ala., had organized a new Government, under the name of 'The Confederate States of America.' Massachusetts soldiers, on their way to Washington, were attacked by a mob in Baltimore. In the month of May, the confederate capital was removed to Richmond; North Carolina and Arkansas seceded, and the Union Army crossed the Potomac into Virginia, and took possession of Alexandria and Arlington Heights. In June, Tennessee passed an ordinance of secession, and General Butler was defeated at Big Bethel. The two-year Treasury notes which had been recently issued at par were at $2\frac{1}{2}$ per cent. discount; and the Government, instead of disposing of the notes, borrowed five millions at sixty days upon them as collateral security. During the following month the disastrous results of the first battle of Bull Run startled the entire country. The Union Army, defeated, fell back upon Washington, and the capital of the country was believed to be in danger. Two days thereafter, President Lincoln called for five hundred thousand three year volunteers. An extra session of Congress had been called for July 4, 1861, and on that day, amid events like these, Congress was called upon to provide the means for continuing a civil war which proved in magnitude to be unequalled in the history of nations.

SUSPENSION OF SPECIE PAYMENTS.

Specie payments were suspended on December 28, 1861. The war was carried on chiefly by the use of Treasury notes as a circulating medium. The purchasing power of these notes rapidly declined. Prices of all kinds advanced rapidly, and particularly the prices of articles most needed for the supply of the army. The expenditures of the Government during the four years of the war were vastly increased beyond the amount which would have been necessary if the war could have been conducted upon the gold standard, instead of upon the fluctuating standard of the legal tender paper dollar.

RAPID INCREASE OF THE PUBLIC DEBT.

Never was a great national debt contracted so rapidly. In 1863, the country was entirely out of debt. General Lee surrendered at Appomattox, on April 9, 1865; which date was four years, lacking five days, after Fort Sumter had surrendered to the enemy. On the first day of July, 1861, the debt was ninety millions; at the close of that fiscal year it had reached five hundred and twenty-four millions; and at the end of the succeeding year, it was considerably more than twice that amount, being on July 1, 1863, \$1,118,772,138. During the following year it increased nearly seven hundred millions. For the next nine months, to the close of the war, it increased at the rate of about sixty millions a month. An immense amount of obligations against the Government were presented, after the close of the war, and for the five months thereafter the ascertained debt increased at the rate of three millions a day. The cost of

conducting the war after it was once fully inaugurated, was scarcely at any time less than thirty millions a month. At many times it far exceeded that amount; sometimes it was not less than ninety millions a month, and the average expenses of the war, from the date of its inception to its conclusion, may be said to have been not less than two millions each day.”*

CHARACTER OF THE LOANS.

To carry on this war large loans were made at six per cent. interest, and every kind of Treasury note that had heretofore been known was authorized, and new notes in almost every conceivable form were put in circulation, among which were the seven-thirty notes, one and two-year notes, compound-interest notes, and fractional currency. About four years after the war had commenced, in August, 1865, the public debt amounted to 2,845 million 907 thousand fifty-four hundred and twenty-six dollars; and included in this huge mountain of indebtedness, there were 1,540 millions of Treasury notes, either payable on demand or bearing interest, of which more than 1,500 millions was a legal tender. If temporary loans, payable in 80 days, and certificates of indebtedness, payable one year after date, should be included with Treasury notes, the whole would amount to considerably more than three-fifths of the 2,845 millions of the debt of the country. Of this debt there were 880 millions of legal tender seven-thirty notes, 217 millions of compound-interest 6 per cent. legal tender notes, 26 millions of fractional currency, and 433 millions of demand legal tender notes.

FUNDING AND REFUNDING OF THE DEBT.

Under the administration of Secretary McCulloch chiefly, these large amounts of notes, and other different kinds of temporary loans, were funded into 6 per cent. bonds with such skill and sagacity as to command the admiration of financial men. Subsequently, under the administration of Secretary Sherman,† the large 6 per cent. and 5 per cent. loans of the United States were refunded into 4 per cent. and $4\frac{1}{8}$ per cent. bonds, and by his successors into $3\frac{1}{2}$ per cent. and 3 per cents., and these loans have since either been paid or reduced to the amount outstanding on the first of the present month, about 967 millions, showing a reduction of about 1,500 millions in the total debt since 1865, and about 1,414 millions in the funded debt, and a reduction of the annual interest charge of 111 millions.

The present funded debt, properly so called (and not including the Navy Pension fund of 14 million 3 per cents., and the debt due from the Pacific

* United States Notes, or a history of the various issues of paper money by the Government of the United States—8d Edition. Scribner, New York. 1897.

† In April, 1878 it was my privilege to accompany Secretary Sherman and Attorney-General Devens to New York, and arrange a meeting between them and twelve of the officers of the principal banks of that city, for the purpose of negotiating the sale of 50 millions of $4\frac{1}{8}$ per cent. bonds, the avails of which were to be used for resumption purposes. The money market was not favorable for such a negotiation, and the officers of the banks gave the Secretary no encouragement in reference to the purchase of the bonds.

Upon our return to the Secretary's room at the Fifth Avenue Hotel, which was upon the first floor adjoining the Twenty-third street entrance, we were met by Mr. Belmont, the agent of the Rothschilds. He had previously called upon us in the morning, and ridiculed the Secretary's proposition to sell the bonds at a premium of $1\frac{1}{4}$ per cent. After a brief consultation, in which he endeavored to reduce the premium, he produced a cable dispatch from the Rothschilds accepting the purchase on the terms proposed for the account of the syndicate. Upon the following day we returned to Washington after an absence of three days, and the success of the negotiation was announced, much to the chagrin of members of Congress who were bitterly opposing the scheme proposed for the resumption of specie payments. This negotiation was the first of a series of brilliant financial transactions preceding and following the great fact of resumption on January 1, 1879.

Railroads), consists of 234 millions of 4½s, payable three and a half years from July next, in 1891, and 733 millions of 4s, payable nineteen years from July next, in 1907.

PROPOSITION FOR REFUNDING THE FOURS AND FOUR-AND-A-HALFS.

The Comptroller of the Currency in his report for 1882, recommended the refunding of these two loans into another bearing a lower rate of interest.

This recommendation was repeated the following year.

BILLS INTRODUCED IN CONGRESS.

A bill embodying provisions similar to those here suggested, was introduced in the Senate on January 14, 1884, by Senator Aldrich of Rhode Island, and subsequently, during the same session, a somewhat similar bill was introduced in the House by Hon. Orlando B. Potter, a distinguished representative from New York city, and earnestly advocated by him during two sessions of Congress.

THREES AND THREE-AND-A-HALF PER CENTS.

On March 1, 1881, there were 469 millions of 5 per cent. bonds outstanding, redeemable at the option of the Government after two months, and 202 millions of 6 per cent. bonds, redeemable after July 1, 1881. The signature of President Hayes was wisely withheld, for abundant reasons, from a refunding bill which authorized the sale of 8 per cent. bonds for the purpose of providing the means for the payment of these maturing bonds. In this emergency 563 millions of these 6 and 5 per cents, without any special legislation authorizing the measure, were continued, with the consent of the holders, at 8½ per cent., payable at the option of the Government.

It is one of the many interesting and curious incidents in our financial history that the plan for extending the 6 and 5 per cents into 3½s should have originated with a distinguished Democratic banker of the city of Lexington, Ky., and having passed through the hands of the senior Senator from that State and of Treasury officials without consideration, should not long thereafter have been adopted by a Republican Administration and carried into effect as one of its most brilliant achievements.

A portion of these bonds, amounting to 259 millions, were subsequently refunded into 3s, and the calling and payment of this large amount of 3s and 3½s, amounting in all to 579 millions, has furnished an outlet for the surplus in the Treasury, so that there has not been until recently any urgent necessity for the passage of an Act authorizing the refunding of the present 4 per cents into bonds bearing a less rate of interest.

THE HEWITT BILL.

Circumstances have changed, and there is now no practical way for reducing the surplus except by the purchase of bonds at a high premium. This embarrassing situation was anticipated by the Hon. Abram S. Hewitt, the leading representative from the city and State of New York. In December last, just previous to his resignation to accept the more responsible position of Mayor of New York, he introduced into Congress a bill,* with the provisions of which many of the members of this Convention are well acquainted. I venture to say that if this bill had passed Congress during its last session the financial machinery of the Government would have run smoothly and noiselessly and to the satisfaction of the people, and that there would have been no necessity

* The full text of "Aldrich" and "Hewitt" bills was printed on page 1,014 of the October number of the JOURNAL.

for the Secretary of the Treasury to come to the relief of the money market on account of the daily withdrawal of about a million of dollars from the channels of circulation at a period of the year when it was indispensable to business.

PURCHASE OF BONDS BY THE SECRETARY OF THE TREASURY.

A small amount of these bonds have recently been purchased by the Government, and the action of the Secretary of the Treasury in doing this for the purpose of releasing a small portion of the surplus cannot be too highly commended. But this plan is open to serious objections. The time, the rate and the method of the purchase of these bonds is subject to the action of one person and is not regulated by law. Thus far the action of the different Secretaries of the Treasury has not been subjected to any severe criticism, but it is the almost unanimous opinion of all financial men that the power to interfere with the money market and to increase or reduce the amount of currency in circulation should not be left to the discretion of any one man, but should be governed by laws clearly defined. It was estimated by the Secretary in his last report that the amount of the receipts of the Government over expenditures would fully equal one hundred millions, and there is but little doubt that the accumulations of the surplus for the next two years will not be far from one hundred millions annually or two hundred millions in the aggregate.

PROBABLE INACTION OF CONGRESS.

It is true that Congress is to assemble in December next, and it is also admitted by the members of both political parties that the revenues of the Government ought to be so reduced that this excessive accumulation of surplus shall be curtailed; but the methods of reducing the surplus are diverse, and there is no reasonable hope that even those Congressmen who are friends of the present administration, and who compose the majority of the House of Representatives, can agree early in the session upon any measures which would secure such reduction. The most that can be expected is that some bill may be matured after protracted discussion in the House and the Senate, which will go into effect and produce this result some time in the year 1890. But what is to be done in these next two years? The responsibility will be with Congress; but is there any prospect that the Fiftieth Congress will promptly authorize the Secretary to continue to purchase bonds at the present premium? Such a course would be contrary to the whole past policy of the party in power, and against the precedents of both parties during later years. Is there any prospect that the present administration will be authorized by Congress to expend large sums of money in the cause of education, in internal improvements, in subsidies, in building up a navy, in the increase of the army, or in fortifications, or in the purchase of large amounts of ordnance through the War Department?

Those who have for a series of years watched the action of Congress during the session preceding the election of a President, know that such legislation is almost if not quite hopeless. Why, therefore, cannot all parties unite in such non partisan action as will give prompt relief to the business interests of the country during the years 1888 and 1889, and in the meantime endeavor to mature with deliberation a bill which shall permanently reduce the revenue and go into effect in the following year?

*** COMPUTATION BY THE GOVERNMENT ACTUARY.**

According to the computation of the Government Actuary (copies of which have been distributed among the members of the Convention), the equal and

* The computations were given on page 1,014 of the October number of the JOURNAL.

exact difference to be paid by the Government in exchanging 738 millions of dollars of 4s, so as to save the Government $2\frac{1}{2}$ per cent. on its money, is about 167 millions of dollars (\$167,021,800). To those who have not examined the subject the amount of this payment of interest in advance may seem excessive, but the explanation is that this is a large transaction of over 700 millions of dollars. The interest upon \$700,000,000 for one year at 1 per cent. is \$7,000,000, at $1\frac{1}{2}$ per cent. it is \$10,500,000; and if this amount be multiplied by the number of years, the total amount, as may be perceived at a glance, would be \$199,500,000. From this amount the Government Actuary has deducted the interest on the interest payable quarterly which the Government can save by the present use of its surplus. The computations of the Government Actuary have also been extended to payments based on other rates of interest, and cover an exchange of 4s for 2 per cent. as well as $2\frac{1}{2}$ per cent. bonds.

THE PROPOSITION FOR REFUNDING NOW PRESENTED.

The present proposition* is similar to that of Mr. Hewitt's, except that it proposes to refund the fours into two-and-a-halves instead of threes. Assuming that on July 1, 1888, when the fours have nineteen years to run to maturity, the market price will be about 123 (122,63168), the rate realized by a purchaser, whether it be the Government or an individual, will then be $2\frac{1}{2}$ per cent. I mean by that, that if any one invests funds in fours at about 123 (122,6316) on July 1, 1888, to hold to maturity, the amount the investment will actually pay will be $2\frac{1}{2}$ per cent. only, because he will lose the premium paid. In other words, the difference between the actual rate of $2\frac{1}{2}$ per cent. and the nominal rate of four per cent., viz., $1\frac{1}{2}$ per cent., is required to make good the loss of about \$23 (22,6316) premium. Assuming the fours to be worth about 123 (122,6316) on July 1, 1888, $2\frac{1}{2}$ s maturing on the same date as the fours would on July 1, 1888, be worth par, and a holder of \$100,000 in fours should receive as the equivalent of his bonds \$100,000 in the new $2\frac{1}{2}$ s worth par, and about \$23 (\$22,63156) in cash. Such a cash payment would enable the Government to save $2\frac{1}{2}$ per cent. for nineteen years upon the money disbursed in making the exchange. If the bondholder who accepts the exchange invests the cash payment at $2\frac{1}{2}$ per cent. he neither gains nor loses, unless it be considered an advantage to have a larger amount of his investment in principal and a less amount in interest. The exchange will, however, be of advantage to holders of fours for other reasons.

* There are reasons for believing that even a two per cent. bond would be accepted in exchange for fours by holders of the latter, provided a proportionately higher cash payment were made to them, and that there would also be some advantage to the Government in offering a two instead of a two-and-a-half per cent. bond. If a cash payment of 22,63168 is the computed difference in value on July 1, 1888, between a \$100 two-and-a-half per cent. bond and a \$100 four per cent. bond, each having on that date nineteen years to run, then \$30,17557 would be the difference in value between a \$100 two per cent. bond and a \$100 four per cent. bond, each having nineteen years to run. Assuming the $2\frac{1}{2}$ per cent. bond to be worth par, the 2 per cent. bond would be worth \$92,245611. The advantage of a bond below par to the long bond holder would be the certainty of its rise to par at maturity and the gain thereby. The two per cents would be equally good for circulation at 90 per cent. of their par value, and in case of failure the Government could cancel them at a profit and redeem the circulating notes. As far as the Government is concerned the bonds being usually below par could be purchased by it under most conditions of the money market as readily as an optional bond could be redeemed, and at even a greater profit. In fact, two per cent. bonds would combine the advantages both of an optional bond and of a bond with a fixed date of maturity. Being always obtainable in the market at par or below, there would be less objection to extending the date of their maturity, provided the time was not so extended as to bring their value above par.

WHO HOLD THE FOUR PER CENTS.

The bondholders are divided into three classes.

First.—The National banks, which hold about 125 millions.

Second.—The trust companies, insurance companies, savings banks and private individuals.

Third.—The holders of bonds as trust funds.

The banks can readily invest the \$22.68 they would receive with each \$100 of the new two-and-a-halves at a rate of interest from five to six per cent. They are forced by law to hold a certain proportion of Government bonds whether they desire circulation or not, and nearly all of their bonds are held in the Treasury at Washington either as security for circulation or for Government deposits.

Insurance companies and other corporations are required to deposit United States bonds with the State authorities, and the new two-and-a-halves would answer this requirement as well as fours. These companies are in a position to use the cash payments received from the Government at rates from four to six per cent. The same may be said of trust companies which hold Governments for a reserve, and because they are not subject to taxation. As a reserve the new $2\frac{1}{2}$ s will answer the same purpose as the fours, and, like them, will be exempt from taxation. Savings banks cannot usually loan money at as high rates, but even the investment of the cash payment at four per cent. would effect a handsome saving.

It is not usual to specify the kind of United States bonds in which trust funds shall be invested. The requirement is usually that such funds shall be invested in Governments. The amounts that are specifically invested in fours is small. All other Governments held as trust funds would be almost certain to be placed in the new two-and-a-halves. It may be said generally that the low-rate bonds payable at the same date as the fours would answer all these purposes as well as the fours, while the cash received in payment for the interest surrendered could, by all of the corporations mentioned, be invested in a manner to increase their several incomes. There is then no reason why the exchange should not take place if it is for the advantage of the holder. I know of no savings bank that does not pay at least three per cent., and all of the larger holders of the bonds can certainly readily realize from three to six per cent. upon their cash receipts from the Government. The bill of Mr. Hewitt provides that low-rate bonds shall be received as a basis for banking at the same rate as the fours are now received. This would immediately create a demand for the bonds for banking purposes, for there will then be a profit upon circulation upon the two-and-a-halves, while upon the fours there is very little, if any.

SUGGESTIONS FOR INCREASING THE VALUE OF THE TWO-AND-A-HALVES.

The value of the proposed two-and-a-half per cent. bonds could be further enhanced. First, by permitting National bank circulation to be issued upon them to their par value. Second, by extending the time of the maturity of the whole or a portion of them. Third, by making the earliest numbers taken by those who first accepted the exchange payable last, as was done with the three-and-a-halves and subsequently with the threes and fours, and lastly, by the repeal of the tax on circulation. The second method, that of extending the time of payment, is feasible, for it will not be possible to pay the whole amount

of the fours, which mature on July 1, 1907, on that day; and to grant a longer time for payment of a portion of the two-and-a-halves would only be authorizing now for the benefit of the Government what must necessarily take place at the maturity of the bonds.

Either of the two bills which were pending at the close of the last session of Congress can be so amended that the date of the payment of the new two-and-a-halves to be issued may be postponed, at the same rate of interest, beyond the maturity of the fours, and made payable in instalments of 100 millions, or less, annually during each year succeeding July 1, 1907, the last instalment of \$30,000,000 falling due on July 1, 1914.*

Or, if the annual payments were fixed at 80 millions, then the final payment of 37 millions would be in the year 1917, ten years after the maturity of the present bonds.

ADVANTAGE TO THE BONDHOLDERS.

The inducements to the bondholders to make the exchange may be summed up as follows:

1st. The advantage the new bonds would offer as a basis for National Bank circulation, this advantage being still greater if circulation is issued to the par value of the bonds, and greater still if the law taxing circulation be repealed. Under these circumstances the $2\frac{1}{2}$ s would command a premium. 2d. The cash payment can be invested either in the $2\frac{1}{2}$ per cent. bonds, or in ways to secure a higher rate of interest. Thus the whole cash payment of interest for nineteen years can be invested at once, instead of investing and reinvesting the quarterly interest upon the 4s as at present. But the strongest point is that most of the bondholders will have no difficulty in investing the cash payment at higher rates of interest than $2\frac{1}{2}$ per cent. Savings Banks pay not less than 8 per cent., and it will be easy for most holders to obtain from 4 to 6 per cent. This will be greatly appreciated by bondholders who are now unable to use the premium locked up in fours. If the time of the payment of some of the new bonds is extended beyond 1907, there will be an additional inducement to make the exchange. Those seeking the longest investments would compete for the long bonds, and would be eager to obtain the bonds bearing the lowest numbers, which will bring a higher premium in the market than the bonds of the latest issue, as you will remember was the case a few months ago with the threes.

If the rate of interest upon the interest is reduced to the borrowing power of the Government, the advantage of the bondholder would be increased. If reduced to two per cent., the cash payment to the bondholder would be \$23.66 on each \$100 bond.

ADVANTAGE TO THE GOVERNMENT.

So much for the advantage to be derived by the bondholder from this proposition; but it is equally important to consider the advantage which the Government will derive from it. The accumulation of surplus in the Treasury has recently caused serious inconvenience in New York, and will continue to cause embarrassment in all parts of the country. When there were three per cent. bonds outstanding which the Government could call and pay for this use of the surplus, it saved the three per cent.

If the fours could be called and paid at will, the operation would gain the Government four per cent. But as this cannot be done, in order to use the

* There is a precedent for making bonds under the same law payable at different dates in the bonds issued by the Government to Pacific Railways, which mature at seven different dates, commencing January 16, 1896, and ending January 1, 1899.

surplus at all the Government must be content with a less rate. By the exchange of two-and-a-halves for fours it may make two and a half, and perhaps three per cent. on all the surplus it pays out in meeting such exchange. The Treasury is somewhat in the condition of a merchant who has a note which does not mature until a certain date, but before that date has the money with which to pay it in whole or in part. Instead of seeking to buy the principal of the indebtedness, the Government, by the proposed loan, seeks to purchase a portion of the future interest. It says to the bondholder you hold my note payable nineteen years hence, being four per cent. interest. If you will surrender $1\frac{1}{2}$ per cent. of the interest and accept $2\frac{1}{2}$ per cent. on the note instead of four per cent. I will pay you the present value of the difference in cash. This I can afford to do receiving the low rate of $2\frac{1}{2}$ or 3 per cent. interest, because I can use my money in no other way, and you can afford to accept the proposition, because you can use the money I pay you at the higher rates of four, five, and six per cent. On account of the peculiar situation in which the Government finds itself, a transaction under this proposition would be one of those rare instances when the exchange would be profitable to both parties.

CONCLUSION.

It was my privilege to be associated in official life from the commencement of the war until near the date of the inauguration of the present administration with Treasury officials; and during that time there were ten Secretaries of the Treasury.

Next to the conduct of the war, the most important work of the Government was the management of its finances, and particularly the funding and refunding of the public debt. Nothing in connection with the public service will be so long and so proudly remembered by the American people as the rapid growth in the public credit. In 1861 large amounts of money were borrowed at 7.30 per cent., and not long thereafter these certificates were funded into the 6s of 1881. Other loans were made at 6 and 5 per cent., and subsequently the 6 and 5 per cents. were refunded into $4\frac{1}{2}$ and 4s; and more recently extended into $3\frac{1}{2}$ and 3s.

This administration has it in its power not only to exceed the work of previous administrations by refunding the only loan which will be outstanding after the year 1891 at $2\frac{1}{2}$ per cent.; but in so doing to place at par a large loan at a lower rate of interest than that of any government in existence. It can do this not only with a clear profit to itself, but in the doing of it confer a lasting benefit upon every industry and business interest.

"The scheme can easily be put into execution, if Congress would pass a statute to authorize it. It proceeds on the assumption that what the country needs is something to reduce the surplus temporarily, say for about three years, while Congress is deliberating and perfecting the details of a plan for permanent reduction. This of itself would be a great relief to the country. All through the past year, and in fact for several years past, Congress has felt that there was a necessity for some legislation to reduce the revenue of the Government, but although the pressure was strong it seemed impossible for the members to agree. The plan is exceedingly simple and apparently need not create any strong animosity against it. It treads on the toes of no man who cherishes a particular theory of the tariff. It interferes with neither free trader or protec-

tionist. It appeals rather to the common sense of both of these parties, and can be adopted without partisanship by Republicans and Democrats alike." *

If the present administration fails to appreciate this opportunity, the extension of the payment of the fours before maturity into a fund bearing a less rate of interest, will remain not only an important, but also a necessary measure, to be carried into execution by some future administration.

* *Utica Morning Herald*.

NORMAN ON GOLD AND SILVER.

An advance sheet has been received of an article by John Henry Norman, of England, the author of the Single Grain System for determining the par value of all moneys of account, upon the "Dislocation Between Gold and Silver," published in the October number of the *London Chamber of Commerce Journal*. Mr. Norman is an expert on all topics connected with the currency, and his views are always of interest, and throw much light on the necessarily intricate subjects of which he treats. He seems, however, in this article to be affected by a bias, which leads him to favor the view that the commercial and manufacturing difficulties, which have caused such serious complaint in parts of England and India, are due to some extent to the dislocation in the prices of gold and silver. This bias is, it would appear, that of the man who deals exclusively with one topic, in this case gold, silver and paper currency, and who naturally magnifies the importance of the thing in which he is especially interested. This is a fault all writers on the currency are apt to betray. Unlike the advertisers of a patent medicine who regard their nostrum as a cure for every disease, these writers are apt to believe that the currency of a country is responsible for nearly every evil that arises.

Mr. Norman starts out, as we believe, by placing the cart before the horse, in announcing that bi-metallism is dead, because no Mint in the world is open to the unlimited coinage of both gold and silver, and especially in that he says the death of bi-metallism inaugurated the declining gold value of silver. More properly the declining gold value of silver gradually brought about the death of bi-metallism. He seems to entirely ignore the fact that the increased production of silver resulting from cheaper methods of mining and the discovery of new mines, must have had the usual effect of increase of supply, although he quotes the evidence of Professor Roberts-Austin, F. R. S. of the Royal Mint, London, before the currency commission, that the actual cost of mining silver was in 1888 at the seats of production, only 20 pence per ounce without interest on capital, or with such interest as Mr. Norman himself estimates only 23 pence per ounce. At this rate of production it is no wonder the market price of silver has fallen to about 44 pence per ounce. In fact the wonder is that the price has remained so high. That the use of silver as money appreciates its value, the same as its use for any other purpose is not to be disputed, but no use of this metal as money can ever keep it at any fixed relative value with gold, and further it is of no importance, whatever, that the relative value of silver to gold should be permanently fixed, even if it could, any more than it is of importance that the value of copper or any other commodity to gold should be fixed.

Prices of commodities are the marks of variation in their value measured, by weight of gold, in gold standard countries, and by weight of silver in silver

standard countries. There may be inconvenience to some and opportunity to others, in the fact that different standards are adopted by different countries, but it is not scientific to say that the general rise or fall of prices, measured by weight of silver in a silver standard country, is affected by the fact that another country measures the prices of its commodities by a weight of gold. If there is commerce between the gold standard country and the silver standard country, prices in each are reciprocally affected by the demand from one side to the other, but the effect of this foreign demand is measured in each country by its own standard. If a gold dollar of 23.22 grains were the standard of England, and a silver dollar of 871.25 grains were the standard of India, and wheat was \$1.00 a bushel in England; assuming that 1 grain of gold were worth 21 grains of silver, the corresponding price of wheat in India would be about \$1.24 in silver. Supposing England trades cloth for wheat, and eight yards of cloth are worth a gold dollar in England, then in India the corresponding price in silver is \$1.24 the same as in the case of the wheat. But assuming that the market price of silver having shown a ratio to gold of 1 to 21 suddenly changes to 1 to 80. Then the gold price of wheat being a dollar a bushel, and cloth eight yards for a gold dollar, the corresponding price in India for each would be about \$1.46. Any one who bought wheat in India at \$1.24 would be able to sell it for \$1.46 in silver, but assuming that prices had not changed in England the latter would in trade with that country get the same as before the fall in silver, obtaining eight yards of cloth for a bushel of wheat. There may be more cloth manufactured in England so as to reduce the price of cloth, or less so as to increase it, or more or less demand for the cloth in India effecting the same thing; there may be more wheat grown in India or less demand for it in England, affecting its price, but the difference in standards or the fluctuations in these standards, does not affect the exchange of commodities between two commercial countries.

The people of the country with the inferior standard are, however, more subject to the evils of speculation among themselves than the people of that with the superior standard. Thus the man who bought wheat in India at a silver price of \$1.24 and sells it for \$1.46, gains 22 cents in silver on each bushel. Before all commodities within the country have settled themselves to the new gold market price of silver, this individual buys real estate say at old prices. It is in trading in the infinite number of articles which are dealt in within any country that fluctuations of a standard enable some to make large profits at the expense of others. Commerce being a trade of goods regulates itself.

Mr. Norman says :

"To procure the same weight of silver in silver standard countries a less weight of gold has become necessary, until now at one part of gold for 21 parts of silver it amounts to 23.23 per cent. less weight of gold for the same weight of silver, which latter we will call *a*. Assuming that prices have not risen in silver standard countries, the trader in a gold standard country can purchase and despatch silver to silver standard countries and purchase with the silver, *a.*, goods, say wheat, there which will yield him 23.23 per cent. profit upon the same gold prices as before the fall in the gold value of silver. This profit would result solely from the dislocation between gold and silver; but the trader would not enjoy this 23.23 per cent. All except the ordinary profit obtained under the ordinary condition of the trade would go to the consumer and prices of wheat generally would be lowered in gold standard countries. Under these conditions guided by the teaching of political economists, one would expect that the export trade of the silver standard country would be stimulated and the

import of silver increased until the advance in silver prices equalized the fall in the gold value of silver."

This is assuming that a wheat dealer in India does not know that by sending his wheat to England he can get the gold price there. If he knows it would he not do so? or, if he sold his wheat in India, would he not demand the equivalent of the known gold price in England? Therefore, if more wheat can be obtained in India for the same weight of gold, is it not more reasonable to say that prices have gone down than that they have not risen? In other words, if prices measured by silver are stationary when silver is going down, then it means that the cheapening of products from other causes has been somewhat coincident with the cheapening of silver, but has not taken place on account of such fall in silver.

Mr. Norman again puts the cart before the horse in starting his wheat buyer from England, when he should have started his wheat seller from India.

There are plenty of reasons other than the fall of silver to account for the nominally stationary, but really falling, prices in India. On the other hand, if the English cotton manufacturer gets less for his cloth, it is not due to the fall of silver, but to the greater competition of cotton manufacturers in India itself and in other parts of the world. The cheapening of silver should have increased prices in silver, but in India it has not done so. Measured by gold, prices in India have fallen about the same as elsewhere.

The assumption that the general fall in prices throughout the world is the result of the appreciation of gold is again a putting of the cart before the horse. Admitting an appreciation of gold to be shown by a general fall of the gold prices of commodities, this does not indicate any baleful effect of the measure selected, but the natural effect of the advance of civilization, with its arts and sciences, manufactures and commerce. If Mr. Norman would get rid of the bias mentioned and apply the skill and experience he manifests in handling these questions to data which include all the elements of which the general fall of prices is the result, we think he would arrive at the conclusion that the share the so-called dislocation between gold and silver has in the matter is very small indeed.

ON PAGE 884 of the September number of the JOURNAL it was announced that the essay entitled to the prize offered for the best essay on Domestic Exchanges would be decided upon by the vote of subscribers to the JOURNAL, and the request was made that subscribers would indicate their preference by postal card. The cards received in accordance with the announcement mentioned having been counted, it has been found that "Nemo," published in June, page 575; "Let every tub stand on its own bottom," published in July, page 679, and "Edmund," published in September, page 889, have each received the same number of votes. The result being a tie it has been decided to divide the prize of \$100 equally between the writers of the three essays named. "Nemo" is Mr. John Gault, Manager of the Merchants' Bank, of Canada, Quebec. The motto, "Let every tub stand on its own bottom," indicates Mr. Myron Campbell, Assistant Cashier of the South Bend National Bank, of South Bend, Ind., and "Edmund" is Mr. E. M. Longcope, Assistant Cashier of the First National Bank, of Lampasas, Texas.

AMERICAN BANKERS' ASSOCIATION.*

Proceedings of the Twelfth Annual Convention, held at Pittsburgh, Pa., October 12 and 13, 1887.

The Twelfth Annual Convention of the American Bankers' Association, held at Pittsburgh on October 12th and 13th, though perhaps not as largely attended as some of the Conventions in previous years, was, notwithstanding this, a most interesting one. The smaller attendance was doubtless due to the date selected and the business demands arising during the fall season, which render it impossible for many bankers to leave their homes. There has seldom been an occasion of this kind when so many new and valuable ideas and suggestions were presented for the consideration of the Convention.

The meeting was held in the Pittsburgh Opera House. The building is situated on Fifth avenue, a short distance from the Post Office. The stage was set to represent a drawing room, and in the wings were placed tropical plants in profusion. There was also a beautiful display of flowers.

The Convention was called to order by the President of the Association, Logan C. Murray, President of the United States National Bank of New York, at half-past ten on Wednesday morning. Prayer was offered by the Rt. Rev. Cortland Whitehead, Bishop of Pittsburgh, after which the Hon. Daniel Agnew, late Chief Justice of the Supreme Court of Pennsylvania, welcomed the members of the Convention in behalf of the banks and bankers of Pittsburgh and Allegheny and the Chamber of Commerce of Pittsburgh. He referred with graceful enthusiasm to the historic interest which attaches to the place and said:

"On this very spot England and France, at the middle of the last century, began their contest for the inland possession of this continent. Here, in 1753, the young Washington, on his mission to the French forts at Le Boeuff and Venango, saw in prophetic vision the future greatness of the confluence of these rivers, where they form the beautiful Ohio. Here the French commandant, Coutrecoeur, in the spring of 1754, descending the Allegheny with a thousand French and Indians and eighteen cannon, built Fort Duquesne, and in the same year engaging Washington at the Great Meadows, after his defeat of Jumonville, drove him back to Fort Necessity, and compelled its capitulation. Here again, marching out of Fort Duquesne, the combined French and Indian force, in 1755, below Turtle Creek, met and defeated the gallant but haughty Braddock, and destroyed the flower of his army.

"But in 1758 victory perched on the banner of England, when the dying Forbes, coming down upon Duquesne 'like a wolf on the fold,' compelled its abandonment, drove the French westward, and built Fort Pitt. Here, too, Colonel Boquet, in 1764, after the bloody battle of Bushy Run, rescued the devoted band in Fort Pitt, surrounded and assailed by savages. Peace, however, came not to this region until 'Mad Anthony,' camping at Legionville, eighteen miles below us, in the winter of 1782-3, carried the

* The American Bankers' Association was organized in Philadelphia on October 8, 1876, and held its first Convention there, consequently the meeting at Pittsburgh is the twelfth annual Convention of the Association. There had been meetings of bankers previous to this, as detailed in the article published in the October number of the JOURNAL. A Convention of Bankers was held at Saratoga in 1875, and at this meeting it was agreed to form an Association, and a Committee was appointed to draft a Constitution and By-laws, but the Association was not actually organized until 1876.

war to the Miami of the Lake, and routed the Indians at the 'Fallen Timbers' in August, 1794.

"Pittsburgh was not the scene of French and Indian warfare alone. Domestic strife filled her with alarm. Virginia claiming this entire western territory, created the District of West Augusta, erected the counties of Monongahela, Ohio and Youghania, and extended over them her Courts, offices and civil jurisdiction. A warfare of writs, arrests, imprisonments and fines threatened Western Pennsylvania with bloodshed. Virginia titles, ratified by after agreement, dot this territory. One lies across the river at the mouth of Sawmill Run, butting against the head of the Ohio. Here in 1794 Washington quelled the 'Whiskey Insurrection.'"

Returning to the present, Judge Agnew spoke of the wonderful resources and manufactures of Pittsburgh:

"Look around and you will see mills, factories, furnaces and glass houses, where iron and steel in every form equal and excel foreign manufacture, and where glass in every variety has no rival, and plate is superior to the best French glass.

"A grand summary of business six years ago, collected by the Chamber of Commerce, gave 8,583 industrial establishments, 101,200 employes, and in value an annual product of \$181,014,000.

"In 1884 the output of coal mined in the surrounding region was 54 per centum of all the coal mined in Pennsylvania, and 20 per centum of all mined in the United States.

"In 1886 the output of coal mined within the Pittsburgh bituminous district was 15,761,186 tons. Most of this was carried away by rail and river. The Pennsylvania Railroad alone transported 2,157,000 tons, while the river shipments were 4,123,945 tons and 100,000 tons of coke. The unmined coal in the counties of Allegheny, Westmoreland, Fayette, Greene and Washington is carefully computed at 16,100,000,000 tons.

"There are fourteen organized companies to furnish gas, drawing supply from 210,000 acres of tested territory, having a capital invested of \$17,306,000, using 1,580 miles of lines of iron pipe from six inches to thirty inches in diameter, weighing about eighty-five tons to the mile and giving a total of 135,000 tons of buried iron, delivering 500,000,000 cubic feet of gas daily, and yielding a net profit of about 10 per centum, the same wells being capable of yielding one thousand million cubic feet daily. The total capital invested in natural gas production in Western Pennsylvania is estimated at \$25,000,000, and \$5,000,000 in Ohio. The amount of coal displaced by natural gas is daily 25,000 tons.

"Plate glass has become a most important branch of new industry. The capital invested in finished works and in course of construction is \$3,000,000. One commencing with \$500,000 has now \$2,000,000 invested. Five years ago the product was 50,000 square feet per month, now it is 250,000 feet. Twelve years ago plate glass sold at \$2.25 per foot, now it sells at 70 cents. At first it was sold as French plate, but now the home product is preferred as superior to the foreign.

"A magnificent system of railways, also, like the radiating filaments of a spider's web, reaching out in every direction, fastens its clues upon Philadelphia, New York, Baltimore, Washington, Cleveland, Detroit, Cincinnati, Louisville, Chicago and St. Louis, and by connected lines stretches to New England, Canada and the two great oceans.

"Boston may be the hub of letters, but Pittsburgh is the centre of arts."

The warm welcome extended by Judge Agnew was responded to by President Logan C. Murray in an address which ably set forth the purposes of the annual Convention of the Association and the peculiar advantages to be derived from holding this meeting at Pittsburgh:

"It is not unfortunate that we have been invited to sit at Pittsburgh, but, on the contrary, most agreeable. Here it is that plough-shares and pruning-hooks are made, and we declare for peaceful pursuits also. We listen to the click of these thousands of trip-hammers with especial satisfaction. We shall look in wonder at the mighty force poured from underneath us from the laboratory of the ages to aid this army of workmen. Let us join in happy accord and spirit, in our way, as one arm of the service, indispensable and in absolute sympathy, and rejoice that we have a share in it all for the betterment of a common people and a common country.

"Perhaps in no other city on this continent could the representatives of our great money interests have met, face to face, with so large a body of skilled workmen as

in the city of Pittsburgh. If it were possible, I should like to have them listen to what we, as bankers, have to say to them as workingmen, constantly upon the common ground that prosperity to them means prosperity to us.

"We must never expect that in political meetings or on the floor of Congress the truth will be told by politicians to the people concerning these things, and I believe the clergymen, who constantly have the ear of the people, should be students of the question, and ready for good influence rather than uttering a single word of discord—this is their profession. The American clergy is expected to teach that America is God's most eloquent gift to mankind of all material things.

"A large percentage of the bankers who compose this Association are men who are closely identified with the farming interests; they come from the villages and small towns of agricultural districts; many are the representatives of that class. Surely there can be no great quarrel between the tillers of the soil and the workingmen in the shop. Let us, therefore, come together as skilled mechanics, farmers and bankers. Honesty is a normal condition, and is a matter of course, and a man should not feel especially complimented to be called simply an honest creature; that is his natural state; therefore we assume that the three classes, the mechanic, the workingman and the banker, will each be honest in his demands upon the other for justice.

"I desire especially to congratulate the fraternity in those States which have formed State Banking Associations. In time we shall hope that all the States will organize them, and that from each there will be selected delegates as associate members to this National Association. I would also suggest the foundation of a Bankers' National Library, to be placed in New York or Chicago, to which will be constantly added, by gifts, valuable books and pictures, and later on a building shall be donated by some fortunate banker, and thus establish a National institution for all time.

"I cannot too highly recommend that the State banks will promptly second Comptroller Trenholm in his efforts to condense statistics by promptly furnishing him with such data as he has asked at their hands.

"The National banks must continue. Now that it is not desirable to buy bonds as a basis for circulation, it would seem desirable that the law should be so amended that National banks could be established without requiring one-fourth part of the capital, or even fifty thousand dollars, to be lodged in the Treasury. Let this limit be discarded and one thousand dollars of bond only be required from any bank, great or small, anywhere.

"I want to pause a little and speak familiarly, arm in arm, as it were, to my brethren of the profession from the Southern land, a land ever dear to me, whose apple blossoms bear to me the sweetest fragrance from yonder sunlit hillsides, whence the song and passion of the nightingale calls ever to her wandering sons. I would speak especially to those of my own age, in the high noon of work time; and to those somewhat younger, in whose thought only dwells a zeal for the betterment of the land. The care of the property of others is a sacred trust; that trust is above all self-enrichment. It will devolve upon you to care for the fast accumulating capital there, and the incoming flow for investment. See that these investments continue profitable for the long run, then the influx will continue, otherwise you may only expect a retarded growth and stagnation. Cast your votes for those men who believe that credit is a valuable something, truly the keystone of the rich, and if removed will bring a common ruin. I verily believe, as in the German proverb: 'Those that are homelock shall reach home.' So the banker or the politician who prizes credit as without price will find it his security at last."

On the conclusion of Mr. Murray's address the Treasurer's report was read, showing receipts from subscriptions during the period since the last Convention aggregated \$13,126.50; the total receipts were \$14,718.48, the disbursements were \$13,898.83, leaving a balance of \$1,320.15 in the Treasury. The report was approved.

This was followed by the report of the secretary, Dr. Geo. Marsland, which was also read and approved. It shows the membership of the association to have increased materially during the past year, especially in the South and West, and expresses the belief that the increase will be even more marked the coming year. The aggregate number of the active members is now 1,683, against 1,402 last year, 1,864 the year before, and 1,111 for 1882. The general influence

of the association is steadily increasing among the non-affiliated banks throughout the country. In addition to the ordinary labor of the association, about one thousand dollars were spent last year in aid of the capture and imprisonment of several of the most dangerous forgers that have ever committed depredations on the banking community in the United States. The expenditure this year for the same important object has been considerable and several cases are still pending. The arrangements for holding the annual convention required by the constitution, article 4, have awakened considerable interest among our members. Chicago, St. Louis, Cincinnati, New York, Buffalo, New Orleans, and Detroit have been mentioned. A motion to appoint the usual committee of five to consider officers for the next year was carried. First, however, the chair called for the address of the Hon. John Jay Knox, President of the National Bank of the Republic of New York city and ex-Comptroller of the Currency. As involving the question of the future of the National banking system, this was perhaps the most important address presented to the Convention. The payment of the bulk of the debt of the United States is delayed until 1907 by terms upon which it was contracted, and the present premium upon the United States bonds is so high as to be a bar to the extension and progress of the National banks. The banks suffer, and the Government suffers because it cannot use the money which its excessive revenues bring it. Mr. Knox in his address presented a plan which he has already twice recommended to Congress as Comptroller of the Currency, and which has been embodied in several bills introduced in Congress, since the first recommendation in the Comptroller's report in 1882. These were the Aldrich bill, introduced in the Senate by Mr. Aldrich of Rhode Island, on January 14, 1884, the Potter bill introduced in the House by Mr. Potter of New York city, on February 12, 1884, and the Hewitt bill, introduced by Mr. Hewitt, now Mayor of New York city, on December 18, 1886. Mr. Jordan when Treasurer of the United States also, in an interview with the Finance Committee of the Senate in January, 1887, also recommended a modification of the same plan. In fact since its first suggestion, although there have been differences of opinion as to the proper method of carrying out the details, the general principles on which the plan rests have been approved by the best informed financiers of the country. As Mr. Knox clearly shows, the plan at once relieves the Government and the banks. It relieves the immediate pressure on the Treasury, and gives time for consideration of questions of revenue reduction. The address is printed elsewhere, and an account of its effect in the Convention will be referred to in due course.

Mr. Chas. B. Alexander, of New York city, upon the conclusion of Mr. Knox' address, read a paper entitled, "Commercial Credits and Trust Receipts." Mr. Alexander is particularly competent to give a valuable opinion on this topic of so much interest to the bankers of the country, as he has been employed in important cases involving the questions treated of in his paper. The JOURNAL will present the main points made to its readers at some future time. One of the Pittsburgh papers described Mr. Alexander as "a young man, with an energetic, clear, and rapid delivery, and rather English in appearance, though thoroughly American in his opinions."

A CONGRESSMAN APPEARS.

The Hon. Beriah Wilkins, Chairman of the Committee on Banking and Currency, was asked to come upon the stage, but desired that his address be

postponed until the afternoon session. Judge Agnew then read an able paper on "The Legal Features of the National Banking system." This paper showed great care and learning, and covered the constitutional questions that since the inauguration of the present form of Government of the United States have arisen in connection with the charters of the two banks of the United States and the present system of National banks. This paper merits more extended comment than our space at present allows, but like many other of the good things presented at the Convention, will afford subject for remark in future numbers as well as in the present number of the JOURNAL. The Judge's style of delivery is deliberate and impressive.

On the conclusion of this paper, the president, Mr. Murray, announced the following committee on nominations of officers for the ensuing year:—W. S. Culbertson, of Indiana, W. P. St. John, of New York, J. W. Lockwood, of Virginia, T. H. Hinchman, of Michigan, D. B. Hallet, of Massachusetts, W. A. Hannan, of Illinois, Wm. G. Deshler, of Ohio.

AFTERNOON SESSION.

The afternoon session commenced about three o'clock. There had been some complaint of the temperature of the hall at the morning session, as an unexpected fall in the thermometer Wednesday morning doubtless disturbed the calculations of those having the heating apparatus in charge. This was corrected as soon as possible. Wm. P. St. John, President of the Mercantile National Bank, of New York city, made the first address, in which he submitted suggestions for legislation. His first suggestion was in regard to the injustice done National banks by the law compelling them to pay the transportation charges on their notes sent to Washington for redemption; and he presented a copy of a proposed bill for repealing this law. He explained the operation of the present statute as follows:

"All charges in the redemption and returns for National bank notes are paid at the expense of the National banks, such of the redeemed notes as are fit for circulation being forwarded to the bank of issue. This was a wise provision when public confidence in the National bank note was yet to be established, but to-day the provision is abused. Thus, for instance, a National bank is located, say, in Montgomery, Ala. Among its neighbors is a banking firm competing in the business. At certain seasons of the year exchange on New York will rule at a premium. Meanwhile, for cash in Montgomery, the National bank notes are as available as coin, and the banker conveniently accumulates them in part of his cash reserve. So soon as exchange on New York has reached a premium in Montgomery this banker ships the notes to Washington, requesting remittance in redemption to his correspondent in New York. A few days thereafter the notes fit for circulation, many of them scarcely wrinkled, are returned by the Treasurer to this bank of issue, to be again put into circulation. The banker continuing his accumulating gathers in, with others, these same notes and forwards them to Washington for redemption and remittance to New York; repeating the operation not once or twice, but several times a season, and every time at the expense to his neighbor, the aforesaid National bank.

"Under every other system of bank note issue and redemption the note-holder, or his agent, must himself present the note to obtain redemption; and at his own expense of course. It will be no hardship in the case of the National bank note, therefore, if the National bank shall be required to pay no more of the necessary expenses of redemption than fairly applies to notes unfit for use."

He also strongly urged that the Government should redeem at par all its light-weight subsidiary coin.

"It is not proposed that the Government shall part with any of the profit already realized on the original purchase of bullion for its coinage. It is merely asked that it shall forego a second profit in redemptions when that second profit can be acquired

only at the sacrifice of individual holders of its coin. That the measure of this sacrifice under existing law may appear, let us suppose that the silver in a full-weight standard dollar has a present market value of but seventy-five cents, and let one of these coins be thrown out as of light weight. The owner's sole recourse is to the bullion dealer where in addition to the shortage of weight, he must endure a loss of 25 per cent. If his light-weight silver be two half dollars his immediate loss is an additional 7 or 8 per cent., say 35 or 33 per cent., besides the loss in weight. On the other hand, suppose the law amended, and the Government were to redeem by purchase at the full legal-tender valuation of its coin, and let the dollar be 2 per cent. light of standard weight; the Government thereby becomes possessed at par of 98 per cent. of the sufficient silver to recoin the dollar, and the required 2 per cent. may be obtained in market at a discount of 25 cent. This redemption and recoinage of the dollar will thereupon be made at a profit to the government of a half a cent per dollar. It would thus appear that the matter need only be brought to public attention in order to secure for the proposition its prompt enactment into a law."

He then went on to consider the subject of surplus money in the Treasury, referring to the partial success of the recent bond purchases for the sinking fund, as an indication of what may be accomplished in this way in case of an emergency. He proposed as an adequate remedy for the accumulation of the surplus, a wider interpretation of Section 5,153 of the United States Revised Statutes which provides, that in dealing with National bank depositories the Secretary of the Treasury shall require the associations acting as such to give satisfactory security by the deposit of United States bonds, and otherwise for the safe keeping, etc., of the public moneys deposited with them, viz.: that the Secretary of the Treasury may under this section deposit any of its surplus from whatever source derived with the designated banks, and require any satisfactory security by the deposit of United States bonds and otherwise. In addition to the bill which Mr. St. John presented to the convention for the consideration of Congress, he further favored the convention with the form of circular which the Secretary should issue, in order to carry out Mr. St. John's views of Section 5,153.

Hon. Beriah Wilkins then addressed the convention, upon the general topic of the "Finances of the Country," and particularly the growing revenues and the surplus. He said :

"In the year ending June 30, 1886, there was collected from all sources \$336,430,727.06, and expended for all purposes \$242,483,138.50, and during the fiscal year just closed, June 30, 1887, \$371,408,207.66, and expended \$267,932,179.97.

"Since June 30th of the present year the revenues of the Government exceed by a large amount the current expenditures. A comparative statement furnished me at the Treasury shows the receipts for the first three months of the present fiscal year from all sources to be \$100,293,798.84, as against \$94,945,562.57 for the same quarter in 1886, showing an increase in the receipts of \$5,348,236.27. There have been no extraordinary importations to cause this enormous increase, neither have there been excessive payments from the internal revenue source, the entire increase being about ratably divided between the two. Evidencing that the increase from every source is steady and continuous, and is no more than may be expected in the natural growth and prosperity of the country, which under our present rates of taxation and system of raising revenue will continue to largely increase as the years roll away. The country is to be congratulated that the business of the people has been so prosperous as to the yield this large surplus of income to the Government. But we are now at the point of actual embarrassment, at the point where redundant revenues, without compensating expenditures, are accumulating in the Treasury to such an extent as to cause alarm for the financial future, and that, too, at a time when the country is enjoying a period of unprecedented prosperity."

He spoke of the various plans for dealing with the embarrassing accumulations, referring at length to the plan of distributing the revenues among the

states. This scheme he considered as unconstitutional and opposed by the greatest weight of historical authority. Mr. Wilkins plan for the abatement of the surplus consists in a reduction of the revenues. He said :

"Without going into detail, repeal the tax on tobacco ; reduce the duties on sugar, on rice, on lumber, salt and common cloth ; reduce the tax on flannels and earthenware, on window-glass and certain kinds of iron products ; a large portion of the tax on circulation of the National banks could be remitted. A reduction of the revenues can be made, the tariff can be revised, discriminations of such character can be made if a spirit of fairness pervades, in such a way as will impose the least burden upon and best promote the great industrial interests of the country. Revenues can be reduced and yet continue the honest payment of our debt and the sacred preservation of the public faith ; taxation can be reduced, compelling economy in public expenditure and a more careful guarding of the interests of the whole people. And if relief comes to us it must come in this way ; it can come in no other."

H. M. Kingman, Cashier of the First National Bank, of Chicago, followed Mr. Wilkins, and read the following paper entitled "Commercial Paper and Its Importance as a Factor in the Discount Account of Banks," prepared by Mr. William Vincent Baker, of the firm of Baker & Parmele, of Chicago.

"If in this paper it shall appear that I have diverged from the paths or lines of discussion usually traversed at previous Conventions, my only apology is the importance of the subject in view to the object and purpose of the Association. The subject has not received all the consideration in your discussions it is justly entitled to. Essays and papers have been read on many subjects relating to banks and good banking, but this great adjunct to safe and successful banking, involving in its character the relations of dealers in it to banks and bankers, has, in a measure, been overlooked. With the increasing industries of the country, and more especially those of the West, the buying and selling of commercial paper has become a distinct branch of the banking business, and an important auxiliary to bankers. The cause is easily traced. In the States of Illinois, Iowa, Michigan, Wisconsin, and Indiana, the growing tendency and desire of bankers is to find investment for their surplus funds away from home, where each year the facilities for safe investment are diminishing ; and they naturally turn to the great money center to make their investments. The reason for this tendency to outside investments is obvious. As the country advances in wealth and increases in population, banks necessarily multiply with other branches of industry, and in course of time an increase of unemployed funds is the result. The question that then presents itself to the mind of the banker is, "What shall be done with the surplus funds?" Now, the supply of home-borrowers generally fails to meet the demand, consequently investments must be made elsewhere. If, however, the home supply did not fail, the bankers throughout the middle Western States, more particularly, are beginning to see the advantage and safety of buying in the large money centers. They can there make a selection from the numerous well-rated business "receivables" submitted to them, and in doing this can obtain not only the information possessed by the sellers of, or the first investors in, commercial paper, but secure the opinion of their city correspondents. With all these safeguards it may readily be seen how preferable would be investments of surplus funds through outside channels, and how comparatively small the danger of loss would be.

"For the various processes of investigation to which a careful and sagacious dealer will subject an account before buying the paper, is not only a safeguard to the country banker, but relieves him of all anxiety and trouble in making the purchase. He has, for instance, before him the fact that the paper is given for merchandise, bought of a responsible jobber, or for material furnished and labor performed, constituting value received, and creating direct responsibility on both maker and endorser ; added to this, he has the advantage of a thorough and comprehensive investigation by the dealer of the affairs of both maker and endorser, which the dealer makes for his own protection, and which he confirms by a judicious use of commercial reports and private inquiries.

"That dealing in commercial paper should be made a separate branch of banking business must be evident to all bankers in large cities. In all of the principal banks of the large money centers the business has grown so large, and has extended so far in

its ramifications, that it is becoming divided up into departments, and the wisdom of it is plain, for the person in charge of a department soon acquires a special knowledge of the business transacted therein, and consequently is able to give a more intelligent and reliable opinion respecting any business that properly belongs to his department; hence, dealing in commercial paper should, to lessen the risks of loss, be carried on as a special and separate business. It requires great vigilance, caution and knowledge of the financial methods of the sellers of paper, and these qualities become sharpened and developed in the person who devotes all his time and abilities to this branch; for the very nature of the business tends to make him discriminating in his purchases—when he buys he assumes liabilities till paper is sold or has matured—hence, self-preservation would make him thorough in his investigation as to the responsibility and integrity of makers and endorsers. He would be careful and cautious in handling any account that was not exclusively placed in his hands, or any paper that had the taint of accommodation about it.

"The opinion seems to be prevalent among some country banks that dealers in commercial paper are in reality "brokers," that is, "an agent who transacts for commission," and that, as a fact, they assume no responsibility in offering the paper they handle, as they do not buy it outright from the indorsers. This is an erroneous impression, for a responsible dealer or "banker (*i. e.*, 'one who discounts notes,')

" buys his customers' paper, and thereby becomes the owner. In rare instances, with certain restrictions, he may accept a consignment, and make advances thereon, but for obvious reasons this kind of transaction should be avoided.

"Another advantage gained by investing in large money centers is in the facilities afforded country banks for the immediate and safe investment of daily surplus. In considering what to do with his surplus funds the country banker sees but two legitimate channels of investment: The first is the local home-borrower; the second is the investing of his current funds in outside commercial paper held by bankers near some money center, who deal therein. He knows that by investing at home he may be able to secure 8 per cent. or 9 per cent. interest, while he may not be able to get in outside investment over 6 per cent. Yet, if wise, he will invariably select the latter course in the disposition of his surplus funds, for the reason, that if a loss occurred of 1½ per cent. on, say, \$100,000 loaned at 9 per cent. to depositors—farmer, stock dealer, merchant or manufacturer—in his town, it would wipe out the difference in gain of interest for a year on the same amount invested at 6 per cent. on outside approved paper. His experience has taught him that the home discount account is largely made up of paper which it was a matter of policy rather than good judgment on his part to renew. On the other hand, he knows that in his outside investment the danger of any loss is reduced to a minimum; that the paper he buys is first-class business paper, carefully selected under the suggestion and advice of the dealer, besides, he feels that when the paper matures there will be no extension or renewal expected, as may be the case with local borrowers. The outside investment also places him in a more independent position, for he is dealing with strangers, and not with friends, and depositors who are sometimes disposed to ask favors of their bank not consistent with the duties its officers owe to the stockholders. Another advantage secured by outside investment is in the closer and more confidential business relations established between banker and dealer. In order to achieve satisfactory results, the banker must have confidence, both in the integrity and judgment of the dealer. Unless such confidence exists, his (the dealer's) business will be limited for the present and profitless for the future. Their interests, to a certain extent, are identical, though the impression exists in the minds of some bankers that the buying and selling of commercial paper tends to inflate values and promote illegitimate transactions. This is not only a false impression, but, as a matter of fact, the prudent, conservative dealer can do more to suppress "shinning" and to elevate the character of the paper seeking discount than possible for any banker to accomplish. As stated before in this paper, his avenues of information are far more abundant, his facilities vastly superior—while it is vitally important to the success of his business that perfect integrity shall be preserved, and the paper he offers shall legitimately represent the passing of value between maker and endorser. The greater the strength the more perfect the integrity, and the higher the character of the paper he offers his buyer, the more complete will be his ultimate success.

"By a conscientious adherence to facts and avoiding extravagant and highly colored statements; by not asserting or insinuating as a fact something that is simply

'hearsay,' and by offering no paper for sale he would not willingly carry to maturity himself, he not only subverts his own interest, but makes himself invaluable to the banker. The result of these relations between banker and dealer would be, that the volume of business in this branch would be greatly increased, and banks, instead of discounting their customers' paper, would allow this business to drift into the hands of the dealers and would buy of the latter alone to utilize their surplus funds. Another beneficial result would be that if the special dealer in commercial paper was more generally consulted as to the character of the security offered for sale, it would not be long before borrowers became convinced that unless the paper was solvent and of a high character it would be useless to attempt to negotiate or discount it through banking channels.

"Before concluding, I desire to call attention to the wide field for profitable and safe investment afforded to Eastern banks in the volume of high grade commercial paper issued in the West. It is well known that during the last few years there has been an unusual demand for money in the West. The opening up of new territory, the clearing up and cultivation of new land, the building of new lines of railway, the development of manufacturing and lumber interests, all have so universally increased, that the demand for money has been unprecedented. While a large portion of the supply consists of Eastern capital—that supply has been almost wholly confined to railway enterprises—and although the investments in other industries are small, taken separately, in the aggregate they amount yearly to a very large sum. Now, if Eastern bankers were to turn their attention to and deal in this class of paper, freely taken by Western banks, they would find a safer investment for their funds than they do now in handling to some extent a certain class of paper, which, though rated high and wearing an air of gilt-edged responsibility, is nevertheless 'accommodation' paper, and is received, offered and sold as such. By availing themselves of information obtainable by Western dealers regarding the quality or character of the paper offered, Eastern banks might open a new and prosperous field for investment. Certainly it would be worth a trial wherever there is no sufficient outlet in the East for their unemployed funds, and at each of the large money centres of the West—Chicago, Milwaukee, Kansas City, St. Louis, St. Paul and Minneapolis—may be found, through dealers long established in the business, a high grade of commercial paper. This business is no longer an experiment in the West. It is a fact known to me that over thirty millions of paper was sold by one Chicago firm before a single default in payment occurred. What bank can show a similar record?"

Colonel Henry Exall, of the newly organized North Texas National Bank, of Dallas, Texas, was next introduced by President Murray, and entertained the Convention with a 10-minute extemporaneous speech on "The Business Growth of Texas." After apologizing to the Convention for departing from the routine of finance and banking, Colonel Exall said :

The growth of Texas is phenomenal, and almost entirely unknown to the people who have not had the good fortune to visit the largest State in the Union. Texas in 1870 had a population of 800,000 and 2,000,000 acres of land under cultivation, and the man with the plow and the hoe was said to have no business that far West. It belonged to the cattle raiser and ranchman. In 1880 her population had increased to 1,600,000, and to-day Texas has a population of upwards of 2,500,000 and 20,000,000 acres in successful cultivation. And in the not far distant future I expect to see 5,000,000 happy, prosperous people in our cities, in our work shops, in our factories, and on our farms, enjoying the fruitful products of 50,000,000 acres of land, owned largely by the men who till it.

In my business wanderings I have visited almost every State in this grand Union. From the Green Mountains of Vermont, across the blue grass of Kentucky to the foot hills of the Rockies, and all through the rich and populous States of the Mississippi Valley; and with this experience, and in this intelligent presence, I say without fear of successful contradiction, that the country known as *North-Texas* will support as dense a population as any country of which I have any knowledge.

You read in your Eastern papers of drouth in Texas. Mr. President, Texas is 850 miles across in one way and 750 in another, and it may be very dry at both ends and leave it very wet in the middle, and I admit that it has been too dry on the edges, and sometimes not just as we would have it in the centre, but I am glad to be able to say

to you that the heavens have opened, the rain has come, the streams are full, and the earth is saturated, even in the driest sections. This is a fair assurance of abundant harvests for the coming year.

Our crop this year, taking everything into consideration, corn, cotton, cattle, and all other products, is the best in the history of the State. In Llano and Mason counties deposits of magnetic iron ores, said by experts to be equal in quality, and quantity, to any on this continent, have recently attracted the attention of capitalists who will develop them.

Mr. President, we are a prairie State, and yet we have 40,000,000 acres of virgin forest awaiting the handicraft of the artisan, and the money of the capitalist, to fashion it for the uses of man.

With new railroads grid-ironing the State, with a people as intelligent, happy, and prosperous as any in the world, we only want one thing—*capital to develop our almost unlimited resources*. Nothing that I can say of Texas can do her justice. We want you to come and see her as she is; and as the delegate of the Bankers' Association of the State of Texas, and in behalf of the State Fair Association, of Dallas, and as a citizen voicing the sentiments of every man, woman, and child of a hospitable State, I extend to this body an invitation to visit Texas, and hold their next annual Convention in the city of Dallas, during the session of the State Fair, in October, 1888.

Mr. President, I wish I could find words to express to you the warm welcome that our people would extend to this Association. My inability to do so calls to mind an incident illustrative of my position. On my father's farm in Virginia there lived, many years ago, an old negro known as "Uncle Mose." He was kind-hearted, clever and true, an oracle among his people and a philosopher in his way. The colored people and the younger whites always went to him for comfort and advice when in trouble. A colored boy, known as "Sid," came to him one day in great distress. Uncle Mose, seeing that he was in trouble, asked the cause. "Sid" said: "The fact is, Uncle Mose, I loves Nancy, but I dunno what to say to her." "Lor, chile," says Uncle Mose, "don't let that trouble your heart. Jes wait, till you get her all alone, by herself, and take her little hand in yours, (here Col. Exall grasped the hand of President Murray), and *it will come to you what you ought to say to her.*"

And I say to you, bankers of America, come down to Texas, put your hands in ours, and it will come to our people how to welcome you.

A report was at this point read from the Executive Council upon what was facetiously dubbed "the Canada Cashier resolution," which was worded as follows:

Whereas, The failure to agree upon a proper extradition treaty between the United States and Great Britain for the return of a class of offenders who seem to ever be found with us.

Whereas, It has come to be a matter of course that the class of criminals known under the designation of defaulters and embezzlers have immunity from arrest, trial and punishment by reaching the British possessions, where now in Canada there are large numbers residing.

Resolved, That the Executive Committee are requested to appoint a Committee on behalf of the Association to represent to our State Department the great evils now existing, and to urge the early amendment of our extradition treaties with Great Britain so that the existing evils may be abated.

Samuel Norment, of Washington, D. C., offered the following resolution, saying that he thought there was a good chance to inject a little patriotism into the financial discussion and land booms of the Convention:

Whereas, It is proposed to hold at the National Capital, in 1890, a joint celebration by the sixteen American Republics in honor of the centennial anniversary of the inauguration of Constitutional Government upon the Western Hemisphere. And it is also proposed to hold at the National Capital, in 1892, a world's exposition in honor of the four hundredth anniversary of the discovery of America by Christopher Columbus, which exposition of the history, arts and industries of the three Americas is intended to be permanent.

Resolved, That the American Bankers' Congress heartily favors this movement toward more intimate relations between the several sister nations of the three

Americas, and commends it to the people of the United States as a matter of great practical importance, and that the Secretary be instructed to send copies of this resolution to the President of the United States, to the President of the Senate and to the Speaker of the House of Representatives.

The matter was discussed by Mr. Norment and A. D. Anderson, of Washington, and then referred to the Executive Committee.

Letters of regret were read from the Hon. William W. Crapo, of New Bedford, Mass., who suggests as one of the means of reducing further growth of the surplus that the tax be taken off the National bank circulation; from Secretary of the Treasury Fairchild; from Comptroller W. L. Trenholm, and from General W. T. Sherman, who, President Murray announced, was a pioneer banker in California. Henry M. Brady, Secretary Fairchild, Carl Schurz and Senator Daniel, of Virginia, all expressed their regrets that other engagements kept them away. Senator John Sherman and John A. Bingham, of Ohio, Governor Colquit, of South Carolina, and Hon. John A. Kasson expected to be here, but were prevented by unforeseen circumstances. Governor Proctor Knott, of Kentucky, and ex-Governor Hoyt, of Pennsylvania, were expected, but did not arrive.

The Convention then adjourned until the next morning.

THURSDAY'S SESSION.

On Thursday morning the Convention came to order at ten o'clock. When the report of the Nominating Committee appointed the previous day was called for, Mr. H. B. Wilson, Cashier of the First National Bank, of Ironton, Ohio, made a motion, "that it is the sense of this Convention that in future all nominations for President, Vice-President and Executive Council shall be made upon the floor in open Convention and that the vote shall be by ballot." This motion was the outgrowth of a feeling on the part of a number of members on the floor that the business of the Convention and the management of the Association was conducted too much in a cut-and-dried fashion, and that the real sense of the members was not allowed fair opportunity for expression. There seemed to be a feeling that there should be some reform. On the other hand, it must be remembered that the American Bankers' Association consists of about 1,700 members, and that a very small proportion of them are in attendance at any one Convention. The members at one time on the floor cannot, therefore, be said to represent the sense of the full membership. For this reason the Executive Council, under the Constitution of the Association, has first to pass on all resolutions and motions emanating from the floor. The Executive Council is composed of representative bankers from all parts of the country, and is guided in its action by the expressed desires of the banking community. The motion of Mr. Wilson was accompanied by some temperate remarks disclaiming any wish to interfere with the nominations already made by the Nominating Committee which had been appointed on the previous day, and was referred to the Executive Council for an immediate report.

The following resolution was then offered by Judge Ewing:

Resolved, That we favor a rapid extinguishment of the public debt, and therefore recommend the continued purchase by the Secretary of the Treasury of the outstanding Government bonds. We consider a reduction of the revenue wholly unnecessary, inexpedient and unwise. Let the surplus be promptly and constantly applied to the liquidation of the debt and let the action of the Treasury in the work of buying the bonds be further regulated, systematized and controlled by additional legislation.

Mr. St. John offered an amendment, that the existence of National banks is not dependent on the National debt, which was accepted by Judge Ewing.

The resolution was referred to the Executive Council, with the approval of the Convention.

A resolution extending thanks to the bankers, merchants and citizens of Pittsburgh was unanimously carried.

President,

LOGAN C. MURRAY, President United States National Bank, New York, N. Y.

First Vice-President,

CHARLES PARSONS, President State Savings Association, St. Louis, Missouri.

Vice-Presidents,

ALABAMA—R. M. Nelson, President Commercial Bank, Selma.

ARIZONA—M. W. Kales, of Kales & Lewis, Bankers, Phoenix.

ARKANSAS—Creed T. Walker, Cashier German National Bank, Little Rock.

CALIFORNIA—S. G. Murphy, Cashier Pacific Bank, San Francisco.

COLORADO—David H. Moffat, President First National Bank, Denver.

CONNECTICUT—George A. Butler, Vice-President National Tradesmen's Bank, New Haven.

DAKOTA—Asa Fisher, President First National Bank, Bismarck.

DELAWARE—Edward Betts, President First National Bank, Wilmington.

DISTRICT OF COLUMBIA—Samuel Norment, President Central National Bank, Washington.

FLORIDA—Daniel G. Ambler, President Nat. Bank of State of Florida, Jacksonville.

GEORGIA—J. L. Hammond, Vice-President Merchants' National Bank, Savannah.

IDAHO—John Huntoon, Cashier First National Bank of Idaho, Boise City.

ILLINOIS—Geo. Schneider, President National Bank of Illinois, Chicago.

INDIANA—W. S. Culbertson, President First National Bank, New Albany.

IOWA—William D. Lucas, Cashier Valley National Bank, Des Moines.

KANSAS—John R. Mulvane, President Topeka Bank, Topeka.

KENTUCKY—James M. Fetter, President Kentucky National Bank, Louisville.

LOUISIANA—Joseph H. Oglesby, President Louisiana National Bank, New Orleans.

MAINE—Ira P. Farrington, President Casco National Bank, Portland.

MARYLAND—Douglas H. Thomas, President Merchants' National Bank, Baltimore.

MASSACHUSETTS—John Cummings, President Shawmut National Bank, Boston.

MICHIGAN—Theo. H. Hinchman, President Merchants and Manufacturers' National Bank, Detroit.

MINNESOTA—Henry P. Upham, President First National Bank, St. Paul.

MISSISSIPPI—James P. Roach, President First National Bank, Vicksburg.

MISSOURI—Rufus J. Lackland, President Boatmen's Saving Bank, St. Louis.

MONTANA—Samuel T. Hauser, President First National Bank, Helena.

NEBRASKA—Henry W. Yates, President Nebraska National Bank, Omaha.

NEVADA—D. A. Bender, President First National Bank, Reno.

NEW HAMPSHIRE—George B. Chandler, Cashier Amoskeag Nat. Bank, Manchester.

NEW JERSEY—C. S. Graham, President North Ward National Bank, Newark.

NEW MEXICO—Jefferson Reynolds, President First National Bank, Las Vegas.

NEW YORK—Henry C. Brewster, Cashier Traders' National Bank, Rochester.

NORTH CAROLINA—William E. Breese, President First National Bank, Asheville.

OHIO—William Means, President Metropolitan National Bank, Cincinnati.

OREGON—Henry Failing, President First National Bank, Portland.

PENNSYLVANIA—Benjamin B. Comegys, President Philadelphia National Bank, Philadelphia.

RHODE ISLAND—Francis W. Carpenter, President American National Bank, Providence.

SOUTH CAROLINA—Andrew Simonds, President First National Bank, Charleston.

TENNESSEE—W. D. Bethell, President State National Bank, Memphis.

TEXAS—HENRY EXALL, Vice-President North-Texas National Bank, Dallas, Tex.

UTAH—W. S. McCormick, of McCormick & Co., Bankers, Salt Lake City.

VERMONT—Charles W. Woodhouse, President Merchants' National Bank, Burlington.

VIRGINIA—William M. Hill, Cashier State Bank of Virginia.

WASHINGTON—Dexter Horton, of Horton & Co., Seattle.

WEST VIRGINIA—J. Nelson Vance, President Exchange Bank, Wheeling.

WISCONSIN—N. B. Van Slyke, President First National Bank, Madison.

WYOMING—T. B. Hicks, President First National Bank, Cheyenne.

Executive Council.

New York City.	JOHN JAY KNOX, President National Bank of the Republic.
	GEORGE S. COE, President American Exchange National Bank.
	WILLIAM P. ST. JOHN, President Mercantile National Bank.
	WILLIAM A. NASE, President Corn Exchange Bank.
Philadelphia.	MORTON MCMICHAEL, Cashier First National Bank.
	WILLIAM H. RHAWN, President National Bank of the Republic.
Chicago.	LYMAN J. GAGE, Vice-President First National Bank.
	JOHN J. P. ODELL, Vice-President, Union National Bank.
Boston.	EDWARD TYLER, Cashier Suffolk National Bank.
	JAMES H. BOUVE, President Boston National Bank.
	Baltimore, Md.—J. THOS. SMITH, Cashier National Bank of Baltimore.
Cumberland, Md.	DANIEL ANNAN, Cashier Second National Bank.
Richmond, Va.	J. W. LOCKWOOD, Cashier National Bank of Virginia.
Pittsburgh, Pa.	W. E. SCHMERTZ, President Third National Bank.
Milwaukee, Wis.	HOEL H. CAMP, President First National Bank.
Columbus, Ohio.	WILLIAM G. DESHLER, President National Exchange Bank.
Sandusky, Ohio.	AUGUSTUS H. MOSS, President of Moss National Bank.
Syracuse, N. Y.	EDWARD B. JUDSON, President First National Bank.
Little Rock, Ark.	LOGAN H. ROOTS, President First National Bank.
Henderson, Ky.	S. K. SNEED, Cashier Henderson National Bank.
Omaha, Neb.	A. U. WYMAN, Vice-President Omaha National Bank.

Mr. O. M. Carter, of Ashland, Neb., then offered the following resolutions, which were sent to the Executive Council for consideration :

"Resolved, That the Executive Council is instructed to prepare a bill embodying such amendments to the National Banking Act as may seem desirable and expedient; transmit a copy thereof to each member of the association with a letter inviting criticisms for consideration by the Executive Council, after which the bill shall again be brought before said Council for consideration and final adoption; it shall then be presented to Congress, and a copy mailed to each member of the association, with a request to use their personal interest and influence with the members of Congress and United States Senators from their respective States to secure favorable action.

"Resolved, That the Executive Council is hereby instructed to examine the banking legislation of State and Territory, and endeavor, through the local members of this association, to secure uniform bank legislation throughout the country.

"Resolved, That the Executive Council have authority to make such levies on the association as may be necessary to carry out the instructions."

Mr. Nelson, of Alabama, read a paper prepared by Elliott F. Shepard, of New York city, of which the following is an abstract :

"That portion of the surplus labor of the United States represented by the bankers of the country is a fine illustration of the truth that capital and labor are one, for if they did not labor incessantly they would have none of the surplus called capital, and if they had no capital that would prove they did not labor.

"Let us look a moment at the fundamental principles underlying this much vexed question of capital and labor; and the inspection will show there is, and can be, no conflict between them, but that they are identically the same thing, one and inseparable, one and indissoluble.

"It is not Adam Smith, nor Henry George, nor Herbert Spencer, nor Stewart Mill; not to Lovelace, Leibniz, John Swinton, Powderly, Robert Owen, Malthus, nor Marx, that we must turn in order to find the true philosophy of finance and industry, but it is to the greatest of all, to God, 'for it is He that giveth thee power to get wealth.'

"A strike illustrates the unity of capital and labor. One week is 2 per centum of a year. Suppose a strike to continue two weeks. Then, to recover the loss of earnings for that time, the strike must secure an advance of 20 per centum in wages for a period of one year. No strike has ever been known to do this. So that to cease to labor is to cease to have capital.

"Labor and capital are but different stages of the same existence. When a boy of 10 becomes a man of 50 he is still the same individual, not somebody else: so capital is only labor matured.

"Labor is wealth; wealth is capital; therefore, capital and labor are one. The practical reflections that arise from this truth are few and simple.

"I.—Every course of action by employers and employes that is in unison with truth will benefit both of those classes.

"II.—Whatever improves the employe cheapens the cost of employing him.

"III.—Whatever increases production and the number of employes tends to increase the rate of wages.

"IV.—Poverty can no more be abolished than wealth.

"V.—Land owned in severalty in fee simple is a mark of civilization, and to confiscate land would reduce America to the degraded condition of savage Africa.

"VI.—Liberty should be fully enjoyed in all trades and occupations for the support of mankind.

"Commercial, industrial, and financial history fully support each of these six propositions, and render unnecessary their elaboration in this paper; and the bankers of America have it in their power to disseminate them until their truth shall be acknowledged by all classes."

At this stage of the proceedings, Mr. Tyler, President of the Suffolk National Bank, of Boston, Mass., presented the following resolution from the Executive Council :

"Resolved, That the American Bankers' Association recommend the passage of a bill providing for the refunding of United States 4 per cents. into 2½ per cents. by anticipating the payment of so much interest on the 4s as is in excess of the proposed rate. The present worth of such excess of interest to be computed at a rate not above the borrowing power of the Government, and also providing for the extension of the time of payment of the proposed 2½s by annual payments of \$100,000,000 from July 1, 1907, to July 1, 1913; and

"Resolved, That a copy of this resolution be forwarded to the President of the United States, the Secretary of the Treasury, the Comptroller of the Currency, and the Financial Committees of both houses of Congress."

This resolution was opposed by Judge Ewing, of Penn., by Mr. St. John, of New York, by Mr. Sneed, of Kentucky, and was finally laid on the table. The arguments against it were that it sustained a plan which would delay the payment of the debt, that after the exchange of fours for 2½s was made the Government might still be compelled to buy the latter at a high premium, and that it was not good policy for the Convention of American Bankers to approve any important legislation, as such approval would be used as an argument against the measure in Congress. The first was Judge Ewing's argument, the second that of Mr. St. John, and the third that of Mr. Sneed. These arguments were not replied to at the time, as Mr. Knox, whose plan for refunding the debt the resolution approved, was at the time in attendance on a meeting of the Executive Council. The resolution was therefore at this time tabled.

The Hon. Henry M. Knox, Public Examiner and Superintendent of Banks for the State of Minnesota, next read an interesting paper, explaining the character, history, and duties of his office. An abstract of this valuable paper will be given in a future number of the JOURNAL.

Mr. Henry B. Wilson, of Ironton, Ohio, followed with a paper on Bank Examinations. He portrayed the ideal examiner, and graphically described the fault of the present system, and made suggestions as to the manner in which the defects might be remedied. He did not, however, nor perhaps was it within the line of thought he had marked out, touch upon the question of remuneration, which certainly is a most important factor in materializing the ideal examiner. This omission was supplied by the Hon. Beriah Wilkins who said :

"I think there should be a fixed fund, taken out of the tax on circulation, to pay the salary of the bank examiner, that he may become the agent of the Government: that he may give his entire time, rather than a small portion of it, to his work. I

also think all the expenses of the shipment of your circulation should be paid out of the same fund. This tax should be reduced to such a sum that it should only pay these two items of expense. There should be a Chief Examiner at Washington with several deputies, who should go out as occasion requires. These officials should know the difference between a certificate of stock and a certificate of deposit. I think I shall offer a bill this winter either to relieve the banks of taxation or to make it just enough to meet the expenses I have mentioned."

Several reports from the Executive Council were then taken up. The Committee on the Silver Coinage made a report, which the Secretary of the Association attempted to read, but the reading of which was stopped by a motion made on the floor, and sustained by the Convention. The report therefore hung suspended, like Mahomet's coffin, until Mr. Deshler, the Chairman of the Committee on Silver Coinage, insisted on its being read and disposed of. It was finally read and adopted by the Convention and is as follows:

"The committee appointed to consider the whole silver question in every particular and to report to the executive council of this association at such early date as shall be found convenient, as provided in the resolution passed at the Convention held at Boston on August 12, 1886, has after much correspondence and consideration come to appreciate the vastness of the question and to realize the magnitude of the duties which have devolved on it. Three of the appointed members declining to serve, the president filled the vacancies, and Messrs. Deshler, Knox, Colonel McMichael, Odell, Potter, Barrett, Simonds and Lackland now constitute the committee.

"The committee made a partial report at the meeting of the executive council held in the city of New York, June 8, 1887, asking for further time, which was granted.

"The American Bankers' Association has always taken the ground that both silver and gold are required as the money of the world, but that an international agreement only, on the part of a majority of the chief commercial nations of the world, can practically settle the relative value of gold and silver when coined. Though several international conferences have heretofore been held no conclusion has as yet been reached.

"The conference of 1881, in which Germany, Austria, Hungary, Belgium, Denmark, Spain, the United States, France, Great Britain, British India, Canada, Greece, Italy, Portugal, the Netherlands, Russia, Norway and Switzerland participated, passed this resolution: "That there is ground for believing that an understanding may be established between the States which have taken part in the conference, but that it is expedient to suspend the meetings of the Convention to give opportunities for diplomatic negotiations.

"The British Government has appointed a royal commission to investigate the silver question, which has made a preliminary report that, according to the *London Economist*, is adverse to the double standard. As the assent of England has been recognized by the most eminent bimetallicists as essential to any effective international agreement upon the silver question, owing to the fact that the city of London is the centre of the financial world, the committee recommends that this association delay action for the present and await the final report of the royal commission to parliament and the action of parliament thereon. In the meantime the committee regards the question as one, the judicious settlement of which is of the highest importance to this and other nations.

"Should parliament on receiving the final report of the royal commission, decide on participating in another international conference, this association is of the opinion that Congress should take the necessary steps to insure that the United States be adequately represented at such international conference.

"The committee further recommends that the coinage of silver dollars by the United States under the Act of Congress of February, 1878, be suspended until the points at issue of the silver question be settled by international agreement."

The resolution presented by Mr. Norment of Washington, on the previous day relative to the world's fair and centennial celebration to be held in that city was reported on favorably by the Executive Council and approved by the

Convention. The Convention also approved a report made by the Executive Council favorable to the adoption of a system of uniform checks and drafts, first suggested and adopted by the bankers of Chicago, and the Iowa Bankers' Association.

The Committee on Necrology reported the deaths of Hon. Alex. Mitchell, a former President of the Association; Hon. Luke P. Poland, of Vermont, a former Vice-President, and Joseph Patterson, of Philadelphia, and appropriate action was taken.

At this part of the proceedings Mr. Knox remarked that the resolution approving the plan for the refunding of the fours, advocated in his address had been tabled during his absence and he had not heard the arguments adduced against it. On this Mr. St. John, said that as a matter personal to himself he asked that the resolution might be taken from the table, inasmuch as he had overlooked the fact of Mr. Knox's absence when he addressed the Convention in opposition to the resolution. On this the resolution was taken from the table. The arguments against it were reiterated by Messrs. Sneed, Ewing, St. John, and others. Mr. Knox replied by showing that Mr. Ewing's argument in favor of the payment of the debt, was in no way antagonized by the refunding plan inasmuch as the latter afforded a way for the immediate payment of a portion of the debt. To Mr. St. John's argument he replied, that the plan was one for temporary relief only, it would dispose of the surplus for the next two or three years, during which time Congress could make progress in reducing the revenues of the Government. In answer to Mr. Sneed's argument, that, Congress turned a deaf ear to the recommendations of the Bankers' Association, and that therefore the Convention should make none, he referred to the fact that the Executive officers of the Government were constantly making recommendations to Congress, which are treated with indifference, yet that was no reason why they should not continue to recommend. The bankers were treated no worse than the officials of the Government. They were entitled to express their financial opinions, and if as was asserted, the Association cared nothing for Congress, why should it fear to express its opinions? Moreover if the argument that the approval of the Convention was a detriment to proposed legislation, be correct then, said Mr. Knox, "the best thing that can happen to this resolution will be to have it disapproved by this Convention." After the debate Mr. Tyler withdrew the resolution.

Mr. Knox, from the Executive Council, reporting on the motion of Mr. Williams, which had been referred to it in the morning, said: "The Executive Council have considered the motion of Mr. Williams, and they recommend that a committee be appointed who shall present to this Convention at its next session its conclusions upon the proposed change in the method of electing its officers. There is something to be said upon both sides of the question. Wherever a Convention is held, as in the case of Pittsburgh here, a very large proportion of the delegates are from the immediate vicinity. The whole country is not largely represented. Therefore the result of the election might depend upon the choice of the delegates from the vicinity where the Convention is held. Besides, the number of delegates present this afternoon is small. Probably the next Convention held at Saratoga, or elsewhere, will be very much larger, as this is a very trying year and a time of the year when it is very inconvenient for any banker to leave his place of business. We are

proposing a change in the method of electing the officers of this Association. It is probable that you would have a perfect right to pass this resolution if you see fit to do so, but we think it would be better to have a committee appointed to bring the matter properly before us in 1888, at the first session of the next Convention."

The report from the Executive Council, on motion duly seconded, was unanimously adopted, with the order that the committee be appointed by the President.

The PRESIDENT—We have now completed the business of the Convention, what is your pleasure?

It was moved and seconded that the Convention adjourn. The motion was unanimously adopted, and the Convention adjourned.

The following papers and address were ordered to be printed: On "English and American Systems of Banking," by the Hon. Theo. F. Hinchman, author of "Banks and Banking in Michigan." An address upon the fruitfulness and prosperity of California, entitled "Business and Banking in California," by Mr. Benjamin C. Wright, and a paper in favor of silver money, by Mr. W. S. McCornick, of Salt Lake City, entitled "Justice to the Country's Products."

OUTSIDE THE CONVENTION.

To complete the account of this Convention, it is necessary to speak of the hospitable and generous reception extended to the visiting bankers by the citizens of Pittsburgh. Every precaution was taken that the arrangements made for their comfort and entertainment should be beyond criticism. The reception committee consisted of one hundred of the most prominent bankers and citizens of Pittsburgh. William E. Schmertz was President and Parker L. Walter, Secretary. Another committee of reception consisting of eleven members of which the Chairman was John B. Jackson, represented the Chamber of Commerce. The committee on entertainment consisted of eighteen members, Mr. Charles E. Speer being Chairman, and Mr. Joseph G. Siebeneck, Secretary. The committee on invitations and the press, numbered twelve members. Geo. D. Whitney was Chairman and Parker L. Walter, Secretary. The committee on convention numbered six members, Wilson McCandless being Chairman and John M. Chaplin, Secretary. The city of Pittsburgh is wonderful for its industries, and the plan of entertainment included the widest introduction of the visiting bankers to all that was of interest in the city and vicinity. A reception was held at the Monongahela House on the evening of the 12th which served to make all those present feel at home with each other.

After the Convention adjourned on Thursday there was an excursion on the river on board the steamer "Mayflower," in the course of which a magnificent lunch was served. The route first taken was down the Ohio River as far as the Davis Island dam built across the Ohio to raise the level of the water at Pittsburgh, which it accomplishes to the extent of twelve feet. At this dam is the largest lock in the world, used to let the coal boats from the level above to the level below the dam. When the water in the river is high, the dam is so constructed that by the raising of sections, all obstruction to the flow of the water is removed. It was built by the Government and cost \$1,000,000. On this part of the river were to be seen the immense fleets of coal barges which give Pittsburgh the right to claim a larger tonnage and cheaper system of transportation than any other commercial or manufacturing city. After visiting

the dam the steamboat turned and went back up the river visiting the window chimney and bottle glass works, the wire rod and tube mills, the iron works, and last the Edgar Thomson steel works. In all these industries the fuel used is natural gas. In all the operations of transmuting the sand into glass and the iron ore into steel rails, wire, rods, tubes, etc., natural gas furnishes the necessary heat, except the first operation of extracting the iron from the ore. It has not yet been successfully applied to blast furnaces, in which coke is still used. As a fuel natural gas is not only cheaper but answers a better purpose than coal. In the case of glass, that manufactured with the gas is 83 per cent. clearer than that formerly made with coal. At the steel works every step in the manufacture of iron, from the ore to the finished steel rail was shown to the guests. The molten metal ran from the blast furnaces into enormous crucibles holding twelve tons mounted on cars, which when filled were drawn to the agitator, or "Parnell" as it was styled by the men, and the metal emptied therein, where it was mixed with the other constituents which transform the iron into steel. Then run into blooms in molds, it was passed on to other furnaces, trip hammers, etc., where the masses of white hot steel cut into suitable sizes were rolled out into rails. Everything was handled by machinery. Human muscle had very little to do. The excursionists returned with a vivid idea of the wonderful utilization of natural forces which to-day places Pittsburgh at the head of the glass and iron manufacturers of the world. On Friday there was an excursion by railway in the course of which were visited the plate glass works where now plate glass better than the French is made; the Pittsburgh water works with the largest pumping engines in the world; other glass works where all kinds of glassware were produced, and lastly the natural gas station, where all the different appliances for safely utilizing the gas were shown to the visitors. Seldom has so much been seen and enjoyed within so short a time. The visiting bankers departed for their homes with the best wishes for the success of the people of Pittsburgh who had manifested so warm a desire to do all in their power to insure the success of the Bankers' Convention, and to show to the members all the wonders of their city.

NOTES ON THE BANKERS' CONVENTION.

[From the Pittsburgh papers.]

All the banks suffered runs yesterday, not on them, but from them—to the Convention.

President Murray is a handsome man, rather young, and very much resembles President Cleveland.

Delegate Patterson's remarks about the coolness of the Grand Opera House was the coldest stab that natural gas has as yet received.

Wall street was greatly depressed yesterday because of a rumor that the bankers of the country were withdrawing their capital to buy Pittsburgh.

The presiding officer announced the Hon. John Jay Knox, ex-Comptroller of the Currency. As Mr. Knox stepped before the footlights he was given a warm welcome.

To the visiting bankers we would say in the language of the Western-boom circular: "The extent and prosperity of our industries are so great that we can't lie about them."

William P. St. John is a tall, fine-looking, full-bearded man, apparently not over 35 years of age. He is President of the Mercantile National Bank of New York, and a forcible speaker.

Judge Ewing said yesterday before the bankers that the best investment a man could make was in his own paper. That's so, Judge: that's why the *Commercial Gazette* is the success it is.

The President of the Bankers' Convention yesterday put more sound sense into a few words on the subject of trusts and pools than is often heard in a gathering of exclusive capitalists.

Congressman Beriah Wilkins was then introduced. The Ohio Congressman is a fleshy man, of good stature, with chin-whiskers, a clear complexion, resonant voice and pleasing manner.

Mr. Wilkins examined everything critically, and his tribute was: "A revision of the tariff wouldn't hurt this plant or its products." He stopped short, never to go on again, and continued looking.

A number of local bankers are justly indignant at the caricatures of them published in this morning's *Post*, and if the "Only's" woodchopper hath mind upon his health he will give the Convention floor a wide berth.

Said President Murray at the Edgar Thompson steel works last night: "For fourteen months I have labored to get this convention here, because I realized something of what we could see, but I didn't realize half."

All the bankers were dressed in black; a colored tie among them was as hard to find as a green leaf in the woods to-day, and they would have made any less vividly colored and less gorgeous surroundings sombre and sad to the eye.

President Murray made a happy hit when, in his address, he remarked that no one had any objection to a man riding a hobby even if it were ridden to death; the only objection arose when he insisted upon taking up the whole road with it.

Colonel Exall is a medium-sized, wiry, active man, with gray-black hair and mustache, and his speech was in every sense a "rattler." It livened up the Convention noticeably, and he was heartily applauded at the conclusion of his talk.

President Murray makes an excellent presiding officer, his manner being easy and graceful. Although he had an easy Convention to handle, he clearly demonstrated that he could facilitate business even with more hustling material before him.

At this juncture a few more nice-looking ladies entered, and the solemn proceedings visibly brightened as each listener sat a little higher in his chair, and the solemn and dignified personages upon the stage looked, if possible, a trifle more dignified.

Ex-Comptroller John Jay Knox followed in his most excellent address, which is generally regarded as the gem of the session. It was evidently prepared with the utmost care, and none of its many points was lost upon the attentive assembly.

Wm. P. St. John, President of the Mercantile National Bank, of New York, spoke for half an hour upon proposed legislation affecting the National banking system. He is a handsome man, with a well-trimmed blonde beard, tall, straight and of excellent physique.

Frank Malone, one of the Texan bankers, said, as he stood on deck last evening: "This is indeed a magnificent city, but it's a great pity you haven't some of our level prairies for a location. It wouldn't take many years to build a city as large as New York if you had."

William Wallace, of Omaha: "Pittsburgh is, indeed, the most wonderful city of the United States, and the greatness of her future no one can predict. I have known of her importance a long time, but I am greatly surprised at the number and variety of her industries."

Samuel Norment, a Washington, D. C., banker, remarked to a friend in the course of the afternoon: "I never half realized the wealth and importance and the natural advantages of Pittsburgh before. It is destined to become one of the great cities of the world in a few years."

President St. John, of the Mercantile Bank, New York, said: "Pittsburgh is one of the most wonderful cities in the world. I have long known of its importance as a manufacturing center, but I had never realized half the extent and development of her manufacturing interests."

"This country is a delicious revelation after the flat prairies of the West," remarked Mr. Cartwright, an Omaha banker, as he stood in the signal-box, his face glowing with the grateful breeze which whistled up the river. "I have been seriously considering

moving here eventually, and this experience almost decides me. It is the greatest treat I have had in many a day."

Ex-Comptroller John J. Knox remarked last night, as the boat landed: "This is indeed a mighty city, both from natural advantages and from the great developments the energy and shrewdness of her people have made in utilizing those advantages."

The boozy individual who came into this office and inquired if we had put a double-strength safety lock on our safe in view of the Bankers' Convention, is hereby warned that we wish to parley with him in argument no longer. Let him go and rent out as a walking delegate, or better, as an illicit liquor still.

An old banker from Asheville, N. C., like St. Peter, overcome by the great diameter of the driving wheels, the volume of flame and wilderness of sparks, stammered forth: "This place is bigger than my whole town, and if I should go home and tell my people of this thing every d--d tar-heel would say I was a liar."

The Hon. Beriah Wilkins sat in the doorway of the saloon yesterday afternoon, and remarked: "Do you know, I take a sort of a personal pride in all these good words I am hearing for Pittsburgh. I live so near here that I almost claim this as home; and they can't overrate Pittsburgh. It is a city with a magnificent future."

Mr. Murray, President of the Bankers' Convention, is a quiet yet forcible talker, and impressed everybody most favorably, both in his manner and what he advocated. He is a fine-looking man of middle age, tall and heavy-set, with a heavy brown mustache. Mr. Murray is President of the United States National Bank, New York.

The handsome gold-embossed programme which had been distributed demanded a great deal of the audience's attention. This programme is typical of the average banker who gazed at it—heavy, substantial, gold-embossed and gilt-edged, and with one corner turned over, appropriately illustrative of the particular hobby or "turn" of each.

Mr. Knox's address commanded the closest attention of the bankers. The total abstinence from conversation and the mumbling occasioned thereby was noticeable. To be sure local bankers and investment companies flooded the house with circulars, pamphlets, and books, but even these were not sufficient to distract the attention of the Convention from the fund of information contained in the address.

President Murray, a stoutish, handsome man of middle life, with an impressive manner, then introduced ex-Chief Justice Agnew, of Pennsylvania.

The slender, springy, nervous figure which is familiar to our people in this city as being that of the youngest old man in the State, came down to the music rest, which was the temporary reading desk, and began his address of welcome.

The pioneer banker, Justus Clarke, of Iowa, said, after visiting the Oliver mills "You have a great city here. With your natural gas and coal no one can compete with you; but I couldn't help thinking when I saw those girls working in the wire mill that it would be better for them if they were scattered through our great Western farm lands making butter and taking care of the homes of prosperous farmers. The tendency of our people is too much toward building together in cities and living on the pittance that some one else pays for labor. But I don't know as they could find a better city than Pittsburgh."

At this juncture several delegates discovered that something was wrong with the heaters and that they were not working properly. Overcoats came into general use all over the house, and considerable quiet kicking was indulged in. Finally Joseph Patterson, a delegate from Alabama, arose and claimed the attention of the chair.

"Mr. Patterson, of Alabama," said President Murray, by way of introduction.

"Yes, I'm from Alabama—the land of flowers and of warmth. I am away from home, now, however, but if, as Judge Agnew has said, Pittsburgh is hell with the lid on, I hereby move that the lid be removed and the heat turned on."

W. P. St. John, of New York, one of the most prominent among the visiting bankers, said last night: "This visit is a revelation to us. We have gone into a wire mill and seen wire fencing and telegraph and telephone wires made. We have gone a few steps further and seen beautiful tumblers and glasses and goblets of various kinds of glassware made. We have followed at Bessemer a piece of brown ore through the furnace into the steel mill and through the rolls until it came out a finished rail. We

have seen at this same works an invisible fuel every day displace 350 tons of coal and give no outward token of its presence, displacing with the coal its concomitants of soot and grime and dust. We have seen this gas illumine the great Ohio and Monongahela Valleys with almost the brilliancy of day. We have seen a city of more substantially, more diversified industries and greater natural advantages than we had dreamed of in this country. The trip has been a revelation."

A pleasant and most unexpected meeting during the bankers' reception last evening was that of Col. J. M. Schoonmaker, of this city, and Capt. Harrison, President of the Somerset County Bank, of Somerset. During one of the scenes of battle in the Shenandoah Valley, in the late war, Col. Mulligan, of one of the Pennsylvania Reserve Corps, was mortally wounded. Col. Schoonmaker, then commanding the Fourteenth Pennsylvania Cavalry, and Capt. Harrison, commanding a Virginia Company, were both personal friends of Col. Mulligan. They happened to be near the latter officer when he fell and both assisted in removing his remains from the field and conveying them to his home. Under those sad circumstances was the first and last time Col. Schoonmaker and Col. Harrison met until in the banquet-hall last night, about twenty-four years afterward. They recognized each other at once and after a vigorous hand-shaking were soon in a quiet corner talking over their war experiences, particularly the sad incident related above. Capt. Harrison said afterward that he found the Pittsburgh Colonel just as gallant among the ladies at a banquet as he was on the battlefield.

There was quite a group always congregated about Hon. John Jay Knox, President of the National Bank of the Republic, and ex-Comptroller of the Currency, on the deck of the boat. He talked considerably about literature, as well as banking and manufacturing topics—for Mr. Knox is a versatile writer, too. From time to time he has collected material with the intention of publishing at some future day a history of banking in the United States. The results of these investigations have appeared in his official publications, in occasional addresses before the American Bankers' Association and the Chamber of Commerce of the city of New York, in lectures before the students of Johns Hopkins University, and in contributions to Appleton's and Johnson's Encyclopedias, and the Encyclopedia of Political Science and of Political Economy, published by Rand, McNally & Co., of Chicago. A timely volume upon "United States Notes; or, A History of the Various Issues of Paper Money by the Government of the United States," has recently been published by the Scribners from the pen of Mr. Knox. It may be incidentally mentioned here that Mr. Knox does business in New York on what is rated as the most valuable bit of real estate on the Western Continent—the bank building and site at the corner of Broadway and Wall street, known as the United Bank Building, erected at a cost of \$1,200,000, and now estimated to be worth \$2,200,000.

Preparation of Paper Money.—There is much complaint among bankers and others in regard to the inferior quality of the paper money produced by the Bureau of Engraving and Printing at Washington. That there should be a deterioration in the work is quite natural, as there is no competition serving to keep the various processes of the manufacture up to the highest standard. Formerly a large part of the work of preparing the United States legal-tender and National bank notes, and other obligations of the Government was done by private bank note engraving companies, which vied with each other and the Bureau of Engraving and Printing at Washington in producing the best possible results. Upon one pretext and another the work was gradually taken from the private companies, and absorbed by the Government Engraving Bureau, until that bureau now does all the work. Naturally, when no competition is feared the tendency is toward laxness in all departments of work. There will be little real improvement in the paper money in use in this country until the designing and preparing of it is thrown open to public competition. The Bureau of Engraving and Printing should do a portion of the work as a check on that done outside, but to permit it to monopolize all, will surely cause the manufacture of a high grade of paper money to become a lost art in the United States. The designing and printing of one side of the notes should be done under proper restrictions by private bank note companies.

**Notes and Comments on
BANKING PRACTICE.**

**SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.**

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

Hours of Bank Officers.—The impression seems to be quite general that the hours of bank officers are much shorter than those of men engaged in other professions, and, probably, in most instances, this is true; but in a great many banks there will be found one or two clerks, who, from some cause or other, are unable to get through their work in the ordinary time. This is a point in the inside working of the institution, which is not usually made clear to the President and Directors. As long as the work is done properly and no direct complaints are made they presume everything is as it should be, and the Cashier, mindful of the desirability of keeping the expense account at the lowest point, does not trouble himself to make representations to the Board of Directors which might result in an increase in the salary list. It will usually be found, where a clerk is constantly detained beyond any reasonable hour, that the work appointed to him is really beyond his ability to accomplish. In such a case it is the duty of the executive officer of the institution to make such arrangements as will provide for the work being done in proper hours. It is true that a great many men lose time by their own lack of system and order in doing their work, and some men are naturally slow under any system; but when it is considered that bank clerks usually pass their lives in the institution, it seems hardly fair that the major portion of the force should leave in the early afternoon, while one or two remain behind for three or four hours to do work which could be easily distributed so as not to be felt very severely at any one desk.

Rotating Clerks.—A favorite theory among persons who would devise schemes for preventing defalcations is to rotate clerks from one desk to another; in order, as they say, that no one man may make a secret of his special duties. The plan of rotation has many advantages from a theoretical point of view; but it is an exceedingly difficult one to put into actual practice, especially in a large bank doing an active business. In smaller banks the work is generally so much divided that practically there is very little use of formal rotation. It is not so difficult to interchange the individual Book-keepers, because their accounts are small, involving the very plainest kind of sailing; but if we take a higher desk, as for example, that of the Paying-Teller, there are only two or three men in the bank who can rotate with him, that is the Receiving-Teller and the general Book-keeper; and when a schedule of rotation becomes to be arranged it will be found that these men will have to rotate with each other, and if there is any stealing going on, three men can steal better than one, seeing that they will cover each other up more effectually. In the case of the general ledger and the Corresponding Clerk it is almost impossible to have clerks constantly changed. There is so much special minute information involved in each day's work that it would produce a great deal of inconvenience first to have one man and then another at either of these desks. And so it is with the Discount Clerk; that is to say, if the clerks are to be anything more than mere machines. If a clerk is to be really of any efficient aid to the Cashier besides the mechanical work of putting down figures, he must be a thorough master of the special information which he acquires by daily work at his own desk. If he is changed first to one desk and then to another he not only loses track of

what is going on at any special point ; but, what is equally important, he loses interest in the matter also, and what is everybody's business to know very soon becomes nobody's business. Another consequence of the system of rotation which must be taken account of is that it necessarily brings divided responsibility, and when errors are made it is almost impossible to blame anybody in particular. And again, where two or more clerks are rotated about from pillar to post, it follows that the burden of keeping up the work to the proper standpoint will fall on the more industrious and conscientious, while the lazy and idle fellows will have numerous opportunities to shirk their fair share. A system of rotation that will apply to cases of absence for sickness or on holidays may be very readily worked out ; but constant shifting must inevitably cause a great degree of confusion and uncertainty, which is very detrimental to the proper working of the institution. It is better to give each man his work and let him do it the best way he knows how, and at the same time hold him to a proper responsibility by strict oversight. In nine cases out of ten, where there is stealing in a bank, it is done by some man who ought to have been properly overseen by his superior officer ; but who, instead of being subjected to such oversight, was allowed to do pretty much as he pleased.

Names of Banks.—It appears to have been the design of some of the founders of the National system that all banks should be known by numbers and not by names. However strong the argument for this method may be on the score of convenience, yet the natural disposition to name things instead of numbering them, has proved in this, as in other instances, too strong to be overcome by mere conventional agreement. It may be much more convenient, for example, to number and letter streets than to name them ; but some how or other, people prefer names to mere numbers and letters, and so the latter scheme has not been extensively adopted outside of the cities in which it was first put to use ; and the same has been the case with the banks. People will insist upon giving a determinate name to institutions in which they take an interest, and will not be content in assigning them only a numerical designation. An exception, however, must be made in favor of the first ordinal, probably because of the inference which it is supposed the public will draw ; that is, the The "First" National Bank is necessarily the oldest institution in the place where it may be located. In naming their several institutions bankers have given themselves as wide a range of fancy as the circumstances of the case would admit. Naming a bank may not be quite so important as naming a book ; yet it is generally conceded that a bank ought to have a name which will at least be an attractive one. The natural limitations of the case shut out fanciful and strange designations as inappropriate ; and, consequently, those who have the choosing of the name are confined within a comparatively small circle. Some seem to have been inspired by patriotic emotions, and, in consequence, have chosen such name as Centennial, Independence, Republic, United States, and so on. Others take in a wider scope and call their institutions the Bank of North America or of America generally, or perhaps even the Continental ; while those who adopt the names of the Globe and the Inter-National appear to have had a world-wide range of ideas. Some desire to perpetuate the memory of great men who have adorned the annals of our country. Among those thus commemorated may be mentioned Washington, La Fayette, Franklin, Penn and Gallatin. Webster, Everett and Stephen Girard have also been honored in this way, while among more modern names those of Chase, Lincoln and Garfield will readily occur. Names indicating that the bank will be devoted to the interest of certain classes in the community are of frequent occurrence. Farmers, butchers, drovers and mechanics have institutions specially devoted, so far as the name goes, to their peculiar interests, while the commercial world is attracted by a variety of titles to express the idea of a business institution, such as Traders, Tradesmens, Mercantile, Commercial and so on. Some banks strive to give by their title an assurance of the manner in which their business will be conducted, such as Security, *Fidelity* and similar designations. Others indicate their locality as the Central Western, Broadway and Market Street. The founders of the savings banks seem to have exhausted their ingenuity in

finding attractive names for their institutions as Peoples, Provident, Economy, Enterprise, Dime, Half-Dime, and even the Penny Savings Bank. Some banks bear in their names a suggestion of the manner in which they were originated as the Chemical and the Manhattan Company, and some are, unintentionally, perhaps, rich in historical associations as the Mount Vernon and the Monticello; while the Bank of Elbow Lake and the National Bank of Bijou Hills have a touch of the fanciful.

Duplicate Signatures.—It is a fact well known to bank Tellers that very few men write a perfectly uniform signature; their handwriting will vary somewhat according to the circumstances under which it is done, and some men gradually change their signatures so that in the course of two or three years the form in daily use is quite unlike the original sample furnished the bank. The change from this latter cause can be provided for by renewing signatures every year; but a lack of uniformity which springs from other causes can, to a certain extent, be guarded against by taking several signatures of the depositor at the time of his opening the account. That is to say, instead of having him write his name once in the signature book let him write it several times on a sheet of paper, these several writings by the same hand will bring out more clearly the points both of resemblance and difference. These remarks apply, of course, principally to persons who are not in the habit of dealing with banks. Business men as a rule are very particular about their bank signatures and maintain a reasonable degree of uniformity in making them.

Bank Supplies.—The active genius of the American inventor has not been idle in the field of furnishing banks with the latest and most improved means and appliances for conducting their business. A well equipped bank of twenty years ago would find itself much behind the times at the present day, and would be lacking in many things which are now deemed essential to a well-furnished bank office. The improvements in the manufacture of wire railing has afforded to bank officers a great many conveniences. And the same may be said with regard to plate glass and wooden work, not to mention the numerous contrivances in the way of stationery, and small things generally. Some old-fashioned managers object to spending money for these little improvements, deeming their action a point of economy; but, on the contrary, the most economy is found in providing as many appliances and contrivances as can be made use of. In point of fact it is an actual saving of time to a bank to be well equipped with everything which tends to lessen the labor of its employees.

One-Man Power.—An objection is sometimes urged against a bank which is entirely run by the President or Cashier, that it is not well for an institution to be wholly under the power of one man. Safety is proverbially said to lie in the multitude of counselors, though the same authority tells us that confusion may arise from the same source. There seems to be an instinctive feeling that it is well not to trust absolute power to any one man, for experience shows that the trust is too often apt to be abused, and this apprehension is well founded in cases where the responsibility and authority are given to some one person all at once; but in the case under consideration, namely, that of the President or Cashier of a bank, this objection does not apply, for it would be found upon investigation that the one-man power complained of arises usually from the fact that the one man in the case has earned by a long and successful career the entire confidence of his colleagues; that is to say, the Board of Directors are willing to place the entire management of their institution in the hands of the President because they are thoroughly satisfied that in his hands the institution is perfectly safe, and this opinion is the result of long daily experience. If at any time the President proves incompetent or negligent, none perceive it sooner than his fellow-Directors at the Board, and none are, as a rule, more willing to take prompt and vigorous measures to correct the evil. In point of fact, if an institution is to succeed it cannot well have more than one man at its head; otherwise there would be a conflict, not only of authority, but of opinion, which would necessarily be injurious to the interests of the institution.

BANKING LAW.

* LEGAL DECISIONS AFFECTING BANKERS.

TAXATION OF NATIONAL BANK SHARES IN IOWA—NO DISCRIMINATION AGAINST SUCH SHARES IN THE TAXING OF SAVINGS BANKS—A COMPARISON OF THE TAX UPON SHARES IN A NATIONAL BANK WITH THAT IMPOSED UPON THE PROPERTY OF A PRIVATE BANK—RIGHT OF SHAREHOLDER TO DEDUCT INDEBTEDNESS.

The complainants, who were stockholders in the First National Bank of Rock Rapids, taking exception to the assessment made of their shares of stock by the Assessor of the incorporated town of Rock Rapids, and to the action of the Mayor and Trustees of said town, acting as a Board of Equalization, in refusing to reduce the assessments made, took an appeal from the ruling of the Board of Equalization to the Circuit Court of Lyon County, Iowa, and in that Court filed a petition, setting forth the grounds upon which it was claimed the assessment was unequal, invalid and contrary to the true meaning of Section 5,219 of the Revised Statutes of the United States, making the town of Rock Rapids defendant to such petition. The defendant appeared and filed a motion to dismiss the appeal and to strike the petition from the files, which was overruled; and thereupon the complainants filed a petition for the removal of the cause to the Federal Court, on the ground that the amount involved exceeded \$500, and the question arose under the laws of the United States. The State Court refused to grant an order of removal and proceeded, against the objection of complainants, to the hearing of the cause, holding that the complainants were not entitled to the relief sought. Complainants appealed from the order refusing the removal to the Supreme Court of the State, and also filed a transcript of the record in the Circuit Court of the United States for the Northern District of Iowa. Defendant appeared in the Federal Court and moved that the cause be remanded to the State Court. The Court overruled the motion to remand and upon a consideration of the merits of the case.

Held, Counsel for complainants rely upon three propositions as grounds for relief, the first being that Sections 818, 820, Code of Iowa, providing for the taxation of the shares in National banks, and Chapter 60, Laws of 1874, are invalid and void, because they discriminate against the shareholders in National banks, in that the capital in the savings banks is taxed to the corporation, and in National banks the shares are taxed to the shareholders. In support of this proposition reliance is mainly had upon the ruling of the Supreme Court of Iowa in *Hubbard vs. Board of Supervisors*, 23 Iowa, 130, in which case it was held that the laws of the State in force in 1866 did not provide for the taxation of shares in banks organized under State authority, and therefore the Act of 1866, providing for the taxation of shares in National banks, was unauthorized and void, in that the same contravened the second proviso in the fourth section of the Act of Congress of 1864, which declared that the tax imposed by the States upon the shares in National banks "shall not exceed the rate imposed upon the shares in any of the banks organized under the authority of the State where such association is located." If this clause of the Act remained in force, it would still be a question whether savings banks were properly included within the term "banks" as therein used; but the clause itself has been

* All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL's Law Department as early as obtainable.

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

repealed, and therefore the ruling in *Hubbard vs. Board of Supervisors*, so far as it is based thereon, is wholly inapplicable to the case now before the Court.

Section 5,219 of the Revised Statutes does not contain this proviso. It declares that shares in National banks may be included in the valuation of the personal property of the owner thereof, and that the Legislature of the State may determine and direct the manner and place of taxing shares in National banks, subject only to two restrictions: (1). "That the taxation shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of such State;" and (2), "that the shares of any National banking association, owned by non-residents of any State, shall be taxed in the city or town where the bank is located, and not elsewhere."

As the law now is, the right of the State to tax the shares in National banks is not dependent upon the question whether shares in State or savings banks are taxed. The right to tax such shares exists, and the manner of imposing the tax is for each State to determine for itself, subject only to the two restrictions above cited. It is not therefore sufficient, as is assumed in argument, to show merely that the State laws provide a different mode or manner of taxing moneyed capital invested in savings banks or other corporations from that applied to the taxation of money invested in National banks. Before the assessment of the shares in National banks can be held invalid and void, it must be shown that there is in fact a higher burden of taxation imposed upon the money thus invested than is imposed upon other moneyed capital.

If, however, it appears that either by the express provisions of the State statutes, or by the mode in which the same are construed by the State officials, or by the manner in which the valuation of the property is arrived at, money invested in National banks is intentionally subjected to a greater burden of taxation than is imposed upon other moneyed capital, then the tax thus imposed will be invalid, and the owners of the shares thus discriminated against will be entitled to protection and relief.

Thus in *People vs. Weaver*, 100 U. S., 539, it is held that a State statute which establishes a mode of assessment, by which the shares in National banks are valued at a higher rate than other moneyed capital, is in conflict with Section 5,219 of the Revised Statutes, although the percentage of tax levied was the same.

In *Pelton vs. National Bank*, 101 U. S., 143, it is ruled that although, for the purposes of taxation, the State statutes provide for the valuation of all moneyed capital, including shares in National banks, at the true cash value, yet if the taxing officers systematically and intentionally valued the shares in National banks at their full value, while other moneyed capital was assessed at far less than its actual value, such assessment was in violation of the Act of Congress. To the same effect is the decision in *Cummings vs. National Bank*, 101 U. S., 153.

In *Boyer vs. Boyer*, 113 U. S., 691, it is held that by the modification of the Act of 1864 by the Act of February 10, 1868, it was intended to provide that the validity of the State tax was thereafter to be determined by the inquiry whether it was at a greater rate than was assessed upon other moneyed capital in the hands of individual citizens, and not necessarily by a comparison with the particular rate imposed upon shares in State banks; that, while exact uniformity or equality cannot be expected under any system, it was the intent of Section 5,219 to place capital invested in shares of National banks upon a substantial equality with other moneyed capital, however invested, whether in State bank shares or otherwise; and that, as the statute of Pennsylvania exempted from local taxation railroad securities, shares of stock in certain corporations, mortgages, judgments, moneys due on contracts for sale of real estate, loans by corporations, and other like investments, but did not in like manner exempt shares in National banks, the effect of the statute was to discriminate against money invested in National banks.

In *Mercantile National Bank vs. Mayor of New York*, 7 Sup. Ct. Rep., 826 (RHODES' JOURNAL, May, 1887, page 484), all the previous decisions are reviewed, and it is held that "the main purpose of the Act of Congress in fixing limits to State taxation on investments in the shares of National banks was to render it impossible for the State, in levying such a tax, to create and

foster an unequal and unfriendly competition, by favoring institutions or individuals carrying on a similar business, and operations and investments of like character. * * * But 'moneyed capital' does not mean all capital the value of which is measured in terms of money. In this sense, all kinds of real and personal property would be embraced by it, for they all have an estimated value as the subject of sale. Neither does it necessarily include all forms of investment in which the interest of the owner is expressed in money. Shares of stock in railroad companies, mining companies, manufacturing companies, and other corporations, are represented by certificates showing that the owner is entitled to an interest, expressed in money value, in the entire capital and property of the corporation; but the property of the corporation which constitutes its invested capital may consist mainly of real and personal property, which in the hands of individuals no one would think of calling 'moneyed capital,' and its business may consist in any kind of dealing in money or commercial representatives of money. So far as the policy of the Government in reference to National banks is concerned, it is indifferent how the State may choose to tax such corporations as those just mentioned, or the interest of individuals in them, or whether they should be taxed at all. * * * The business of banking, as defined by law and custom, consists in the issue of notes payable on demand, intended to circulate as money where the banks are banks of issue, in receiving deposits payable on demand, in discounting commercial paper, making loans of money on collateral security, buying and selling bills of exchange, negotiating loans and dealing in negotiable securities issued by the Government, State and National, and municipal and other corporations. These are the operations in which the capital invested in National banks is employed, and it is the nature of that employment which constitutes it in the eye of this statute 'moneyed capital.' Corporations and individuals carrying on these operations do come into competition with the business of National banks, and capital in the hands of individuals thus employed is what is intended to be described by the Act of Congress. * * * The terms of the Act of Congress, therefore, include shares of stock or other interests owned by individuals in all enterprises in which the capital employed in carrying on its business is money, where the object of the business is the making of profit by its use as money."

Having thus defined the meaning of the phrase "moneyed capital" as used in Section 5,219, the Court held that the fact that, under the mode of assessment pursued in New York, the securities held by life insurance companies, the stock of incorporations for manufacturing purposes and the stock owned in New York in corporations created outside of that State escaped taxation did not render invalid the taxation imposed upon the shares of National banks. In regard to savings banks it was held that they did not come in competition with National banks, and that the exemption from taxation of the deposits therein did not render invalid the taxation upon the shares of National banks.

The doctrine of these decisions of the Supreme Court shows that, so far as the relief sought by the complainants is based upon the allegations that Sections 818, 820 of the Code of Iowa, and Chapter 60 of the Laws of 1874 are in contravention of the provisions of Section 5,219 of the Revised Statutes of the United States, the exceptions thereto are not well founded. Chapter 60 of the Laws of 1874 provides for the organization of savings banks and enacts that the shares of stock therein are taxable, but that the deposits are not. Such provision does not discriminate against National banks or the capital therein invested.

It is, however, also claimed on behalf of petitioners that in the actual administration of the State laws a discrimination against the capital invested in the First National Bank, of Rock Rapids, has been exercised, in that a greater burden has been imposed thereon than in the case of the assessment upon the property of another banking institution in the same town known as the "Lyon County Bank." The statement of facts upon which the case is submitted shows that in assessing property in the town of Rock Rapids for the year 1886 the basis taken was one-fourth of the actual cash value; that the capital of the First National Bank was \$50,000; "that the shares of the stock-

holders in said First National Bank were assessed at the full one-fourth of their full value," to wit, \$12,500; that the Lyon County Bank was not a corporation, but a partnership of two general partners and one special partner, the paid-up capital being \$50,000, with a surplus of \$15,000; that the average value of the moneys and credits of said bank for the year previous to the assessment in question was \$90,152.89; that the average deposits and bills payable for the same time was \$78,120, of which sum \$62,460 was deposits; that the latter sum was deducted from the former, leaving \$12,032.89, which was assessed at one-fourth the face, making the sum of \$3,008.21; that the said partnership had invested in real estate in various places and counties the sum of \$36,583, which realty was assessed and taxed where located; and that the partnership had also invested in stock in banks in the State of Minnesota to the amount of \$27,000, which was assessed by the Assessor of Rock Rapids at one-fourth of its value; that the Board of Supervisors of Lyon County had rebated this part of the assessment, and the town of Rock Rapids had by *certiorari* carried the question of the right to assess and tax this stock before the District Court of Lyon County, where the cause is now pending.

Passing, without deciding it, the question whether complainants can entitle themselves to relief by simply showing that, in one instance, the property of a competing State bank had been assessed at a lower valuation, do the facts show that in the particular instance any unfair or illegal discrimination has been exercised by the taxing officials against the stockholders of the National bank? It appears that the assessment of that bank was arrived at by taking the actual value of the shares and dividing the same by four, and the same method was pursued in regard to the realty owned by the bank, valued at \$3,000 and assessed at \$750. It is not claimed that the realty or shares were not worth the respective sums of \$3,000 and \$50,000. The value of the shares represents the difference between the value of the property and franchises of the corporation and its liabilities. In the case of the private bank the valuation could not be arrived at in the same way, because there are no shares therein. The total amount of the moneys and credits was ascertained, and from this sum was deducted the liabilities. If the partnership had no other property, this would represent the value of the property over and above liabilities, the same as does the stock in the corporation. It is also shown that the partnership owns some \$36,000 of realty, which is taxed as such, and the remainder of its property consists of bank stocks in institutions located in Minnesota. Whether the latter is or is not subject to taxation by the town of Rock Rapids is now the subject of judicial determination.

From this state of facts the Court is asked to assume that the money invested in the shares of the National bank is subjected to a burden of taxation greater than that imposed upon the money invested in the same business by the partnership doing business under the name of the "Lyon County Bank."

But certainly these facts do not sustain the claim of discrimination made on behalf of the National bank. The total assessments against the bank and its shareholders is \$12,500 on the shares and \$750 on the realty, or \$13,250 in all. If the realty owned by the Lyon County Bank is assessed at one-fourth of its value—and it certainly cannot be assumed that the valuation will be below this ratio—this will give the sum of \$9,145.75, which, added to the valuation of the moneys and credits, to wit, \$3,008.21, gives a total of \$12,153.96, to which may possibly have to be added the valuation of the bank stocks owned in Minnesota, to wit, \$6,750, which would make in all, \$18,903.96. It is true that the realty is not situated in Rock Rapids, or at least but a portion of it, and that the taxes assessed thereon do not go to that town; but that does not affect the result, as the real question is whether the taxation imposed by the authority of the State creates a heavier burden upon the money invested in National banks than upon money invested in like modes of business. If the total burden of taxation upon the property of the Lyon County Bank is substantially equal to the total burden upon the property of the National bank, the latter cannot complain simply because the Lyon County Bank, under the laws of the State, pays such tax in more than one place.

The agreed statement of facts does not show the amount of the deposits or liabilities of the National bank, nor the mode in which its funds are invested.

It is simply stated that it owns realty in Rock Rapids worth \$3,000, has a paid-up capital of \$50,000, and that its shares are worth \$50,000 in the aggregate. The value of the shares represents the difference between the value of the property of the bank and its liabilities, so that, upon the showing made, it appears that \$50,000 represents fairly the excess of property over liabilities. It is agreed that the Lyon County Bank has \$90,152.89 in moneys and credits, \$36,583 in real estate and \$27,000 in Minnesota bank stocks, or a total in all of \$153,735.89 of assets, and owes in all \$78,120, leaving a surplus of assets over liabilities of \$55,615.89. The valuation for taxing purposes placed on the \$50,000 surplus in the National bank is shown to be \$18,250, and it is not shown or claimed that the property of the bank is assessed in any other place than Rock Rapids; so that this valuation represents the entire burden of taxation imposed upon the money invested in that bank. In regard to the Lyon County Bank it is agreed that it is assessed upon its realty in the proper localities and at a proper rate. The percentage of value is not stated, but we cannot assume it to be less than one-fourth of its agreed value, which would give \$9,145.75. The surplus of moneys and credits over liabilities is assessed at \$3,008.21, making in these two items the sum of \$12,153.96.

If the town of Rock Rapids is successful in the case brought to determine whether the Minnesota bank stock is taxable, then there will be added a further sum of \$6,750, making in all a valuation of \$18,903.96 imposed upon that bank. Until it is finally decided whether these stocks are or are not taxable it cannot be known whether the burden of taxation imposed upon the Lyon County Bank may not largely exceed, in the aggregate, that imposed upon the First National Bank. Certainly there is nothing shown that would justify the Court in holding that an unjust discrimination had been exercised in imposing the burdens of taxation upon these banks. While the mode of taxation is different, it does not appear that the actual burden of taxation upon the National bank is in excess of that upon the private bank, and hence no ground of complaint in this particular is made out.

The last ground of relief set forth in the complainants' bill is that the assessor and equalizing board refused to deduct from the valuation of the shares in the National bank the amounts of indebtedness owing by the holders thereof. Section 814 of the Code of Iowa provides that from the gross amount of moneys and credits held by one liable to taxation may be deducted all debts by him due and owing. In *People vs. Weaver*, 100 U. S., 539; *Supervisors vs. Stanley*, 105 U. S., 305, and *Boyer vs. Boyer*, 113 U. S., 689 it is ruled that where State laws permit the individual citizens to deduct their just debts from the valuation of their personal property or from the sum of their moneys and credits, this right of deduction exists in favor of the owners of shares in National banks, as a refusal to allow it would operate to tax the latter at a greater rate than other moneyed capital.

In the agreed statement of facts it is set forth that B. L. Richards is the owner of \$17,500 of the capital stock of the First National Bank, and was justly owing the sum of \$15,500 at the date of the assessment complained of, and had no other moneys and credits from which to deduct said indebtedness; and that C. H. Huntington owned \$1,000 of the stock, and owed an amount in excess thereof, and had no other moneys and credits from which to deduct the same. Under this state of facts these parties were entitled to the deduction claimed, and the refusal to allow the same upon proper demand was in violation of the provisions of Section 5,219. Upon payment, therefore, or proper tender, of the amount of the tax due from B. L. Richards, after making the proper deduction, he will be entitled to an injunction restraining the collection of any further sum. As to C. H. Huntington, it is clear that he is not taxable in any amount upon the stock owned by him, and is therefore entitled to restrain the collection of any tax thereon for the year 1886. So far as the other shareholders are concerned, it is not shown that they have debts properly deductible from the assessments made upon their shares, and as to them the bill is dismissed.

Richards and others vs. Incorporated Town of Rock Rapids, United States Circuit Court, N. D. Iowa, W. D. May Term, 1887.

PRESIDENT OF BANK—NO INHERENT POWER TO BIND BANK BY COMPOSITION AGREEMENT RELEASING PART OF DEBT—A CONSIDERATION OF THE POWERS AND DUTIES OF THE OFFICE.

The firm of Wheat & Durff, doing business as merchants, made an assignment for the benefit of their creditors, and the trustee instituted this action to settle the trust. One of the creditors, the Bank of Louisville, having been made a defendant, asserted a considerable indebtedness against the firm, and made its answer a cross-petition against its members. John L. Wheat, one of the members of the firm, alone filed an answer to the cross-petition. He did not deny the indebtedness, but averred that shortly after the failure the creditors, at a creditors' meeting, agreed with Wheat & Durff and each other to accept 50 per centum of their claims in full discharge thereof; and that the bank so agreed, being represented at the meeting by its President. He further averred (as the indebtedness of the firm to the bank was evidenced by paper which it had indorsed to the bank, and upon which other parties were previously liable), that subsequent to the making of the composition agreement, it was further agreed between Wheat & Durff and the bank (represented by its President) that the bank should collect the indebtedness so far as possible from those first liable therefor, and when no more could be collected than Wheat & Durff should pay to the bank 50 per centum of the amount uncollected, and in consideration thereof be discharged from all further liability. The bank by a reply denied that it ever made either agreement, and asked judgment for the entire debt. The lower Court gave judgment for the bank for the full amount, and Wheat appealed. The question at issue was the authority of the President to bind the bank by any agreements so made.

Held, Appellant urges that the bank's recovery should be confined to a sum equal to 50 per centum of its debt, and the question arises whether the bank is bound by the action of its President in making these agreements. The charter of the bank gives him no such power. It provides that the administration of its affairs shall be under the control of a Board of Directors. It is conceded in argument, upon the part of the appellant, that he had no express authority to so bind the bank, and that he never advised its Board of any such action by him. Neither is it contended that he, *virtute officii* merely, could compromise or release its debt. If he had such power it must be traced to the assent of the Board of Directors, either express or implied. In truth, the position of President of a bank is one of dignity rather than of power. There is an indefinite general responsibility attached to the place. He is expected to watch more closely the daily transactions of the bank than the other Directors; and while they, or usage, may confer upon him special powers, and extend his authority, yet that inherent in the position is very slight. Indeed, it seems by judicial decision to be confined to taking charge of the litigation of the bank. Mr. Morse says: "The same species of limitation in the power of the President forbids him to surrender or release claims of the bank against any person, from whatsoever source arising, or to stay the collection of an execution against the estate of a judgment debtor. For either of these acts is the exercise of a discretionary authority over the affairs and property of the bank, which is the peculiar and exclusive province of the Directors." (Morse, Banks & B'kg, 133.) This is the general rule; and undoubtedly he has no power by virtue of his office to bind the bank in an unusual manner, or in any undertaking outside of its customary routine of business. No authority goes beyond this line. It was held in *Smith vs. Lawson*, 18 W. Va., 212, that the President of a bank could not transfer or assign a note belonging to it; in *Olney vs. Chadsey*, 7 R. I., 224, that he could not surrender the securities held by his bank to secure a debt; in *Hodge's Ex'r. vs. Bank*, 22 Grat., 51, that he had no right to release a debt owing to his bank; and in the case of *Bank vs. Dunn*, 6 Pet., 51, that his agreement that the indorser upon a note should not be liable was not binding on the bank.

It is contended, however, that the President of appellee acted under such circumstances as to raise the presumption that he was empowered by it to so act; and that third parties being therefore equitably entitled to rely upon his representations, the law will presume the authority and hold the bank bound

by his action, if not *ultra vires*, although in point of fact he had no such authority, or was even acting in violation of the instructions of its Board of Directors. The bank must, however, in some way be a party to such circumstances, or chargeable with notice or knowledge of them, in order to so hold; and this record fails to exhibit such a state of case. It is true that the appellee's debt was a large one, and its Directors were therefore likely to watch closely whatever steps were taken looking to its payment, or the settlement of the trust estate. They held several meetings between the time of the failure of Wheat & Durff and the first creditors' meeting, when the composition was proposed; and also between such first meeting and the second one, when it was accepted. They probably knew their President attended these meetings; but these circumstances did not, in our opinion, authorize third parties to presume that they had given the President unlimited authority in the matter, or the power to agree to a composition of the debt. In fact, the evidence shows that while no vote had been taken in the Board of Directors, yet each member had at its meetings expressed himself as opposed to accepting anything less than the full amount of it. The president of a corporation may without express authority perform all acts which are properly incident to the trust reposed in him, or which necessity or custom may impose upon the office. The release or composition of a debt due to a bank, however, is a matter peculiarly within the province of its directory. If there be any matter which more than any other falls within the scope of their duty it is this one, because it not only affects the prosperity of the institution, but may involve its very existence. Necessity does not require the President to exercise his judgment alone as to it; indeed, the proper management of a bank dictates that he should not do so, and it is not therefore a matter incident to the performance of his duty. There is no evidence whatever in this record that it had been customary for the President of appellee to control such matters, or to agree to the release or composition of the debts of the bank, without express authority from its directory, and we fail to see upon what ground third parties had an equitable right to believe that he had such power. If he had been in the habit of doing so by the consent or with the knowledge of the Directors of the bank, or if they by act or conduct had held him out to the public as authorized to do so, then a proper policy, as well as common justice to third parties dealing with him in good faith, would estop the appellee from now denying his authority. It not having done so, and having in no way authorized, recognized, or ratified his action, it is not bound by it; and the judgment below for the entire debt must therefore be, and is, affirmed.

Wheat vs. Bank of Louisville, Court of Appeals, Kentucky, September 8, 1887.

PROMISSORY NOTE—INTERPRETATION OF PROVISION THAT IN CASE OF DEFAULT IN PAYMENT OF INTEREST "THIS NOTE SHALL IMMEDIATELY BECOME DUE AT THE OPTION OF THE HOLDER"—OPTION MUST BE EXERCISED WITHIN REASONABLE TIME.

This was an action to foreclose a mortgage given to secure the payment of a promissory note executed by Page to Rhodes, and by the latter indorsed to the plaintiff. The note to secure the payment of which the mortgage was executed was as follows:

"\$8,153.50.

"STOCKTON, Cal., June 30, 1884.

"On or before three years after date, without grace, I promise to pay to Alonzo Rhodes, or order, the sum of eighty-one hundred and fifty-three and fifty one-hundredths dollars, payable only in gold coin of the government of the United States, for value received, with interest thereon in like gold coin, at the rate of eight (8) per cent. per annum from date until paid, interest payable annually, and if not so paid as it becomes due to be added to the principal and become a part thereof, and bear interest at the same rate; but if default be made in payment of the interest, as above provided, then this note shall immediately become due, at the option of the holder thereof.

"C. A. PAGE."

Default was made in the payment of an installment of interest and seven months thereafter plaintiff exercised the option given in the note and brought

this action. The Court sitting without a jury, rendered judgment against both Page and Rhodes, but upon motion duly made, granted a new trial as to Rhodes. From the order granting the new trial plaintiff appealed.

Held, The contract was that in case of default in the payment of interest "this note shall immediately become due, at the option of the holder thereof." This is not the same as saying that the note shall become due immediately upon the option of the holder. The meaning is that the note is to become due immediately upon the default, at the option of the holder. And this is a different thing from saying that it shall become due seven months after default at the option of the holder. The holder was entitled to a reasonable time to exercise his option; but this time was nothing like what elapsed before the election was made. To allow him to wait seven months before doing anything would be to make the contract read that in case of default the holder has the option to make the note become due at an indefinite time after default, whereas, what it says is that it shall become due immediately upon the default, at the option of the holder, which is to be exercised at furthest within a reasonable time. In exercising a right like this the holder must keep within the terms of his contract. Not having done this he had to wait until the next installment of interest should fall due and remain unpaid, which had not taken place when the action was brought. This being so it may well be presumed that the Court below came to the conclusion, after a re-examination of the evidence given upon this point, that it did not sustain the decision and therefore granted a new trial; and it is our opinion that the order made in the premises was right and should be affirmed.

Crossmore vs. Page and another, Supreme Court of California, August 24, 1887.

CERTIFICATE OF DEPOSIT—NECESSITY OF DEMAND TO SET THE STATUTE OF LIMITATIONS RUNNING—THE MINNESOTA RULE.

(A certificate of deposit in the ordinary form issued by a bank is in substance and legal effect a promissory note, following *Cassidy vs. Bank*, 30 Minn., 87. It is due immediately and no actual demand is necessary in order to set the statute of limitations running.)

Plaintiff brought an action upon a certificate of deposit which had been issued more than six years previous. Defendants pleaded the statute of limitations as a bar.

Held, The contract or obligation sued on is what is commonly known as a certificate of deposit made in the ordinary course of business, and dated March 29, 1876. The last payment thereon was made more than six years prior to the commencement of this action; and the question here presented is whether a suit might have been brought upon it immediately upon its execution without a previous demand, as in the case of promissory notes payable on demand, or whether in order to set the statute of limitations running, the certificate should have been first presented for payment.

In *Branch vs. Dawson*, 33 Minn. 399, it is held in the case of a general deposit of money, that the engagement of the bank, according to general commercial usage, is to pay the money when called for at the bank's place of business. In that case the amount of the deposit was simply entered upon the books of the bank and the pass-book of the depositor in the ordinary way, and the bank made and issued no certificate or contract in writing importing an express promise or undertaking to pay the amount as a debt or obligation of the bank.

In *Cassidy vs. Bank*, 30 Minn., 86, we held that a similar writing was in effect a negotiable promissory note, and that its character as such was not qualified by the provisions therein, making it payable on the return of the certificate. As it is payable upon demand, it follows logically that the instrument is to be placed upon the same footing as ordinary demand negotiable securities. And this proposition is, we think, decisive of the question here involved. It is true that the consideration of the promise is recited in and shown by the writing to be for money deposited, but we do not see that this is material. The rule as to pleading, proof and defences would be the same as in the case of ordinary promissory notes, and a *bona fide* indorsee or holder might recover on the instrument purchased on the faith of its validity as

contract or obligation of the bank, though no money had in fact been deposited. (*Barnes vs. Ontario Bank*, 19 N. Y., 153, 159; *Farmers & Mechanics' Bank vs. Butchers' Bank*, 16 N. Y., 180; *Miller vs. Austen*, 13 How., 228.)

Such demand certificates fall within the sixty day limitation fixed by Gen. St., Ch. 23, Sec. 11, as to presentment and dishonor, and there is no reason why any distinction should be made as to the necessity of a previous demand between them and other negotiable securities. It is better that the rule be understood to be uniform as to all such securities, that when payable on demand, unless upon their face containing a stipulation showing a different intention (as in *Brown vs. Brown*, 28 Minn., 501), whether with or without interest, they are to be treated as due immediately, and that an action thereon against the maker is barred by the statute of limitations, unless brought within six years from the day of date thereof. (*Wheeler vs. Warner*, 47 N. Y., 519; *Howland vs. Edmonds*, 24 N. Y., 307; *Payne vs. Gardiner*, 29 N. Y., 178; *Wright & Selden*, J. J.)

The defendants received the money of the plaintiff, and by the instrument sued on promised and agreed to repay it, with interest, and by placing their obligation in this form they manifest an intention to change the character of the transaction from that of an ordinary deposit to that of a debt or loan evidenced by an instrument construed to be a promissory note payable on demand. If the parties desired to place any other or further limitations upon the rights or obligations of either, it should have been expressed upon the face of the instrument.

Upon the question under discussion it is admitted that the authorities differ. In New York the cases indicate much conflict of opinion. Some of them hold that such certificates of deposit are promissory notes; others, mere receipts or written evidences of a deposit, and as such, continuing securities which, though negotiable, are not dishonored until after an actual demand. See *National Bank Ft. Edward vs. Washington Co. Bank*, 5 Hun., 607. But if they are promissory notes payable on demand then, under the statute above referred to, they would be dishonored after sixty days. But this could not consistently be the case if the paper was not due until an actual demand. But it is manifestly the better rule in practice to hold that such demands become stale and outlawed unless collected or sued within six years. (*Brummagin vs. Tallant*, 29 Cal., 504; *Tripp vs. Curtenius*, 36 Mich., 494; *Curran vs. Witter*, Supreme Court of Wisconsin, *RHODES' J'L. May*, 1887, page 468.)

Mitchell vs. Wilkins and ano., Supreme Court of Minnesota, July 29, 1887.

PROMISSORY NOTE—PROVISION FOR PAYMENT OF ATTORNEY'S FEE—
NEGOTIABILITY.

(A promissory note promising to pay to the order of the payee a specified amount, at a time certain, at a bank in Georgia, "with all costs of collection, including ten per cent. attorney's fees" is a negotiable instrument, its negotiability not being affected by the provision for the payment of the costs of collection and attorney's fees.)

Plaintiff brought an action against defendants in the United States Circuit Court for the Southern District of Georgia on a promissory note made by defendants in the following language:

"Four months after date we promise to pay to the order of M. Nussbaum & Co. \$536.46, for value received, payable at the Exchange Bank, Macon, Ga., with interest from March at the rate of 8 per cent. per annum, with all costs of collection, including 10 per cent. attorney's fees. (Signed), T. C. ARLINE & Co."

Plaintiff who sued as indorsee, having taken the note by assignment, from Nussbaum who was the payee, was a non resident of Georgia, but Nussbaum resided in that State. Defendants demurred to the declaration and to the jurisdiction of the Court, because the suit was by an assignee, when the assignor could not have sued because of his residence in the same State with defendants, and insisted that the note sued on was not negotiable by the law-merchant, because it contained a provision that the maker should pay all costs of collection, including 10 per cent. attorney's fees. It was conceded that the Federal Court would have no jurisdiction of the action unless the note was negotiable by the

law-merchant, and the question for determination was as to the negotiability of the instrument.

Held, The demurrer presents a question upon which the decisions of the Courts have been very conflicting. A promissory note, or note of hand, as it is often called, is an open promise in writing by one person to pay to another person, or to his order, or to bearer, a specified sum of money, absolutely, and at all events. Daniel, Neg. Instr. Sec. 28. "In order to fulfil the definition given, the paper must carry its full history on its face, and embrace the following requisites: *First*, it must be open—that is, unsealed; *second*, the engagement to pay must be certain; *third*, the fact of payment must be certain; *fourth*, the amount to be paid must be certain; *fifth*, the medium of payment must be money; *sixth*, the contract must be only for the payment of money; and *seventh*, it is essential to the operation of the instrument that it should be delivered." Dan'l Neg. Instr. Sec. 30.

The defendants insist in this case that two requisites are wanting: (1) That the amount to be paid is uncertain; and (2) the contract contains stipulations other than for the payment of money.

The defendants strongly rely on *Smith vs. Nightingale*, 2 Starkie, N. P. 375, where Lord Ellenborough held that an instrument wherein the promise was "to pay J. S. the sum of sixty-five pounds or lawful interest for the same, and all other sums which should be due to him," was not a promissory note. Byles, Bills, 147. This is clearly indefinite.

Lord Kenyon in *Carlos vs. Fancourt*, 5 Term Rep. 423, observed: "It would perplex commercial transactions if paper securities of this kind were issued into the world encumbered with conditions and contingencies, and if the person to whom they were offered in negotiation was obliged to enquire whether these uncertain events would probably be reduced to a certainty."

Defendants also cite *Thompson vs. Sloan*, 23 Wend. 71 to show that a promise to pay a certain sum in Canada money is not negotiable, and 1 Pars. Notes & B. 37, where it is declared the maxim *id certum est, quod certum reddi potest*, has no application to the question of negotiability by the law-merchant, is also cited.

In *Ayrey vs. Fearnside*, 4 Mees. & W. 168, Parke B. held that the words "and all fines according to rule" destroyed the negotiability. That eminent judge makes it plain, however, that the word "fines" might import pecuniary fines and forfeitures, and was altogether indefinite.

Leading Cases upon Bills of Exchange and Promissory Notes, by Redfield and Bigelow, page 10, is cited for the dissenting opinion of Campbell, J., in *Baxter vs. Stewart*, 4 Sneed 213; and *Hughitt vs. Johnson*, 28 Fed. Rep. 865, (RHODES' JOURNAL, February, 1887, pp. 147, 148), is cited for the opinion of Judge Brewer who holds that a note is rendered non-negotiable by the incorporation therein of an agreement to pay the sum named "with exchange." This case, however, is overborne by the mass of authority cited by Mr. Daniel in his admirable work on Negotiable Instruments, Section 54, and note.

In *First National Bank of New Windsor vs. Bynum*, 84 N. C. 24, reported in 37 Amer. Rep. 604, the counsel fees and expenses of collection were promised, but were left altogether uncertain, and the time of payment, which is also important, was left to the option of the payees. There the note was held non-negotiable.

In *First National Bank of Stillwater vs. Larsen*, 60 Wis. 206, it is decided squarely for the defendants that a provision for the payment of 10 per cent. attorney's fees for collection destroys the negotiability of the note; and this decision is placed upon the authority of the opinion of Mr. Justice Sharswood in *Woods vs. North*, 84 Pa. State, 407, and *Maryland F. & M. Co. vs. Newman*, 60 Md. 54.

Justice Sharswood had to consider a 5 per cent. attorney's fee, and he intimates that it is possible the attorney might ask more, rendering the amount promised uncertain. It seems, however, the maker would not be liable for such excess. In the Maryland case which, from the high character of the Court, is entitled to very careful consideration, the promise was to pay all costs and charges for collecting the same, with interest, and the authorities *pro* and *con* are collated with the usual fairness of that distinguished tribunal. The Court there declares, "the cost and charges of collection could never with

accuracy be known until the collection had been made complete; and hence, by coupling the certain sum mentioned in the note with that which is uncertain, and treating the note as an entire contract, it is for an unascertained sum, and therefore uncertain on its face as to the amount promised to be paid. This as we have seen is not allowable in notes intended to be negotiable." Here the terms "costs and charges" were apparently understood by the Court and counsel to mean all the expenses of the litigation.

It will be, however, perceived that all of these cases, except that from Wisconsin, are distinguishable from the note before us. Here the promise is to pay 10 per cent. attorney's fees. This, I think, is definite and fixed, so far as the maker of the note is or can be affected, and the word "costs" imports the expenses of the suit which may be recovered by law from the losing party. Bouv. Law Dict. tit. "costs." This being the proper construction the words as to "costs" are merely surplusage because it follows necessarily that, in case of suit, the costs at law fall upon the losing party. See *Davis vs. State*, 38 Ga. 531; *Wetherbee vs. Kusterer*, 41 Mich. 359.

It follows then that the amount promised by the note is definite and fixed; the promise of the makers to pay 10 per cent. attorney's fees excludes the possibility that they could be held to pay more or less than that amount.

The note can very well represent money effectually, and there is no chance of mistake as to the amount of money of which it takes the place and performs the function, and this perfects its negotiability.

Mr. Daniel, in his work on Negotiable Instruments, before quoted, page 73, argues that when the amount of fees is fixed by a certain percentage or certain sum, as in many cases, the objection to the negotiability of the paper becomes exceedingly technical and sophistical, and it is only when their amount is left undetermined that such objection seems to be forcible. See also *Adams vs. Addington*, 16 Fed. Rep. 89. The waiver of exemption and homestead in a note does not affect the amount or the time of payment, and therefore does not affect negotiability. *Zimmerman vs. Anderson*, 67 Pa. St. 421; *Daniel Neg. Inst. Sec. 61, et seq.*

We think all the tendencies of the law have been to enlarge the rules relating to the negotiability of promissory notes. It was strenuously denied by Lord Holt that they were negotiable at all at common law, and he said that the effort to place them on the same footing as bills of exchange "proceeded from the obstinacy and opinionativeness of the merchants, who were endeavoring to set the law of Lombard street above the law of Westminster Hall." The merchants, however, had their way, and Parliament put promissory notes on the same footing with bills of exchange in the time of Queen Anne, (1705).

In this case we are the more inclined to hold the instrument negotiable, and maintain the jurisdiction of the Court, in the absence of controlling authority to the contrary, because upon principle it would seem that, where there are stipulations which provide for the payment of a fixed and certain per cent. for attorney's fees, and a waiver of those exemptions which tend to delay and defeat payment, such stipulations and waivers largely enhance the value of the note which is, after all, a main element of negotiability, and there is no reason, save the authority of certain State Courts, why the Federal Courts should deny to suitors otherwise competent to sue the right to collect these demands now so numerous, in the National tribunals. Besides, this is a question of general commercial law, and the Federal Courts are controlled by the general principles of jurisprudence, and are not bound by the decisions of the Courts of the State even where the Federal Court is held.

Demurrer overruled.

Schlesinger vs. Arline and o'rs, United States Circuit Court, S. D. Georgia, W. D. June 27, 1887.

ABSTRACT OF CASES.

PURCHASE OF OVERDUE NOTE—REPRESENTATION OF MAKER—ESTOPPEL.

Plaintiffs inquired of A, the maker of a note which was past due, whether he had given the note and whether it was all right. A replied that he had given the note, that it was all right, and that he expected to pay it the 1st of

January. Upon this information the plaintiffs purchased the note. In a suit by the plaintiffs against the maker—

Held, That A was estopped from pleading a failure of consideration even though at the time he made the representation he was unaware of the facts on which he based that defense. McIver, J., said: "When a person executes a negotiable note in favor of another, he thereby, in the eye of the law, invites the world at large to trade for it without inquiry into its origin or consideration, and no representation by him is necessary to fix his liability absolutely, no matter how defective the consideration may be. But when such a paper becomes past due, and thereby loses its negotiability, in the full sense of that term, and one wishes to trade for it, he is warned, by the fact that it is past due, that further inquiry is necessary, in order to fix the liability of the maker; and if he takes a transfer without such inquiry he must bear the consequences if the maker, when called upon for payment, is able to show that the consideration has failed, or that there is any other valid defense to the note. But if, before taking the transfer, he makes inquiry of the maker and learns from him that 'it is all right,' and is thereby induced to make the trade, it would seem that, upon the same principle, he ought to be protected. If the purchaser of a note strictly negotiable is protected because the maker has, by putting such paper in circulation, impliedly represented to any one who may purchase it that it is all right, it does seem that one who has purchased upon a similar representation, expressly made to him by the maker, should be entitled to the same protection. Any other view would operate a fraud on the purchaser, whether so intended or not.

"It is urged, however, that a representation to raise an estoppel must be a statement of existing or past facts, and not of something in the future—not a mere statement of opinion or intention; and it is argued that the statement relied on here was of the latter character. We do not so understand it. The defendant must necessarily have known, when the plaintiffs inquired of him with a view to purchase of the note, whether it was all right, that their object was to ascertain whether he had any defense or offset to it, and his reply can only be construed to be an assurance that he had none. The additional remark—'I expect to pay it in January'—relied on to show that the representation made was nothing more than a declaration to do something in the future, cannot be so construed in the connection in which it was used. If this remark stood alone, then possibly it might be so construed, though even then, when made in response to the inquiry whether the note was all right, it would be more properly construed as an assurance of the highest kind that the note was all right, and because it was all right he expected to pay it. But when considered in the connection in which it was used, we think it clear that the purpose of the additional declaration of an expectation to pay in January was simply to intensify his previous statement that the note was all right.

"Again it is urged that the representation to raise an estoppel must be made with knowledge of the facts, and that here the defendant did not, at the time the representation was made, know the facts upon which he based his defense of failure of consideration. * * * It seems to us clear that the representation relied on for the purpose of raising the estoppel was amply sufficient; and if, as we must assume from the verdict of the jury, the plaintiffs were thereby induced to trade for the note, the defendant is estopped from setting up the defense of failure of consideration as against these plaintiffs. Having assured them, when they were about to trade for the note, that it was all right, the defendant cannot now, when called upon to pay, be heard to say that the note is not all right."

Lites vs. Addison, Supreme Court of South Carolina, July 19, 1887.

PAYMENT BY NEGOTIABLE NOTE—WHEN DEBT IS DISCHARGED—THE QUESTION OF INTENTION.

The taking a negotiable note for a pre-existing account or note is *prima facie* a discharge of the old debt and a substitution for it of the new note. It is a question of intention, and the intention to discharge the old note is presumed where a different intention is not shown by the evidence or inferred

from circumstances. When it appears that it will be for the benefit of the creditor that the old debt should be kept alive, the presumption does not arise and the debt is not discharged. Accepting a negotiable note for a secured debt will not discharge the debt, because it will not be presumed that the creditor intended to give up his security (*Pomroy vs. Rice*, 16 Pick, 22; *Appleton vs. Parker*, 15 Gray, 173; *Dodge vs. Emerson*, 131 Mass., 467; *Green vs. Russell*, 132 Mass., 536), though the new note includes a new debt. (*Taft vs. Boyd*, 13 Allen, 84; *Hill vs. Beebe*, 13 N. Y., 556; *Brinkerhoff vs. Lansing*, 4 Johns, Ch. 65.)

Cotton vs. Atlas National Bank, Supreme Judicial Court of Massachusetts, Suffolk, September 7, 1887.

PROMISSORY NOTE AS PAYMENT—RENEWALS.

A promissory note given for a debt and notes given in renewal merely extend the credit, and do not, unless paid, discharge the debt or give any ground of defense to a suit founded on the original cause of action.

Fry vs. Patterson, Supreme Court of New Jersey, August 1, 1887.

NEGOTIABLE NOTE PAYABLE AT BANK—RULES AS TO PRESENTMENT, PROTEST AND NOTICE.

In an action by the holder against the makers and indorser of a negotiable note payable at a bank in West Virginia, the Supreme Court of Appeals of that State have decided the following points:

(1) *Proof of presentment at bank necessary.* Where a negotiable note is by its terms payable at a particular bank, proof of presentment at that bank for payment at its maturity is indispensable to a recovery in an action thereon against the indorser.

(2) *Presentment to Cashier at the bank.* In such an action it will not be sufficient to show that such note was presented for payment to the Cashier of the bank at which it is payable, unless it further appears that such presentment was so made to the Cashier at the bank.

(3) *Protest is prima facie evidence of facts stated therein as to presentment, dishonor and notice.* The true construction of Section 7 of c. 51 and of Sec. 8, c. 99 of the Code is that the protest of a negotiable note and other instruments mentioned therein shall be *prima facie* evidence of the facts "stated therein, or at the foot or on the back thereof, in relation to presentment and dishonor and notice thereof."

(4) *Nature of notarial certificate of protest.* The notarial certificate of protest is in the nature of *documentary evidence*; and the proper construction as well as the legal effect thereof as an instrument of evidence of the facts stated therein are *questions of law*, to be determined exclusively by the Court.

(5) *Due diligence.* When the facts are undisputed, what constitutes *due diligence* is a question of law, to be determined exclusively by the Court.

(6) *Due presentment or notice.* What constitutes "due presentment or notice" sufficient to charge an indorser are not, properly speaking, *facts*, but *conclusions of law*, to be drawn by the Court from undisputed or admitted facts.

(7) *Notice to indorser.* Where the indorser resides in the same city or town where the demand of payment was made, the notice to the indorser must be personal or left at his dwelling house. If he resides at a different place the notice must be sent to him by the first mail which leaves after the day of dishonor is passed, and does not close before early and convenient hours of the day succeeding the day of dishonor, directed to him at the place of his residence or at his nearest post-office, or to the post-office where he usually receives his mail matter, advising him of the protest.

(8) *Facts not stated in certificate of protest will not be inferred.* Where the only evidence introduced to prove presentment, dishonor and notice is contained in the notarial certificate of protest, the Court upon a demurrer to the evidence will not infer that any step was regularly taken or that any fact existed which is not certified to in such protest.

(9) *When certificate of protest insufficient to prove due notice.* Where such protest simply states that notice was addressed to the indorsers at a certain

place, without adding that such place was a post-office or residence of the indorser, the Court upon a demurrer to evidence will not *infer* that such was the fact, and such certificate is therefore insufficient to prove due notice.

(10) *The same.* Where such protest simply states that notice thereof was sent by mail to the indorsers, directed to their "several addresses," such certificate, in the absence of all other evidence, is insufficient to prove due notice.

(11) *Burden of proof of due steps taken to charge indorser rests upon plaintiff.* The burden of proof that due presentment of the note for payment has been made and due notice of the protest thereof given to the indorser, or that due diligence has been used to give such notice, rests upon the plaintiff; and clear proof upon his part of such presentment, dishonor and notice is a condition precedent to his right to recover against the indorser.

Peabody Insurance Company vs. Wilson and others, Supreme Court of Appeals of West Virginia, April 9, 1887.

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 on another page.

Editor Rhodes' Journal of Banking:

CIRCLEVILLE, Ohio, Oct. 10, 1887.

SIR:—When is a draft, dated New York, October 6, 1887, payable one day after date, due? We claim it is due on the 10th. The payor says not, because it was not presented until then, and claims that the time commences to run from the day of presentment.

L. WELDON.

Answer.—The draft was due on October 10th. The time runs from the date of the draft, and not from the date of presentment.

Editor Rhodes' Journal of Banking:

YONKERS, N. Y., October 20, 1887.

SIR:—We enclose John Jones' note, endorsed by his wife, Jane Jones. Will you please inform us if the indorsement requires her to state that she charges her separate estate with the payment of the note. The Bank Examiner calls this single-named paper, and claims we could not hold her for the payment of the note.

PETER J. ELZING, Vice-President.

Answer.—Since the enactment of Chapter 381 of the Laws of 1884, we think the indorsement of "Jane Jones" would be sufficient to bind her without making an express charge upon her separate estate. Chapter 381 provides as follows:

"Section 1. A married woman may contract to the same extent, with like effect and in the same form as if unmarried, and she and her separate estate shall be liable thereon, whether such contract relates to her separate business or estate or otherwise, and in no case shall a charge upon her separate estate be necessary.

"Section 2. This Act shall not affect nor apply to any contract that shall be made between husband and wife."

Editor Rhodes' Journal of Banking:

MADISON, Neb., October 17, 1887.

SIR:—Should a notary attach his seal to all notices of protest, or will it do if he puts his seal on the protest and merely signs the notices as a notary. I have had an argument with our notary and want your opinion. This is a point which I find many disagree upon, and we have finally left the matter for your decision. * * * *

Answer.—According to the law-merchant it is no part of the official duty of a notary public to send notices of protest. If he does so, it is as the agent of the holder, and not as notary; and the notices are generally signed, "John Smith, Notary Public," without the addition of any seal. All the forms of notices by notaries public found in any of the books will be found to give the signature as notary without any seal. This being the case generally, is there anything peculiar in the laws of Nebraska to require a seal upon the notices of protest given by a notary? In Chapter 61 of the Compiled Statutes of Nebraska it is provided that the notary must have a seal, "with which seal, by impression, all his official acts as notary public shall be authenticated." In the enumeration of his powers the statute provides that he "is hereby

authorized and empowered * * * to demand acceptance or payment of any foreign, inland or domestic bill of exchange, promissory note, or other obligation, in writing, and to protest the same for non-acceptance or non-payment, as the case may be, and give notice to indorsers, makers, drawers or acceptors of such demand or non-acceptance or non-payment, etc.

Here it will be seen the statute authorizes and empowers the notary to give notice, and requires him to authenticate all his official acts with his official seal; and under this statute it might be claimed that the giving of notice being expressly enumerated by statute, it became an official act of the notary, requiring his seal. But, inasmuch as the rule of the law-merchant providing that notice may be given by any agent of the holder, not necessarily a notary, is not abrogated, the giving of notice by a notary, without the addition of his seal would in our opinion be regarded as sufficient as being the act of the agent of the holder, though not an official act as notary.

Editor Rhodes' Journal of Banking:

ROLFE, Iowa, Oct. 17, 1887.

SIR:—Is it customary for Chicago banks upon receiving sight drafts for collection, with a slip attached reading "no protest. Take this off before presenting," to tear off the "no protest" slip on the end and protest the draft, when the Cashier who sends it for collection has neglected to state in his letter not to protest? It seems to me the notice attached to draft should be sufficient notice that the draft is not to be protested.

C. A. GRANT, *Cashier*.

Answer.—Bankers take different views as to the sufficiency of the "no protest" slip as an instruction not to protest, when the letter enclosing the draft omits a direction to that effect. We have always taken the view that the "no protest" slip was a sufficient instruction, but there are many who tear it off, and disregard it unless a direction not to protest is contained in the letter. In the July 1886 number of the JOURNAL, there is an extended article on this subject, and the opinions of many bankers are published. There has been no legal decision directly on the question of the sufficiency of such a slip.

Editor Rhodes' Journal of Banking:

NASHVILLE, Tenn., Sept. 27, 1887.

SIR:—Brown ships car of merchandise to his own order, and makes draft (*No. protest*) at 3 days' sight on Jones, with bill of lading attached; then endorses draft and bill of lading, and sends to Smith for collection, requesting Smith to forward to Young. Smith receives, endorses draft, and forwards same (with bill of lading attached, *unendorsed by him*), to Young for collection and return.

Young receives items, Jones accepts draft, and bill of lading is delivered to him.

Has Jones any legal right to bill of lading till draft attached is paid? Is Young liable for amount of draft if he detach and deliver bill of lading upon the mere acceptance of draft? Is Smith liable in any way for amount, in case Jones fails and cannot pay his acceptance? If not, to whom should Brown look for his pay, or return of bill of lading?

MERCHANT.

Answer.—Under the ruling of the Supreme Court of the United States in *National Bank vs. Merchants' Bank*, 91 U. S., 92, the collecting agent is authorized, in the absence of special instructions, to surrender the bill of lading to the drawee on his acceptance of the draft, and it is not his duty to hold the bill of lading after the acceptance for the payment. If the shipper wants the bill of lading held until payment, he should give special instructions. Where none have been given, the collecting agent cannot be held liable for a neglect of duty on surrendering the bill of lading on acceptance, and in case the acceptor fails the shipper must look to his estate for payment.

Editor Rhodes' Journal of Banking:

PEABODY, Kans., Oct. 10, 1887.

SIR:—Suppose A executes a note payable to B thirty days after date, dated October 9, 1887 (it being Sunday), and delivers it the following day, will this make it valid? I contend it does not. Will you please give me your opinion, under the laws of Kansas. By so doing you will greatly oblige

E. W. DEIBLER, *Cashier*.

Answer.—Under the laws of Kansas the note is valid. *Johnson vs. Brown* 18 Kan., 529.

FINANCIAL MATTERS IN CHICAGO.

[From the Journal's Chicago Correspondent.]

The money market in this city has grown easier this month, particularly the latter part of it, though there is no change in the rates quoted by the bankers. The case is discoverable more in the willingness to lend on local stock and bond collateral than by any other sign. There is an excellent mercantile demand. The rate for call loans is 6 per cent., and time loans are made at 6, 7 and 8. The bankers are holding large reserves in view of another possible period of stringency and the certainty of a large demand from the packers in November and December. The banks of the Northwest are sending in more paper for rediscount than most of the bankers care to take, but the requirements of the country towns for carrying wheat are comparatively small. Less Chicago capital is now used for carrying grain than for many years. Our elevators are comparatively empty; and as for other markets, the farmers are withholding their wheat from them to a great extent and keeping it in their own granaries. There is a good demand for paper on the street, but buyers discriminate sharply between the good and the questionable. The deposits at the banks are not varying very much, but nearly all our institutions are getting new accounts in large numbers from parts of the country which have heretofore done their business elsewhere. This is partially due to the operation of the new reserve law, but more to the increasing importance of Chicago.

Early in October the banks were ordering considerable quantities of currency from New York, but of late the movement has been small. Exchange has ruled from 75 cents discount per \$1,000 to par. As for the movement of currency to the country towns from this city, it continues smaller than last year. Probably not over two-thirds as much has thus far been sent out as at this time in 1886. It is still a matter of comment among the bankers that the money which goes out every year comes back slowly, and much of it not at all. A leading banker expresses the opinion that not over 25 per cent. of the currency that has been sent to the country towns in the last two years has returned.

The security market has been very dull with a decided downward tendency, but bank stocks hold up better than anything else, as it is known that the banks are making money fast. National Bank of America has sold at 140, first National at 240, and National Bank of Illinois at 180. The Gas Trust certificates have fluctuated violently on a small volume of business. An injunction having been applied for to prevent the issue of the \$10,000,000 5 per cent first mortgage bonds of the Chicago Gas Light & Coke Company, the certificates declined the latter part of the month to about 85, but on the belief that the injunction proceedings would not amount to anything they have since advanced to 42, reacting, however, to about 40. There is a considerable demand for these securities from New York. The stock of the West Division Street Railway has recently sold at \$570 a share. It is yet uncertain whether the Philadelphia syndicate will get control of the property. The Pullman Car Company makes a remarkably good showing in its annual report, having a surplus of about \$6,000,000. The issue of \$1,000,000 more of stock has been authorized, probably for the purpose of getting control of the Baltimore & Ohio special sleeping-car service.

Most of the leading stock speculators of Chicago have been bears for a month or more, but of late some of them have changed their tactics. N. S. Jones is supposed to have made a large amount on the short side, also N. B. Beam, but they have both probably covered most of their stocks. There have been many sales of investment stocks by the western people, owing to the recent uncertain course of prices and the fear of trouble.

Merchants agree that trade is in good condition in this city. Sales of goods are larger than in any other year in the history of Chicago. Complaint is made that profits are small, but collections are pretty good. Many new areas of country have recently been opened to the merchants of Chicago, and the prosperity of the smaller towns farther west contributes to our wealth.

H. C. B.

BANKING AND FINANCIAL NEWS.

THIS DEPARTMENT ALSO INCLUDES: OPEN LETTERS FROM BANKERS, THE WORLD OF FINANCE, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

Secretary of the American Bankers' Association.—On October 18th, last, the Executive Council of the American Bankers' Association elected Mr. W. B. Greene Secretary of the Association from and after November 1st, in place of Dr. Geo. Marsland. Mr. Greene was for fifteen years in the office of Comptroller of the Currency at Washington, as chief of division, and is in every way fitted for his new position.

Pardon of a Defaulter.—It is said that a petition is about to be circulated for the pardon of W. E. Gould, the defaulting Portland bank Cashier, on the ground that he did not run away, but did all he could to repair the injury to the bank, and that his punishment has already served its purpose.

Old Bank Note.—The Bronson Library, of Waterbury, Conn., has received a \$50 bank note on the once noted Eagle Bank of New Haven. It has no intrinsic value, but would bring much more than it represents from collectors. The celebrated failure of the Eagle Bank is still remembered by the older residents of New Haven, Conn.

The London Bankers' Magazine for October continues the series of Biographies and Portraits of distinguished English Bankers, with a portrait and biography of Robert Ruthven Pym, of Coutts & Co. The portrait is an exceptionally fine one, and the biography appropriate and interesting, giving in brief an excellent idea of the kind of man Mr. Pym is.

Dividends of Boston Banks.—The dividends of the Boston banks for the six months ending October 1st, show a more profitable business than during the preceding six months. The total amount paid in dividends for six months ending April 1, 1887, was \$1,411,250, and for six months ending October 1, 1887, \$1,583,750. The capital was the same in each case.

Mr. E. H. Walker, for many years statistician of the New York Produce Exchange, has joined the editorial staff of Bradstreet's, the well-known commercial and financial newspaper published in New York, to which he will give his exclusive services. Mr. Walker is well informed on the statistics of grain, flour, provisions, live stock and kindred lines. He is the author of complete records of this kind and the inventor of the "visible" grain statement.

Demand for Minor Coins.—The Mint officials say that the demand for minor coins this year has surpassed that of any year within the recollection of the oldest employe. Last year \$391,147 in cents, \$552,376 in nickels, and \$1,005,279.50 in dimes were coined in Philadelphia, and yet the Mint is now \$70,000 short on orders for small coins, and cannot catch up with the demand. The increased demand for them is doubtless due to the development of the country, and also to the fact that they are used to an extent never known before, especially in the South and West.

The Active Greenback.—"Stone walls do not a prison make, nor iron bars a cage," sang the stout package of greenbacks in the dreary obscurity of the bank's vaults.

"Don't make such a noise!" cried the bundle of registered bonds next to it.

"Stuff!" replied the greenbacks. "You can't get out because you're not negotiable, but I have a particular little engagement with the cashier to-morrow night."

And it was kept.

Recovery by Receiver.—By a recent decision of the United States Court at Rutland, in the case of Receiver Watson of the First National Bank against Albert Sowles and his Assignees, the Receiver scores a victory for the bank and gets hold of \$15,000 in real estate and \$3,000 in personal property, for the benefit of the bank's

creditors. The defendant's threaten to appeal the case to the United States Supreme Court, but the Receiver looks for no different decision there. The \$23,000 will help materially toward the dividend for which the depositors have been waiting for some time.

Sale of President Phillips' Library.—The law and miscellaneous library of President Phillips, of the Columbian Bank, was recently sold at a price far in advance of the appraisement. The valuation placed upon it by the appraisers was but \$650, while the proceeds of the sale in round numbers amounted to \$1,750.

The excess of the sale over the appraisement was caused chiefly by the fact that the books were appraised very hastily, without sufficient time to examine them, and much of what appeared to be old rubbish was really valuable. This was particularly the case with a lot of old pamphlets, some of which were publications dating as far back as 1731. One of these pamphlets sold for \$50, while many others brought good prices.

Run on a Leadville Bank.—On October 15th there was a heavy run on the Carbonate Bank at Leadville, caused by wild and alleged malicious statements. There was great excitement and a wild rush by depositors, but the bank remained open until 5 o'clock to show depositors that the officers felt equal to the emergency. C. B. Kountze, President of the Colorado National Bank, of Denver, was in correspondence with the Carbonate Bank, and said they were honoring all drafts and would continue to do so. He said the rumors were caused by an enemy of the Carbonate Bank. State Treasurer Peter W. Breene stated that the Carbonate Bank was solvent, keeping on hand a reserve fund of 45 per cent. The State Treasurer had \$45,000 in the bank, and said he would leave it there.

Banking in Dakota.—"Yes," said the good Boston lady, "my son lives out in Dakota, and is, I think, doing a good work for his town."

"Is he in the ministry?"

"Oh, no; but he has been running a bank there for the last five years—a Savings bank, I take it, and must certainly do a great deal toward preventing the poor people from spending their money foolishly, as I know he is very enthusiastic about anything of the kind, and says his bank sometimes has more business than it can do. But the poor boy has discouragements after all; only last week he wrote about one of his dealers stealing \$50 of the rake-off, whatever that may be."

Return of Comptroller Trenholm.—The Comptroller returned from his vacation on October 8th, and immediately issued a call for a report of the condition of the National banks at close of business on October 5th. It is anticipated that these reports will be of unusual value for the additional light they will throw upon the amount and stability of the reserves of the new reserve cities of the West. The law requires the Comptroller to call for at least five reports during the year upon past dates. As a rule three reports showing the condition of the banks during the winter and spring, one during the summer, and one in the autumn are called for. The dates vary a little, but the general order is observed. From the date of the Comptroller's call about a month is required before an abstract of the reports is completed.

Count Mitkiewiez is one of the boys, a real buster, whose character has been extensively discussed of late in the papers. By gad, the T. C. remembers well when Eugene came here first, fifteen years ago, and raised the deuce generally. The count was short of funds at that time, and was compelled to negotiate a loan of \$500 from a butcher on the overland train. Being rather slow in settling up, the butcher pitched into the count in the hall of the Occidental Hotel, and the newspapers had a delicious scandal. Even the paper which devoted several columns to the count and his career has forgotten to look back over the files. The lads used to say that the count was Irish, Micky by name and lived by his wits. 'Twas a poor pun, but when the count heard it he swore a mighty Russian oath that it was superb, and opened the wine like a true nobleman.

The Secretary of the Treasury, following up his policy of affording all possible relief to the money market, has authorized certain well known banks that are willing to deposit large amounts of fours as security to hold deposits to the extent of \$1,100,000 on every \$1,000,000 of such bonds deposited. The New York city banks so far accepting this offer, are the American Exchange, the Western, the Bank of Com-

merce, the Chase, and the National Bank of the Republic. The Third National Bank of Cincinnati has also availed itself of the opportunity. Any other bank able to put up a million dollars in four per cents. can secure deposits on similar terms. Why \$1,000,000 of four per cents. is any better security for \$1,100,000 of deposits than \$100,000 of fours would be for \$110,000 of deposits, or \$10,000 of fours would be for \$11,000 of deposits, is difficult to see.

Omaha Banks.—The special edition of the *Omaha Daily World* of August 15th, devoted to booming the various business interests and industries of that city, states that there are eight National banks, five private banks, and one Savings bank in Omaha. No bank has failed there for over a quarter of a century. The cause is stated to be the steady prosperity of the city, the conservatism and ability of her bankers, and their refusal to encourage or participate in speculation. The deposits in the National banks have grown from \$2,206,000 in 1877, to \$12,772,000, and their capital has grown from \$480,000 in 1878 to \$2,970,000 in 1887. The capital of the private banks is \$290,000, and their deposits \$700,000. There are two banks at South Omaha, one National and one private, their capital is \$90,000, and deposits \$184,000. The paper also gives cuts of three very fine buildings recently erected by banks of the city.

Excitement at the Treasury Department.—A persistent and cantankerous claim agent named Manning meeting Mr. MacLennan, the Chief of the Warrant Division, in the ante-chambers of the Secretary's office, accused him of accepting bribes to expedite claims. Mr. MacLennan immediately attacked Mr. Manning and proceeded to knock him out. The latter, in great disorder, burst into the Secretary's room and rushed up to that official for protection. Secretary Fairchild was at that time engaged in discussing the silver question with a distinguished foreign nobleman, Lord Herschel, of England. The wild and discomfited Mr. Manning attracted Mr. Fairchild's attention, and as the Secretary had previously had some unpleasant interviews with the claim agent, he imagined that the latter had turned cranky and was seeking for blood. The instinct of self-preservation came to his aid, and gazing sternly on the supposed assailant, he said: "Put it in writing, sir."

Costly Bank Stock.—The Farmers' National Bank, of Constantine, Mich., recently came into possession of ten shares of stock belonging to its absconding cashier. Under the law a National bank taking its own stock for debt is obliged to sell the same within six months from the date of its acquisition. The stock had a real value of \$180 per share, and was sold at public auction. There were two factions among the stockholders, each struggling for the control of the bank, and the one that acquired the ten shares would obtain the desired pre-eminence. The shares of stock having a par value of \$1,000 and a market value of \$1,800, sold under this competition for \$44,350. Of course the premium paid goes into the undivided profits of the institution, and each stockholder will receive his pro rata proportion of it either in dividends or in the increase value of his shares. There was, therefore, not so much loss, as might at first appear, to the controlling faction in the high price they paid for the shares.

The Oldest Bank President.—Referring to the item that Adam Spraker, of Fonda, N. Y., President of the National Mohawk River Bank, is the oldest bank President, an exchange gives the following account of Nicholas H. Ridgely, President of the Ridgely National Bank, of Springfield, Ills. He was born April 29, 1800, and has served as an officer in a bank continuously since 1823, a portion of the time serving as President and Cashier of two different banking institutions. He commenced his banking career as Cashier of the United States Bank (St. Louis branch) in 1823, and in 1835 removed from St. Louis to Springfield, Ills., where he was placed at the head of the State Bank of Illinois, remaining as its Manager until 1840. He then conducted a private bank until 1866, at which time the Ridgely National Bank was organized. Mr. Ridgely is still in possession of all his faculties, and can daily be found at the bank performing his duties as President. He is a man of extraordinary intelligence, and has amassed a large fortune as the result of his connection with monetary institutions.

Distribution of Surplus.—Secretary Sherman is said to favor a plan for the distribution of surplus revenues among the States. This plan has many good points and many of those who attack it seem to do so for very insufficient reasons. The main argument against it seems to be a reiteration of the story of the panic of 1887; as if that was to be ascribed to the mere distribution of the surplus among the States. This

panic was in some measure due to the deposit of Government moneys without adequate security with irresponsible State banks, that failed as soon as they were ordered to pay the money over to the States. If the deposits had been secured by Government bonds deposited by strong banks, the mere turning over of the money to the States would have caused no panic. Neither was the panic caused by any expansion consequent on the States receiving the money because it commenced before the States had any opportunity to use the funds they managed to get hold of. Another objection made to the plan is that taxes should not be taken from the people simply to return them again, as the expense of the proceeding is a dead loss. But, if a protective tariff is a benefit to the country, such benefit more than compensates for the loss in collection and returning the revenues; besides there is the advantage that the money received from the United States Treasury would enable the States to reduce their own home taxes. The real objections to the plan as heretofore pointed out in the JOURNAL are, first its doubtful constitutionality, and second the undue increase of power it would give to the central Government at the expense of the States. The latter would in time become mere dependants of the Federal Treasury.

The Robbery of the Dexter Bank.—The confession, or fabrication, of Chas. F. Stain brings up again for public discussion the mysterious death of John W. Barron, Treasurer of the Dexter Savings Bank, of Dexter, Me. On the evening of February 22, 1878, he was found lying bound and gagged in the Savings bank. He died about six o'clock the next morning. At the time there were two opinions of the occurrence. Barron was at first regarded by all as a hero, who had given up his life rather than surrender the funds of the bank. But about a year after the occurrence, the bank officers became impressed with the belief that Barron was a defaulter who had committed suicide to avoid disgrace. It was alleged that false entries were found on his books, and in December, 1879, suit was brought against the executors of his estate to recover an alleged defalcation of \$6,000. Auditors were appointed by the Supreme Court, who reported the balance due the bank to be \$2,011. Of this sum, \$567.91 was interest, \$373 cash short, \$650 for special deposits made but not entered by Barron, \$530 charged by Barron for a United States bond, but not purchased. Stain's confession is that his father, David Stain, with four others, named Cromwell, Andrews, Kelly and Thompson, were the bank robbers and murderers. Andrews, Kelly and Thompson have proven satisfactory alibis; but there is some evidence which corroborates young Stain's statements as to his father and Cromwell. The old discussion still goes on; many discredit the confession altogether, and adhere to the suicide theory. It is possible the trial of Stain and Cromwell may throw some light on the matter, although it is very evident already that much of the younger Stain's confession is untrustworthy.

The details of the case were stated at length, and the evidence analyzed, in the JOURNAL for April, 1879, in which number a portrait of Mr. Barron was given.

Dansville National Bank.—General Lester B. Faulkner, ex-Director of the Dansville National Bank, who was arrested for complicity in the frauds that resulted in the failure of the bank, had a hearing before United States Commissioner Fairchild at Buffalo on October 11th and 12th. Bank Examiner Getman was the chief witness. He testified that he had examined the affairs of the Dansville Bank in November, 1886, and in May, 1887. On August 27th he took possession of the bank, acting on an order from the Comptroller. At first he had some difficulty in finding any of the bank's officers, but at last he obtained the keys from Cashier Kuhn. After a week he met Gen. Faulkner, but had not seen James Faulkner then or since. He discovered that the bank's books, which he had seen on previous visits, were missing. Witness had held conversations with defendant on various occasions and he (defendant) seemed anxious about the condition of the bank. Witness had pointed out to defendant direct violations of the law in the management of the bank, such as loans to stockholders in excess of 10 per cent. of the capital stock. He found defendant's account was \$15,000 in excess, James Faulkner's \$10,000, and Director Williams's \$10,000. The loans from outside banks were \$30,000 in excess of the amount prescribed by law. All this was at witness's first visit, and at the second visit things were in a worse condition. Loans from banks had been increased to \$90,000, James Faulkner's account was \$35,000 in excess of the law, Lester B. Faulkner's \$17,000, and Mr. Williams's \$23,000. At that time witness read to Gen. Faulkner a letter from the Comptroller of the Currency, which stated that while that official appreciated the difficulties under which the defendant

then labored, he declined to take any further risk. The letter also said that unless there was an immediate straightening of the affairs of the bank a Receiver would be appointed. Mr. Faulkner was advised to procure a long loan on the property of his family, and put the bank on a sound basis. This letter was read to both James and Lester B. Faulkner. The latter said in reply that he must know the true condition of the bank before he could act intelligently. He acknowledged the excessive loans and urged his brother to make a true statement, as he could not rely on the balance sheet. Defendant thought we were pressing him very hard, as the excessive borrowing had been a necessity. He also intimated that he was being persecuted by some party. Acting on witness's suggestion, defendant had gone to Washington on May 30th and had seen the Comptroller. This visit resulted in extra time being granted to the bank. Mr. Getman thought that the signatures of defendant on the bank's statements were genuine. After the failure he found the assets of the bank to be as follows: Cash and cash items, \$1,200; notes and bills discounted, \$8,400. The liabilities were \$175,000. The Commissioner ordered Gen. Faulkner to be held for the Grand Jury.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

- There is a business boom in New Orleans.
- The Canadian Postal Savings banks hold \$20,000,000, owned by 90,000 depositors.
- The number of United States National bank depositories on October 15th was 225.
- Southern papers are full of reports showing the growing prosperity of the South.
- Reports from the South indicate a good demand for money, but no special stringency.
- The Malden National Bank of Malden, Mass., occupied its new building about October 1st.
- The business of the banks at Little Rock, Ark., indicates great business activity at that point.
- The Traders' National, of Boston, will move into new quarters, at No. 83 State street, about January 1, 1888.
- The Carbonate Central Bank of Leadville, notwithstanding the run upon it on October 15th has met all demands.
- Hon. Samuel J. Randall predicts that within less than a generation the South will be the richest half of the Union.
- The three per cent. water stock of New York city recently placed on the market was taken at a slight premium.
- C. F. Maurice, of Sing Sing, formerly President of the First National Bank of that place, has had a stroke of paralysis.
- A new bank building is in process of construction for a National bank to be organized at West Berkley, Alameda County, Cal.
- The various methods of calculating the reserve of National banks were fully set forth in the July, 1883, number of the JOURNAL.
- Brown Brothers & Co., of Philadelphia, recently occupied their new building at the southeast corner of Fourth and Chestnut streets.
- Judge Collins, of Chicago, has decided that the bucket shops cannot be prevented from obtaining the quotations of the Board of Trade.
- The J. C. Baird & Co. Bank, of St. Charles, Ills., was robbed of \$10,000 the night of October 15th. The safe was blown open with dynamite.
- The City of Boston proposes to have a Bourse modelled on the plan of the Bourse at Hamburgh. All industries are to be represented.
- H. R. Forbes, of Forbes & Co., private bankers and brokers, of Toronto, Canada, left that city on October 17th under suspicious circumstances.
- Colonel Tower, of the Boston banking firm of Tower, Giddings & Torrey, has given \$35,000 for a public library building at Lexington, Mass.
- The losses of the Union Trust Company of Philadelphia by the defalcation of James N. Taggart, the Paying and Receiving-Teller of the company, including

attendant expenses incurred, foot up \$37,277.07, or \$279.80 more than the net undivided profits. The surplus fund amounts to \$85,000.

— The stockholders of the Columbian Bank of Philadelphia are to be held liable for the losses of the creditors. It turns out to be a bad failure.

— Mr. E. H. Harriman, of the firm of E. H. Harriman & Co., of New York city, has been elected Vice-President of the Illinois Central Railroad Company.

— The Receiver of the Pacific National Bank of Boston has compromised the claim of the bank against the Utah & Pleasant Valley Railroad for \$33,000.

— Mr. William A. Camp, Manager of the New York Clearing-House, is ill of a fever caused by a cold and overwork. It is denied that he is dangerously ill.

— After much talk of reorganizing the First National Bank of Corry, Pa., which failed in September, the Comptroller of the Currency finally appointed a Receiver.

— The Clearing-House Association of the Philadelphia Banks on October 3d, adopted a memorial on the death of Mr. Joseph Patterson, President of the Association.

— Stephen W. Rawson, President of the Union Trust Company of Chicago, was recently shot by his step-son. There is a chance that his wounds may not prove fatal.

— The Comptroller of the Currency, on October 17, appointed Charles M. Joslyn, of Hartford, Conn., Receiver of the Stafford National Bank of Stafford Springs, Conn.

— The Stafford Springs Savings Bank, has been examined by the State Bank Commissioners and found to have lost nothing by the failure of the National bank of that place.

— *Mammon* is the name of a new daily financial paper to appear in Wall street, Mammon, as applied to money, is a term of abuse; as if one should call money dross or filth.

— Vice-President Stevens, of the Columbian Bank of Philadelphia, resigned his position some time before the failure of the institution, because he knew it was badly managed.

— Chief Brooks, of the Secret Service, recently ordered the destruction of a large amount of "business college currency," which was printed in too close imitation of real money.

— C. Stuart Patterson received a letter, signed by a number of bank Presidents of New York city, expressive of their high regard for his father, the late Joseph Patterson, of Philadelphia.

— Mr. Edward D. Adams, of Winslow, Lanier & Co., of New York, is interested in art. He is endeavoring to secure a fund of \$200,000, to carry out a plan for the encouragement of American art.

— The Yale National Bank of New Haven, Conn., having lost \$40,000 by E. S. Wheeler & Co., reduced its semi-annual dividend from $3\frac{1}{4}$ to 1 per cent. rather than use the surplus of \$185,000.

— The Farmers' Bank at New Castle, Del., was entered by masked robbers on September 20th. The Cashier fired at them and drove them off, wounding one of the burglars. They got nothing.

— A man traveling in Maine gets people to sign alleged pledges that they will not kill a bird for one year. The pledges, it is said, turn out to be promissory notes in the hands of innocent third parties.

— A Mrs. Jennie Thorley attempted to have a forged check for \$15,000 on the New Orleans National Bank cashed at the National Exchange Bank at Lynchburg, Va., on September 20th. She was arrested.

— Mr. J. G. Martin, of Boston, has compiled a book giving the Debts of New England and other States, and of the principal cities, counties, towns, etc., with full information in regard to such debts.

— Columbus Delano, Secretary of the Interior under Grant, is said to have secured the success of his bank at Mount Vernon, O., by charging six per cent. only, when eight was the legal rate. Of course he was a popular banker.

— T. J. Fuller, an aged citizen of Jackson, Miss., buried \$16,000 in gold during the war. His nephew and a negro dug it up and divided the money. The negro was

arrested and informed on the nephew. In the meantime Fuller died, and the case was compromised by the payment of \$2,000 and costs.

— Arthur H. Snell, Teller of the Fulton Bank of Brooklyn, paid out \$2,824.98 on worthless checks. His confederates in robbing the bank were Ward C. Hepburn, R. H. Johnson, Edward Tomler. All except R. H. Johnson are in jail.

— The British Government recently commissioned Mr. G. Jenner to prepare a report on opportunities for the investment of English capital in Mexico. He has made a report which is of great importance to American as well as English investors.

— The law limiting the jurisdiction of the United States Courts to cases involving at least \$2,000, without interest, though intended to reduce the volume of business in those Courts has had the effect of cutting off much small credit dealing between the East and West.

— Mr. James V. Watson, President of the Consolidated National Bank of Philadelphia, was, on October 4th, elected President of the Clearing-House Association of that city. He succeeds the late Mr. Joseph Patterson, and is the oldest bank president in the Association.

— William Herbet, former President of the First National Bank of Glenrock, Penn., was sentenced on October 17th to five years' imprisonment for embezzling the bank's money. Jacob S. Herbet his son was sentenced to a similar term for aiding and abetting his father.

— The gross exchanges of the thirty leading Clearing-Houses of the United States for the month of September, 1887, were \$4,086,357,842 of which \$1,391,113,472 were outside of New York. For the month of September, 1886, the total exchanges were \$3,861,528,489 of which, \$1,255,728,682 were outside of New York.

— The Master to whom the Court referred the accounts of the Penn Bank of Pittsburgh, which failed five years ago, submitted his report on September 10th. He found W. N. Riddle, M. K. McMullen and J. P. Beal responsible for the failure of the bank, and recommended a decree against them for \$765,091.88.

— John R. Mulvane, President of the Bank of Topeka, Kan., was at the Convention. His bank is the largest in Topeka. Mr. Mulvane understands thoroughly the banking wants of his section of the country, and the success of his institution is largely due to his management. He took a prominent part in the debate in the Bankers' Convention on Thursday.

— A Washington correspondent says, that unlike Mr. Manning, Secretary Fairchild advocates every plan to put out money, and adds: "To Mr. Fairchild's influence is properly due the rapid extinguishment of the 3 per cent. debt." This is unjust to Mr. Manning. If we wished to be as unfair to Mr. Fairchild as the correspondent is to Mr. Manning we might suggest that there was no such money stringency under Mr. Manning as there has been under Mr. Fairchild.

— O. M. Carter, President of the National Bank of Ashland, Neb., introduced an important resolution in the Convention at Thursday's session. It is printed in full elsewhere. The object was to secure some light as to the systems of State banking now in operation in the several States, and to attempt, through the medium of the American Bankers' Association, to have the States adopt some uniform law in which all the best features of the existing banking laws, State and National, are to be embodied.

— The United States Grand Jury at Cincinnati has found a number of indictments against those who wrecked the bank. Among them five indictments fifty-seven counts against Vice-President E. L. Harper; against Cashier Ammi Baldwin four indictments with fourteen counts; Josie Holmes, four indictments five counts; Ben. E. Hopkins, Assistant Cashier, four indictments forty-eight counts; J. W. Wilshire, four indictments eleven counts. W. H. Chatfield and Henry Payne have also been indicted for signing false returns to the Comptroller.

Debt of Canada.—The monthly statement of the public debt of the Dominion shows a decrease for September of over \$1,000,000. The net debt on August 31st was \$228,494,461, and the net debt on September 30th was \$227,341,475, a decrease of \$1,152,986 during the month of September. The monthly statement of revenue and expenditure shows an excess of revenue for September of \$1,248,684.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

DOMESTIC EXCHANGES.

Editor Rhodes' Journal of Banking:

I have read with much interest some of the articles on Domestic Exchange which you have published. I have not sufficient leisure at command to read them *all*, nor compare them one with another, with that care that should be bestowed on them by one undertaking to decide upon their relative merits; so that I do not propose to act as a juror in this case. But there is one aspect of the matter, mentioned in the progress of the discussion, which I desire to *emphasize*. I refer to the method of dealing with "collections sent;" a kind of paper which all banks are compelled to handle in large volume.

I keep an account in St. Louis and New York—these are sufficient for my needs, why should I keep others? If I receive a collection on points easily reached by my correspondents in these cities, I ask them to collect for me. For instance, I have a piece of paper payable in Louisville, Ky.; my St. Louis correspondent keeps an account in Louisville, and my St. Louis correspondent can easily collect through his Louisville correspondent. But if I have a bill on Lexington, Ky., it is asking altogether too much to ask my St. Louis correspondent to collect from a point at which he keeps no account. My excuse might be that I keep no account at Lexington; but neither does he, and why should I not attend to my own business rather than shove it off on him?

My New York correspondent, it is to be supposed, keeps an account in Philadelphia. I, therefore, send to New York my Philadelphia bills, because my New York correspondent having a Philadelphia account can make my Philadelphia collections at a minimum of expenditure. But if I have a bill on Richmond, Va., I never think of unloading it either on St. Louis or New York. I deal directly with Richmond, and ask the payer to send me a New York bill.

Remarks in this line could be extended indefinitely, and illustrations given in great quantity, but the above will suffice to give my meaning.

Unless they can be made without extraordinary trouble, and unless they can be made in the ordinary course of DIRECT dealing between YOUR correspondent and HIS correspondent, you should never trouble your correspondent with them.

I have actually handled the following cases:

A commercial traveler in Arkansas drew for \$5.00 on his employers in a country town in St. Charles County, and his bill took this journey: Fort Smith, Kansas City, St. Louis, St. Charles. Why did not Fort Smith send direct to St. Charles? Was it laziness? Was it because they were in a rut and did not have energy enough to get out of it?

A Connecticut company held paper on a St. Charles company, and it went this round: Hartford, Chicago, Kansas City, St. Charles. (It is a wonder it did not go through St. Louis).

A dealer in Vermont drew on his customer in St. Charles, and his paper took this trip: Barre, Vt.; Chicago, Kansas City, St. Louis, St. Charles. (Why not give New York a chance at it?)

An American lady in Paris drew on her banker in St. Charles, and her check was sent by American Exchange in Paris to American Exchange in New York, and (though the St. Charles banker was the local correspondent of American Exchange) was deposited in a New York city bank and went to Kansas City, St. Louis, St. Charles.

A man sent to Minnesota his check on his St. Charles Bank, and it went to Minnesota, Shelbyville, Ky.; Louisville, Kansas City, St. Louis, St. Charles—actually passing through St. Louis twice before reaching St. Charles.

In these cases why did not Fort Smith, Hartford, Barre, New York, Shelbyville, send direct to St. Charles? Why burden the intermediate banks with labor and expense of handling these bills? Every bank that touched them lost money by the

border very close upon dishonesty, may enrich themselves at the expense of their fellow share-holders; but such instances are comparatively rare, when we regard the whole volume of railroad operations in the country. In stating that the relative volume of speculation is over-rated reference is made to speculation pure and simple, and not to the large mass of legitimate transactions which take place on the floor of the exchange, for the great bulk of the stock exchange business consists of the actual buying and selling of valuable properties, either for investment or for holding for higher prices at a future time. The point that is insisted upon is that too much importance is ordinarily attached in newspaper articles to the influence of speculation upon legitimate trade, and the laws by which the course of that trade is affected.

NEW YORK, October 23, 1887.

COMMERCIAL.

UNIFORMITY OF LETTER HEADS.

Editor Rhodes' Journal of Banking:

SIR:—I am much pleased with the movement on foot to secure more uniformity in the forms of checks and drafts and heartily wish the Chicago Bankers' Club the greatest success in their efforts. At the same time I could wish that some one, speaking with authority, would undertake to induce the banks to adopt some uniform style of letter heads, or at any rate, if not adopting a uniform style to do away with many of the cumbrous and inconvenient forms now in use. Some banks overlay their letter heads with all sorts of requests which the receiving bank must attend to at its peril. Others indulge in the luxurious use of ornamental type, with curious and wonderful arrangements thereof. Some put the Cashier's name at the top of the letter, some in the middle, and some put it at the bottom. It would certainly be a vast saving of time to the clerks generally, if letter writers would adopt a plainer style of letter heads, and would work into some convenient and uniform size.

J. S.

BALTIMORE, October 18, 1887.

Report of New York State Banks.—The summary of the condition of the banks of the State of New York, on September 17th, shows the following:

RESOURCES.		LIABILITIES.	
Loans and discounts.....	\$118,539,965	Capital.....	\$23,330,700
Due from Directors of the bank		Surplus fund.....	7,484,780
included in loans and dis-		Undivided profits.....	6,551,848
counts.....	\$3,497,366	Circulation.....	8,068
Overdrafts.....	62,676	Due depositors on demand.....	139,065,151
Due from Trust companies,		Due to Trust companies, State,	
State, National, and Private		National and Private Banks	
banks and brokers.....	12,518,155	and brokers.....	11,269,738
Real estate.....	3,006,953	Due individuals and corpora-	
Bonds and mortgages.....	486,530	tions, other than banks and	
Stocks and bonds.....	4,075,952	depositors.....	1,680,642
Specie.....	12,001,318	Due Treasurer of the State of	
U.S. legal tender notes and cir-		New York.....	228,474
culating notes of National		Amount due not included un-	
banks.....	6,601,244	der either of the above heads	1,084,980
Cash items.....	33,078,032	Add for cents.....	166
Loss and expense account.....	366,857		
Assets not included under			
either of the above heads	216,528		
Add for cents.....	307		
	\$190,954,547		\$190,954,547

STATE OF NEW YORK, BANKING DEPARTMENT,
ALBANY, September 29, 1887.

I certify that the preceding statement is an abstract of the quarterly reports made to this department by the several banks, banking associations, and individual bankers (as far as was practicable to arrange the items of the several reports under general heads), in pursuance of the third and fourth sections of the act entitled, "An act to abolish the office of Bank Commissioner, and for other purposes," and the acts amendatory thereof and additional thereto; together with the summary thereof, according to law.

WILLIS S. PAINE, Superintendent.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

NOTE.—We shall esteem it a favor if readers of the JOURNAL will notify us of any changes in the banks with which they are connected, as well as of new banks and banking firms organized or recently opened in their place or vicinity, in order that the changes and additions may be made without delay in this department.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National banks organized since our last report. Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.

- 3794—Howard National Bank, Howard, Kansas. Capital, \$50,000.
 3795—National Bank of Paola, Paola, Kansas. Capital, \$100,000.
 3796—First National Bank, Clarion, Iowa. Capital, \$50,000.
 3797—First National Bank, Clayton, New York. Capital, \$50,000.
 3798—First National Bank, Sanford, Florida. Capital, \$50,000.
 3799—National Bank of Dayton, Dayton, Washington Territory. Capital, \$50,000.
 3800—Bronson National Bank, Painted Post, New York. Capital, \$50,000.
 3801—Central Nebraska National Bank, David City, Nebraska. Capital, \$50,000.
 3802—Citizens' National Bank, Orlando, Florida. Capital, \$50,000.
 3803—McPherson National Bank, McPherson, Kansas. Capital, \$100,000.
 3804—Burrill National Bank, Ellsworth, Maine. Capital, \$50,000.
 3805—First National Bank, Jetmore, Kansas. Capital, \$50,000.

ALABAMA.

- ANNISTON.**—Ledbetter & Co. Land & Loan Association (incorporated) is reported here. Capital, \$100,000.
BIRMINGHAM.—Central Trust Co. is reported here. President, Thos. B. Lyons; no Cashier.
CULLMAN.—Parker & Co. are in business here.
FLORENCE.—C. H. Patton & Co. are in business here.
MONTGOMERY.—J. R. Adams & Co.; succeeded by J. B. Trimble & Co.

ARKANSAS.

- BEAR.**—Miners' Exchange Bank is reported here. Capital, \$30,000. President, J. W. Barnes; Cashier, C. S. Rogers; Assistant Cashier, J. P. Durham.
MONTICELLO.—Monticello Bank is reported here. Capital, \$40,000. President, C. L. Burks; Cashier, R. F. Hyatt.
MORRILLTON.—Bank of Morrillton will shortly open.

CALIFORNIA.

- ELSINORE.**—Exchange Bank is reported here. Capital, \$37,000. President, F. H. Heald; Vice-President, S. A. Stewart; Cashier, L. Wright; Assistant Cashier, John Brown.
LOS ANGELES.—California Bank has commenced business. Paid-up capital, \$150,000. President, H. G. Newhall; Vice-President, M. L. Wicks; Manager, H. C. Witmer; Cashier, T. J. Weidon. — Los Angeles Safe Deposit & Trust Co.; paid capital, \$55,000. President, C. M. Wells; Secretary & Manager, J. H. Burks. — Los Angeles Savings Bank; W. M. Caswell, Secretary, in place of J. V. Wachtel. — A Clearing-House has been established here. President, J. W. Hellman; Vice-President, Geo. H. Bonebrake; Manager, J. M. Elliott; Secretary, G. T. Blair.
NATIONAL CITY.—Bank of National City has been recently opened. Authorized capital, \$300,000; paid capital, \$30,000. President, Frank A. Kimball; Vice-President, Warren C. Kimball; Cashier, J. S. Gordon; Assistant Cashier, C. B. Whittlesey. — San Diego County Bank (A. H. Reynolds); closing.
OCEANSIDE.—D. H. Horne & Co.; succeeded by Bank of Oceanside, organized under State laws. Capital, \$50,000. President, D. H. Horne; Vice-President, Charles L. Morrill; Cashier, E. S. Payne.
ONTARIO.—Ontario State Bank has been organized. Capital, \$25,000. President, S. P. Hildreth; Vice-President, O. S. Picher; Secretary, C. Frankish.
SAN BUENAVENTURA.—Wm. Collins & Sons are in business here.
SAN FRANCISCO.—California Safe Deposit & Trust Co.; James H. Goodman, Treasurer, in place of Chas. R. Thompson. — Home Investment Co. has been incorporated. Capital, \$400,000.

SANTA ROSA.—C. Stahl is reported here.

UKIAH.—A. F. Redemeyer is in business here.

WEST BERKELEY.—First National Bank is being organized. President, John McMullen.

COLORADO.

- BURLINGTON.**—Barlow Bros. Banking Co. is reported here. Capital, \$15,000. President, John W. Barlow; Assistant Cashier, J. E. Barlow.
CHEYENNE WELLS.—Russell Bros. are reported here. Capital, \$10,000. President, H. W. Russell; Cashier, C. P. Russell; Assistant Cashier, C. C. Russell.
DENVER.—Charles Hallowell is in investment business here.
GLENWOOD SPRINGS.—Geo. Arthur Rice & Co. are in business here.
GRANADA.—Thomas Doak is in business here. Style, Granada Exchange Bank.
STERLING.—M. H. Smith is in business here. Style, Bank of Sterling. Cashier, J. M. Henderson.
WEST CLIFFE.—Morton E. Post & Co.; failed.

CONNECTICUT.

MIDDLETOWN.—Middletown Savings Bank; Geo. W. Harris, Treasurer, deceased.
STAFFORD SPRINGS.—Stafford National Bank; closed owing to defalcation of R. S. Hicks, Cashier.

DAKOTA.

ALMA.—Hathaway & Arthur (Bank of Alma); succeeded by C. G. Hathaway.
ARLINGTON.—Central Dakota Bank (L. A. Kidder); Cashier, E. F. Coleman.
ARTESIAN CITY.—Cameron Brothers are in business here. Cashier, J. B. Cameron.
BANGOR.—Walworth County Bank (W. R. Green); Cashier, E. B. Green.
BLOOMINGTON.—Farners' Bank; D. H. Henry, retires. Sole owner, M. T. Post.
BUFFALO GAP.—Lake & Halley have opened an office here. Acting Cashier, G. C. Smith.
CHURCH'S FERRY.—Morgan & Davis are reported here. Style, North Dakota Bank. Capital, \$10,000. Assistant Cashier, C. J. Lord.
CLAREMONT.—Bank of Claremont is reported here. Capital, \$25,000. President, F. H. Hagerty; Cashier, R. A. Mather.
EUREKA (P. O.: Roscoe).—Exchange Bank, of Hillview, now located here.
GRAND FORKS.—Vermont Loan and Trust Co. has been reorganized. Authorized capital, \$250,000. President, H. Mann, Jr.; Secretary, R. M. Sherman; Treasurer, F. W. Wilder.
HAROLD.—Bank of South Dakota is reported here. Capital, \$25,000. President, T. H. Leach; Cashier, M. Young.
HIGHMORE.—Anglo-Dakota Loan & Trust Co. is reported here. Capital, \$100,000. President, R. C. Walton; Treasurer, John F. Goudy; Secretary, Ferd. W. Goudy.
HILLSVIEW.—Exchange Bank; removed to Eureka.
HOSKINS.—McIntosh County Bank is reported here. President, Geo. W. Lilly; Cashier, C. C. Hammond.
HURON.—Central Dakota Mortgage Co. is in business here. President, Frank E. Stevens; Cashier, Edward Crist.
IROQUOIS.—Lostutter & Co. are in business here. Style, Farmers & Merchants' Bank. President, D. M. Fredericks; Cashier, L. L. Lostutter.
LAKOTA.—Chas. A. Bowne is in business here. Style, Bank of Lakota.
MADISON.—American Mortgage & Investment Co. is reported here. Capital, \$100,000. President, S. W. Jacobs; Cashier, E. H. Jacobs.
MILLBANK.—Farmers' Bank is in business here. Capital, \$25,000. President, A. M. Knight; Cashier, R. F. Gibson.
MILLER.—Farmers & Merchants' Bank is reported here. President, C. H. Morrill; Vice-President, F. W. Hunter; Cashier, F. S. Morrill; Assistant Cashier, C. A. Morrill.
MILNOR.—Bank of Sargent County; title changed to Sargent County Banking Co.
SANBORN.—Barnes County Bank; E. W. Siegfried, Cashier, in place of J. M. Burrell; no Assistant Cashier in place of E. W. Siegfried.
SHRLDON.—Citizens' Bank is reported here. Capital, \$15,000. President, Albert O. Runice; Cashier, Edwin A. Lucia.
VILAS.—Abc Cohn is in business here. Style, Bank of Vilas. Capital, \$25,000.
WESTPORT.—C. B. Shouse is in collection business here.
WILMOT.—Bank of Wilmot is reported here. Proprietors, Wm. M. Sargent and W. J. Speer.

DELAWARE.

MILFORD.—First National Bank; Henry B. Fiddeman, President, deceased.
ODESSA.—New Castle County National Bank; John C. Corbit, President, in place of Charles Tatman, deceased.

FLORIDA.

EUSTIS.—Bishop Brothers are in business here. Style, Bank of Eustis.
JACKSONVILLE.—Stuart, Hungerford & Co. are reported here. Style, Jacksonville Savings Bank.
LAKELAND.—L. J. J. Nieuwerkamp is in business here.
LAKE WEIR.—F. C. & E. H. Buffum are in business here. Style, Bank of Lake Weir.
MADISON.—Madison Cotton Ginning Co. are about to commence banking business.
ORLANDO.—Citizens' National Bank has been authorized to commence business. President, Leigh O. Garrett; Vice-President, Henry S. Kedney; Cashier, Hardy G. Garrett.

GEORGIA.

ATLANTA.—Foster & Ackerman are in collection business here.
FORT GAINES.—Pataula Banking & Cotton Co. has made application to Legislature for incorporation.
MONROE.—W. G. Felker is reported here.

IDAHO.

WALLACE.—Bank of Murray (of Wardner) has an agency here. Cashier, C. M. Hall.

ILLINOIS.

ATLANTA.—People's Bank will commence business December 1st. Capital, \$25,000. President, George W. Funk; Cashier, Chas. H. Gurner.
CHICAGO.—Park National Bank; J. N. Witherell, 1st Vice-President, in place of L. McWilliams; M. T. Roberts, 2d Vice-President, in place of L. C. Wachamuth; J. H. McGay, Acting Cashier, in place of John J. Akin, Cashier. — Chicago Trust Company has been incorporated. Capital, \$500,000. — Security Loan & Savings Bank is in business here. Capital, \$100,000. President, E. R. Walker; Cashier, F. M. Bailey. — Barker & Parmele are in business here.
ELLSWORTH.—C. F. Shinkle is in business here. Style, Exchange Bank.
FORRESTON.—H. Dovenbarker & Co. are reported here.

FRANKLIN.—Keplinger & Wight are in business here. Style, Franklin Bank. Cashier, H. G. Keplinger; Assistant Cashier, C. H. Tietzort.
GRAYVILLE.—First Chemical Bank has recently commenced business here. President, M. E. Miller; Cashier, H. M. J. Boord.
ILLIOPOLIS.—Sangamon County Bank has been organized. Capital, \$100,000. President, A. H. Lucas; Vice-President, L. E. Miller; Cashier, O. J. Lucas.
MOUNT CARMEL.—Wm. H. Hughes is in business here.
MURPHYSBORO.—D. C. Walker is in business here.
NATIONAL STOCKYARD.—Stock Yard Bank (Newman & Farr); transferred to Isaac H. Fox.
PLANO.—Albert H. Sears is in business here.
SIDELL.—Lyons, Alexander & Co. are in business here. Capital, \$50,000. Cashier, Jos. Alexander.
TONICA.—G. G. Pratt is in business here. Style, Tonica Exchange Bank.
WOODSTOCK.—First National Bank; John J. Murphy, President, in place of Edward A. Murphy; Edward C. Quinlan, Cashier, in place of John J. Murphy.
XENIA.—Thos. M. Cox is in collection business here.

INDIANA.

CRAWFORDSVILLE.—Investment Bank is reported here. Capital, \$25,000. Owners, A. F. Ramsey and John M. Schultz.
NORTH MANCHESTER.—First National Bank; Thomson Arnold, Cashier, in place of J. R. Wallace, resigned.
WESTFIELD.—Bank of Westfield is reported here. Capital, \$22,000. President, L. A. Estes; Cashier, R. Estes.
XENIA.—Mark Tully is in business here. Style, Mark Tully's Exchange Bank. Capital, \$24,000.

IOWA.

BANCROFT.—Farmers & Traders' Bank; Vice-President, R. R. Richmond; Cashier, A. B. Richmond.
BAXTER.—Baxter Bank; closed.
BRISTOW.—Bank of Bristow; proprietors, Glodery & Roberts.
CALLOPE.—Brown, Watkins & Co.; Assistant Cashier, T. A. Greiner.
CALMAR.—Bank of Calmar is reported here. Pres., Wm. Waite; Cashier, A. McRobert.
CEDAR RAPIDS.—Union Investment Co. is reported here. Capital, \$10,000. President, Benton Silloway; Cashier, J. L. Wilson.
CLARION.—First National Bank has been authorized to commence business. Capital, \$50,000. President, G. S. Ringland; Cashier, Ed. Hartsock.
COLO.—P. W. Hopkins is in business here.
DES MOINES.—Lewis Investment Co. is in business here. Authorized capital, \$400,000; paid capital, \$120,000. President, Geo. H. Lewis; Vice-President, J. O. Hull; Secretary, Robt. P. Maynard.
EARLVILLE.—Bank of Earlville (Congar Brothers); sold to Millen & Son.
GREENE.—First National Bank; Assistant Cashier, O. C. Perrin.
HAWARDEN.—Bank of Hawarden; Assistant Cashier, T. A. Greiner.
LEON.—Exchange Bank is in business here. Authorized capital, \$50,000. President, S. W. Hurst; Cashier, C. E. Gardner.
MANCHESTER.—Congar Brothers; discontinued.
MARSHALLTOWN.—Commercial Banking Co.; J. M. Woodworth, Cashier, in place of Ed. M. Carson.
OCHYEYDAN.—Ocheyedan Bank is reported here. Owner, I. W. Daggett.
PORTSMOUTH.—D. F. Paul is in business here. Style, Bank of Portsmouth; Cap., \$15,000.
POSTVILLE.—Postville Bank; W. S. Roberts is proprietor now.
ROCKFORD.—Rockford Banking Co. will shortly open. President, F. C. Johnson; Cashier, T. S. Roberts.
SLATER.—Nelson's Bank is reported here.
STORM LAKE.—Fidelity Loan & Trust Co. is in business here. Capital, \$150,000. President, Joseph Sampson; Secretary, John C. French; Treasurer, W. G. Clapp.
WEBSTER CITY.—Farmers' National Bank; Aug. F. Hoffman, Cashier, in place of W. P. Miller, Acting Cashier.

KANSAS.

ARKANSAS CITY.—Bank of Commerce is reported here. Capital, \$17,000. President, T. H. Tyner; Cashier, Harry Lamson.
ARLINGTON.—Citizens' Bank has been incorporated. Authorized capital, \$50,000; paid capital, \$25,000. President, F. B. Babbitt; Cashier, W. R. Compton.
ATCHISON.—Dime Savings Bank is in business here. President, Albert H. Horton; Treasurer, W. W. Hetherington. — Guaranty Investment Co. is in business here. Capital, \$250,000. President, Albert H. Horton; Secretary and Treasurer, W. W. Hetherington.
ATWOOD.—John M. Burton is in business here. Style, Rawlins County Bank. Cashier, Frank D. Hensley.
BLAKEMAN.—Citizens' Bank is reported here. Capital, \$20,000. President, Thos. W. Cochran; Cashier, Otis L. Branson.
BUFFALO.—Demoss & Runyan are reported here. Style, Clifton Bank, Cashier, E. A. Runyan.
BURDETT.—W. I. Taggart is reported here. Style, Bank of Burdett.
BURR OAK.—Hulbert Brothers are in business here. Style, Bank of Burr Oak. Cashier, O. L. Hulbert.
CALDWELL.—Citizens' Bank; E. T. Battin, Cashier, in place of R. W. Norwood; no Assistant Cashier in place of E. T. Battin.
CANTON.—Bank of Kansas is reported here. Cashier, Geo. Schowe.

CAWKER CITY.—First National Bank; H. B. Woodbury, Vice-President, in place of H. P. Churchill; W. A. Remfry, Cashier, in place of O. F. Page; no Assistant Cashier in place of W. A. Remfry.

CHANUTE.—Neosho County Bank; succeeded by State Bank. Capital, \$25,000. President, E. B. Daniel; Vice-President, Chas. C. Daniel; Cashier, Frank M. Stoy.

CONCORDIA.—Concordia Loan & Trust Co. is an associate institution to Citizens' National Bank. Paid-up capital, \$50,000. President, James L. Lombard; Vice-President, J. W. Peterson; Secretary, W. H. Dale; Cashier, J. F. St. Clair.

CONWAY SPRINGS.—Sumner County Bank is reported here. Capital, \$35,000. President, E. H. Middlekauff; Cashier, W. E. Atchison.

COOLIDGE.—Citizens' Bank; President, A. D. Jones; Vice-President, S. H. Fields; Cashier, M. M. James.

CORONADO.—Wichita County Bank; J. C. Talmage and E. G. Hoopes are proprietors now.

ELK CITY.—Elk City Bank; President, J. Q. Berryman.

ESKNIDGE.—Farmers & Traders' Bank is reported here. President, Thos. Rush; Cashier, W. Trusler.

FOWLER.—Fowler City Bank is reported here. President, Wm. Beaty; Cashier, O. S. Hurd.

FRISCO.—Southwestern Bank (Wm. W. White); succeeded by International Bank. President, Lee Travers; Cashier, Wm. W. Radcliffe.

GARDNER.—Bigelow & Foster are in business here.

GENESEO.—Bank of Geneseo is reported here. Cashier, Thos. C. Magoffin; Assistant Cashier, A. S. Hawley. Central State Bank; capital, \$10,000. President, Geo. W. Clawson; Cashier, A. J. Hoffman.

GREENLEAF.—First National Bank; J. W. Beach, President, in place of W. W. Hetherington; A. A. Young, Vice-President, in place of F. Everest; E. Nims, Cashier, in place of J. W. Beach; no Assistant Cashier in place of E. Nims.

GREENSBURG.—Greensburg Banking & Mortgage Co.; discontinued. — Miller & Kyon; discontinued.

HORACE.—Greely County Bank is reported here.

HOWARD.—Elk County State Bank; succeeded by Howard National Bank. Capital, \$50,000. President, G. W. McKee; Vice-President, N. Momma; Cashier, A. F. Eby; Assistant Cashier, Noyes Barber.

IRVING.—State Bank has been chartered. Capital, \$50,000. President, A. C. Emmons; Vice-President, Ira E. Sabins; Cashier, Ira M. Hodges. — Bank of Irving; succeeded by State Bank. — J. Armstrong; succeeded by the Armstrong Bank. Capital, \$30,000. President, J. Armstrong; Cashier, J. R. Blaney.

JETMORE.—Hodgeman County Bank; succeeded by First National Bank. Capital, \$50,000. President, C. F. M. Niles; Cashier, J. P. Atken.

KANSAS CITY (P. O.: Wyandotte).—Fidelity Investment Co. is reported here. Capital, \$50,000. President, James D. Husted; Treasurer, Thomas H. Rowland.

KINSLEY.—Edwards County Bank; E. W. Spencer, President, in place of B. F. Tatum.

LEOTI.—Wichita County Bank; succeeded by First National Bank. Capital, \$50,000. President, G. C. Hardesty; Cashier, T. W. Pelham.

LINCOLN.—Chase State Bank; President, M. V. B. Chase; Vice-President, H. T. Bredes; Assistant Cashier, Jno. G. King.

LITTLE RIVER.—Bank of Little River; Assistant Cashier, Burton Pulliam.

MARION.—First National Bank; Wm. H. Dudley, President, in place of R. M. Crane; E. M. Donaldson, Cashier, in place of Wm. H. Dudley.

MEADE CENTRE.—Citizens' State Bank is reported here. President, Geo. C. Strong; Vice-President, W. H. Young; Cashier, C. Rogers.

MCPHERSON.—Second National Bank; Vice-President, G. W. Allison; Assistant Cashier, C. C. Heggelund. — McPherson Bank (Williams & Cottingham); succeeded by McPherson National Bank. Capital, 100,000. President, Eli P. Williams; Vice-President, John R. Wright; Cashier, W. H. Cottingham.

MUSCOTAH.—Exchange Bank is reported here. President, Geo. Storch; Cashier, W. C. McClain.

NECATUNGA.—Bank of Nescatunga; now owned by C. M. Jones.

NORTON.—First National Bank; E. V. Peterson, President, in place of A. S. Raymond; Chas. M. Sawyer, Cashier, in place of E. V. Peterson.

ONEIDA.—Frank E. Wikoff is in business here. Style, Oneida Exchange Bank.

PAOLA.—Bank of Paola; succeeded by National Bank of Paola. Capital, \$100,000. President, E. Gilmore; Vice-President, H. T. Potts; Cashier, L. C. Gilmore; Assistant Cashier, T. P. Evans.

PRATT.—Hutchinson Bros. are in business here.

RANDOLPH.—James H. Dow is in business here. Style, Exchange Bank.

RUSSELL SPRINGS.—First National Bank; Vice-President, George McKinstry.

SCANDIA.—First National Bank; Vice-President, J. W. Peterson; W. H. Laney, Cashier, in place of Wm. H. Glaskin.

SCOTT.—Johnson Bros. & Service are in business here.

SHERMAN CENTRE (P. O.: Gandy).—Barlow Bros. are in business here. Style, Kansas Banking Co. President, S. T. Barlow; Vice-President, C. H. Barlow; Cashier, J. E. Barlow.

SMITH CENTRE.—First National Bank; J. D. Mossman, Cashier, in place of W. H. Nelson.

SOULE.—Soule & Munsell are reported here. Style, Bank of Ingalls. Cashier, J. W. Guynn.

STERLING.—Rice County Bank (W. Q. Elliott & Co.); assigned.

STRONG.—Strong City National Bank; Chas. J. Lantry, Vice-President, in place of D. B. Berry.

WATERVILLE.—Commercial Bank (O. D. Hall); reported closing.

WAYLAND.—Wayland State Bank, branch of Kendall Exchange Bank, is reported here.
WEST PLAINS.—Bank of West Plains is reported here. Capital, \$18,000. President, B. B. Brown; Cashier, W. C. Gould.

WICHITA.—Western Mortgage Security Co. has been organized. Capital, \$250,000. President, Geo. L. Rouse; Vice-President, Edwin Stevens; Secretary, Geo. L. Rouse, Jr.; Treasurer, Geo. M. Boyd; Assistant Secretary, H. F. Evans.

WILBURN.—Bales & Gamble are reported here.

WILSEY.—C. M. Beachy is in business here. Style, Bank of Wilsey.

WINFIELD.—Winfield Savings Bank; S. H. Myton, President, in place of J. C. McMullen; Cashier, H. A. Brown; no Assistant Cashier, in place of James Lorton.

WYANDOTTE.—Kansas-Missouri Loan & Trust Co.; Secretary, Thomas H. Rowland.

KENTUCKY.

BOWLING GREEN.—Barclay, Potter & Co. have recently commenced business here. Managers, J. Whit Potter & J. P. Barclay.

NORTH MIDDLETOWN.—North Middletown Deposit Bank; Cashier, Jno. I. Fisher.

PRINCETON.—First National Bank; K. H. Gayle, Cashier, in place of G. E. Hamilton.

WINCHESTER.—Clark County National Bank; B. F. Curtis, Cashier, in place of M. G. Taylor, deceased.

LOUISIANA.

NEW ORLEANS.—Metropolitan Bank; Edw. Claussen, Assistant Cashier, in place of Geo. W. Young.

MAINE.

ELLSWORTH.—First National Bank has been organized. Capital, \$50,000. President, A. P. Wiswell; Cashier, Fred. L. Kent. — Chas. C. Burrill; succeeded by Burrill National Bank. Capital, \$50,000. President, Charles C. Burrill; Cashier, James E. Parsons.

PRESQUE ISLE.—Presque Isle National Bank is being organized. Capital, \$50,000. President, Charles P. Allen; Cashier, A. H. Jenks.

MARYLAND.

FREDERICK.—Frederick County National Bank; W. Irving Parsons, President, in place of John H. Williams; Assistant Cashier, George H. Zimmerman.

TOWSON.—Towson National Bank; John J. Cockey, President, should be John G. Cockey.

MASSACHUSETTS.

BEVERLY.—Beverly National Bank; A. D. Kilham, Vice-President, deceased. — Beverly Savings Bank; A. D. Kilham, Vice-President, deceased.

BOSTON.—Columbian National Bank; L. W. Burien, Cashier, in place of James M. Gordon. — National Bank of North America; W. L. Paul, Acting Cashier, during absence of Cashier. — Dakota Mortgage Loan Corporation; capital increased to \$250,000. — Western Mortgage Security Co., of Wichita, Kansas, have opened an office here. — Basset, Whitney & Co.; Richard S. Whitney admitted to Boston Stock Exchange. — Cordley, Young & Fuller; succeeded by Cordley & Co. — Perkins, Dupee & Co.; failed. — Daniel W. Wilkins; insolvent.

GREAT BARRINGTON.—Great Barrington Savings Bank; Geo. Church, President, in place of Egbert Hollister.

GREENFIELD.—First National Bank; Wm. B. Washburn, President, deceased.

HYANNIS.—First National Bank; Ferdinand G. Kelley, Vice-President, in place of Owen Barse, deceased.

NEWBURYPORT.—Mechanics' National Bank; F. O. Woods, Cashier, in place of W. E. Chase, Acting Cashier.

NORTHAMPTON.—Hampshire Savings Bank; Lewis Warner, President, in place of Luther Rodman, deceased; F. A. Macomber, Treasurer, in place of Lewis Warner.

OXFORD.—Oxford National Bank; C. B. Sherman, Cashier, in place of Eben Harrington.

MICHIGAN.

ARMADA.—Bert C. Preston is in business here.

BESSEMER.—Bessemer Bank; proprietors, Joseph Sellwood & Co. Cashier, A. D. Garner.

CASS CITY.—E. H. Pinney is in business here. Style, Exchange Bank.

GALESBURG.—Olmsted & Storms; succeeded by W. H. Keyser.

GALLEN.—Richard W. Montrose is in collection and exchange business.

GLADWIN.—M. C. Scrafford & Co. are in business here.

IRON MOUNTAIN.—Merchants & Miners' Bank; closed, owing to defalcation of Cashier.

MEOSTA.—Gilbert & Wixson (Exchange Bank); succeeded by Wixson & Carpenter.

NILES.—Citizens' National Bank; J. B. Millard, President, in place of F. M. Gray; E. F. Woodcock, Vice-President, in place of G. W. Platt.

SAULT DE STE. MARIE.—Sault Savings Bank, Loan & Trust Co. is in business here. Capital, \$35,000. President, Geo. Kemp; Treasurer, W. Chandler.

MINNESOTA.

CROOKSTON.—Scandia-American Bank has been authorized to commence business. Capital, \$50,000. President, Carl Hendrickson; Vice-President, G. M. Barber; 2d Vice-President, C. O. Christianson; Cashier, A. G. Gallasch; Assistant Cashier, Lewis Edington.

DULUTH.—Bell & Eyster's Bank; William C. Eyster, deceased.

DULUTH (West End).—Henry H. Bell & Co., branch of Bell & Eyster's Bank, have opened here. Cashier, S. A. Siverts.

LU VERNE.—First National Bank; S. W. Thompson, Vice-President, in place of E. D. Hadley; C. C. Thompson, Assistant Cashier, in place of C. C. Brown.

MADISON.—Lac-qui-parle County Bank; Lucius F. Clark, Cashier, in place of P. G. Jacobson.

MINNEAPOLIS.—Security Bank of Minnesota; T. A. Harrison, President, deceased. — Standard Bank has been authorized to commence business. Capital, \$25,000. President, John M. Oliver; Vice-President, Charles M. Hertig; Cashier, Delroy Gutchell. — C. C. Garland & Co. are in business here.

PARK RAPIDS.—Shell Prairie Bank (W. L. Winslow); style after January 1, 1888, will be Banking House of Winslow & Marshall. President, W. L. Winslow; Cashier, E. B. Marshall.

PAYNESVILLE.—Stevens & Co. are in business here. Style, Bank of Paynesville. Capital, \$25,000. President, Jas. Campbell; Cashier, C. A. Greenleaf; Assistant Cashier, Jas. Keary.

PRINCETON.—Mille Lacs County Bank has been recently opened. Capital, \$20,000. President, Charles Erickson; Vice-President, L. P. Thyberg; Cashier, Frank Hense.

ST. PAUL.—Third National Bank; to go into liquidation. — People's Bank; C. E. Rittenhouse, President, in place of Dennis Ryan; no Vice-President in place of C. E. Rittenhouse. — St. Paul Trust Co. is reported here. Capital, \$250,000. President, J. W. Bishop; Secretary, S. B. McConnell. — Graves & Vinton; incorporated under style of Graves & Vinton Company. Paid capital, \$25,000. President, Merrick E. Vinton. — H. M. Newport & Son are in business here.

WYKOFF.—Loren G. Kilborn (Exchange Bank); succeeded by Fred. Wendorf.

MISSISSIPPI.

CRYSTAL SPRINGS.—Bank of Crystal Springs is reported here. Capital, \$20,000. President, J. C. Smith; Cashier, W. G. Colmery.

MERIDIAN.—First National Bank; capital has been increased to \$130,000.

MISSOURI.

AUXVASSE.—Calloway Co. Savings Bank, of Fulton, have opened a branch here. Manager, W. C. Harris.

BOWLING GREEN.—Farmers' Bank; C. E. Porter is Cashier, not President.

FOSTER.—Farmers' Bank is reported here. Capital, \$15,000. President, W. M. Campbell; Cashier, Wm. E. Walton.

GALT.—Cook & Vencill are reported here. President, C. H. Cook; Vice-President, V. H. Vencill; Cashier, R. M. Cook.

GOWER.—Bank of Gower; proprietors, Covington & Field; Cashier, P. E. Field.

KANSAS CITY.—German-American Exchange Bank; admitted to Clearing-House. Capital increased to \$100,000. — American Trust Co. is in business here. Authorized capital, \$100,000; paid capital, \$50,000. President, Edwin L. Browne; Secretary, Juntus B. Parker.

LANCASTER.—Hays Bank is in business here. Capital, \$10,000. President, Wm. B. Hays; Cashier, Frank P. Hays.

LOWRY CITY.—Bank of Lowry City is reported here.

MARSHFIELD.—Edwin W. Salmon is in business here. Style, Bank of Marshfield. Capital, \$10,000.

NEVADA.—Vernon County Bank; succeeded by Conkling Brothers.

OSARK.—Christian County Bank; A. T. Yoachum, President, in place of James W. Robertson; Vice-President, J. H. Fullright; John C. Rogers, Cashier, in place of O. M. Nilson.

PARIS.—Paris Savings Bank is in business here. Capital, \$50,000. President; B. G. Dyess; Cashier, R. Callaway.

PERRY.—Perry Bank; Cashier, J. A. Clark; Assistant Cashier, S. C. Gill.

PILOT GROVE.—Pilot Grove Bank is in operation here. Capital, \$10,000. President, E. H. Harris, Sr.; Cashier, E. H. Harris, Jr.

RICHMOND.—Ray County Savings Bank is in business here. Capital, \$50,000. President, M. W. Crispin; Cashier, W. M. Allison.

SEDALIA.—Third National Bank; John L. Dalby, President, in place of Albert Parker; A. P. Morey, Vice-President, in place of John L. Dalby.

MONTANA.

HELENA.—Thomas Cruse Savings Bank; capital, \$100,000. President, Thomas Cruse; Vice-President, T. H. Carter; Cashier, C. L. Dahler.

NEBRASKA.

ALMA.—Bank of Alma is located here. Capital, \$40,000. President, John M. Ragan; Cashier, A. E. Shallenberger. — Meek, McCorkle, Briggs & Co. (Valley Bank) succeeded by Meek, Briggs & Co.

ANSLEY.—Bank of Ansley (Fowle, Stevenson & Co.); Cashier, Peter Fowle.

BENKELMAN.—Bank of Benkelman; John R. Clark, President, in place of Henry Chamberlin; Vice-President, W. Franklin. — Union Banking Co.; President, O. L. Allen; Vice-President, L. L. West; W. G. Thomas, Cashier, in place of O. L. Allen.

BRAINARD.—Brainard Loan & Trust Co. has been recently organized. Capital, \$20,000. President, J. T. McKnight; Vice-President & Manager, Alfred K. Smith.

BREWSTER.—First Bank is reported here. President, F. A. Dann; Cashier, A. U. Dann.

CERESCO.—State Bank is reported here. President, N. H. Meeker; Cashier, H. Leal.

CRAWFORD.—Leroy Hall is in business here. Style, Bank of Crawford. Cashier, Emma Rowland.

CRETE.—Eastern Banking Co. is in business here. Capital, \$25,000. President, O. C. Hatch; Cashier, A. W. Jones.

DANNEBROG.—International Bank, a branch of First National Bank, St. Paul, is in operation here. President, Geo. E. Lean; Assistant Cashier, Peter Jepeon.

DAVID CITY.—Central Nebraska National Bank has been authorized to commence business. Capital, \$50,000. President, William M. Bunting; Vice-President, Geo. R. Colton; Cashier, M. Gould. — David City Bank; Gene V. Dunphy, Cashier, in place of W. B. Thorpe; no Assistant Cashier in place of Gene V. Dunphy.

DONIPHAN.—Farmers & Merchants' Bank; discontinued.

DU BOIS.—State Bank is in business here. Capital, \$10,000. President, David Remick; Cashier, C. E. Wetmore.

ELBA.—Bank of Elba is in business here. Capital, \$10,000. Cashier, James Bacon.

FAIRMONT.—Mutual Savings Association is in business here. President, C. M. Clark; Treasurer, Chas. E. Walters; Secretary, F. T. Vincent.

GORDON.—Maverick Bank; Thos. M. Huntington, President, in place of T. B. Irwin.

GRANT.—Commercial State Bank; President, E. B. Woods; Vice-President, J. F. McConaughy; Cashier, C. G. Woods.

GREELEY CENTRE (P. O.: Spaulding).—Exchange Bank is reported here. Capital, \$20,000. President, Lee Love; Cashier, Emmet Love.

HAIGLER.—The Bank at Haigler; title changed to Union Banking Co. Head office, Benkelman.

HARDY.—Citizens' Bank is reported here. President, J. H. Wright; Cashier, H. W. Wright.

HARRISON.—T. N. Harding is in business here. Style, Sioux County Bank. Cashier, Chas. Atchison.

HARTINGTON.—Cedar County Bank is in business here. President, John D. Bassett; Cashier, U. K. Loose.

HEMINGFORD (P. O.: Carlyle).—Farmers & Traders' Bank is in operation here. Capital, \$10,000. President, Samuel B. Gerber; Cashier, E. A. Coates.

HOLDREGE.—First National Bank; R. T. McGrew, President, in place of A. L. Clarke; James N. Clarke, Cashier, in place of R. T. McGrew; no Assistant Cashier in place of James N. Clarke.

IMPERIAL.—Bank of Imperial is reported here. President, J. M. Stewart; Cashier, F. Thuresson.

KENESAW.—Norton & Hatch are in business here. Style, Kenesaw Exchange Bank.

LINDSAY.—Bank of Lindsay (Elias Underwood); Cashier, H. M. McLeod.

LINCOLN.—German Banking Co. is in business here. Capital, \$50,000. President, Jos. Boehmer; Cashier, J. M. Irwin. — Nebraska Savings Bank is new bank here. Capital, \$10,000. President, E. M. Lewis; Cashier, L. C. Humphrey.

LODGE POLE.—Bank of Lodge Pole; owner, I. W. Waite.

LUSHTON.—State Bank is reported here. Capital, \$10,000. President, C. F. McGrew; Vice-President, T. H. Beekman; Cashier, F. B. Clawson.

MASON CITY.—People's Bank (Job Hathaway & Co.), now J. A. Payne, President; J. F. Baldwin, Cashier; no change in title.

NIOTA.—Blue River Bank has been opened here. Capital, \$30,000. President, H. Musselman; Cashier not elected.

OGALLALA.—State Loan & Trust Co. is reported here. Capital, \$30,000. President, Henry L. Gould; Cashier, John M. Houghton.

OMAHA.—American Loan & Trust Co., of Ashland, have also opened an office here.

PENDER.—W. E. Drury is in business here. Style, Bank of Pender.

RAYMOND.—Reagan & Son are in business here. Cashier, M. E. Reagan.

RED CLOUD.—First National Bank; Vice-President, Henry Clarke.

RIVERTON.—Riverton Exchange Bank (Childs & Marshall); failed.

SPRINGFIELD.—Sarp County Bank; succeeded by Sarp County State Bank. Capital, \$11,000. President, David Dean; Vice-President, Jas. Davidson; Cashier, S. O. Salsbury; Assistant Cashier, J. Snodgrass.

STOCKVILLE.—Stockville Bank; Cashier, W. Sanford Gee.

STROMSBURGH.—Farmers & Merchants' Bank is in business here. Capital, \$25,000. President, Albert Nance; Cashier, John L. Johnson.

SUPERIOR.—Meek, McCorkle & Briggs (Bank of Superior); succeeded by Meek & Briggs.

SWANTON.—H. D. Coe is in business here. Style, Bank of Swanton.

WACO.—Farmers & Traders' Bank is in business here. Capital, \$15,000. President, George W. Post; Cashier, W. L. White.

WALLACE.—Wallace Security Bank is reported here. Capital, \$40,000. President, W. F. Smallwood; Cashier, P. L. Harper.

WAYNE.—Citizens' Bank (A. L. Tucker); now incorporated. Capital, \$75,000. President, A. L. Tucker; Cashier, D. C. Main.

WESTERN.—Geo. F. Sawyer is in business here. Style, Saline County Bank. Capital, \$24,000.

WHITNEY.—L. M. Cartwright & Co. are reported here. Style, White River Valley Bank. Capital, \$5,000.

WILCOX.—Bank of Wilcox is reported here. President, W. R. Sopp; Cashier, Henry Wilcox.

NEW HAMPSHIRE.

MILFORD.—Milford Five Cents Savings Institution; title changed to Milford Savings Bank.

WARNER.—Kearsarge National Bank is being organized. Secretary, A. P. Davis.

NEW JERSEY.

ORANGE.—Orange Savings Bank; John Gil, President, in place of Wm. Cleveland, deceased.

NEW YORK.

AYOCA.—S. D. Aulls & Co.; succeeded by Aulls, Hewlett & Co.

CANASTOTA.—State Bank; Assistant Cashier, Byron H. Clow.

CLAYTON.—Citizens' Bank (Barker, Rees & Co); succeeded by First National Bank. Capital, \$50,000. President, Alden F. Barker; Vice-President, Wm. Rees; Cashier, Horace W. Morse; Assistant Cashier, A. A. Warner.

COENING.—First National Bank; J. A. Drake, Cashier, in place of O. W. Bump; C. M. Hyde, Assistant Cashier, in place of J. A. Drake.

CORTLAND.—Cortland Savings Bank; Frederick Hyde, President, deceased.

DANVILLE.—Citizens' Bank has commenced business. Capital, \$50,000. President, George A. Sweet; Vice-President, James W. Wadsworth; Cashier, F. Fielder.

FILLMORE.—Brooks & Howden are in business here.

GREENPORT.—People's National Bank; E. O. Corwin, Cashier, in place of C. F. Norton.

HORNELLSVILLE.—Citizens' National Bank; Charles Cadogan, President, in place of Charles Hartshorn, deceased.

HUNTINGTON.—James M. Rush & Co. are in business here. Style, Bank of Huntington. Cashier, Douglass Conklin.

MASSENA.—Britton & Co. are in business here. Style, Massena Banking Co. Cashier, G. E. Britton.

MIDDLEPORT.—C. B. Taylor is in business here.

NEW YORK CITY.—Chatham National Bank; Frederick Wiebusch, Vice-President, deceased. — Fulton National Bank; Chas. H. Rollinson, Cashier, in place of Ronald Mackenzie Buchanan, deceased. — Atterbury & Davis; dissolved. — Thomas H. Burchell; admitted to Stock Exchange. — C. T. Carey; deceased. — Davis & Bailey; David D. Davis and C. H. Bailey, Jr., have formed a partnership under this style. — Robert Ganz; admitted to Stock Exchange. — Gernsheim & Co.; Otto S. Loeb admitted to Stock Exchange. — Gorham, Turner & Co.; succeeded by Charles W. Turner & Co. — Lehman Brothers; S. M. Lehman admitted to Stock Exchange. — W. S. Loeb; admitted to Stock Exchange. — W. S. Nelson & Co.; dissolved. Joseph A. Smith and J. H. Griesel, Jr., succeed. Style, Smith & Griesel. — Prince & Whitely; Jas. Whitely, Thomas H. Bolmer, H. Cruger Oakley and Maynard C. Eyre have formed a new firm under above style.

PAINTED POST.—William C. Bronson's Bank; succeeded by Bronson National Bank. Capital, \$50,000. President, W. C. Bronson; Vice-President, Abijah Weston; Cashier, Frank E. Bronson; Assistant Cashier, W. M. Edwards.

TROY.—Troy Savings Bank; Isaac W. Crissey, Treasurer, resigned. — Ogden, Calder & Co.; Assignee, Fred. P. Allen.

WATKINS.—First National Bank; John W. Love, Cashier, in place of Edgar S. Payne.

NORTH CAROLINA.

KINSTON.—S. H. Loftin is in business here. Cashier, R. C. Strong.

MURFREESBORO.—Ward & Co. are in business here. Style, Bank of Murfreesboro.

OHIO.

AKRON.—Second National Bank; J. H. Pendleton, President, in place of George D. Bates; Vice-President, F. Schumacher.

ATHENS.—Bank of Athens; Mrs. Lizzie A. Brown, Assistant Cashier, deceased.

BELLEVILLE.—Commercial Bank has been recently opened. President, R. W. Bell; Cashier, J. B. Lewis.

BELLEVUE.—Bellevue Bank; failed.

CADIZ.—J. B. & R. Lyons succeed Robert Lyons, deceased.

CAMDEN.—Camden Bank is reported here. President, S. S. Puckett; Cashier, H. L. Glenn.

CANAL DOVER.—A. Stout, Vinton & Stout (Iron Valley Bank); succeeded by Stout & Vinton.

CANAL FULTON.—Fulton Bank (J. M. Bergold); discontinued.

CHAGRIN FALLS.—Rodgers & Harper are in business here.

CINCINNATI.—Western Mortgage Security Co. have opened an office here. Manager, Geo. A. Graham.

CLEVELAND.—Broadway Savings & Loan Co. is in business here. Capital, \$50,000. President, Joseph Turney; Vice-President, C. A. Grassell; Treasurer, O. M. Stafford.

MCCONNELLSVILLE.—Citizens' Bank has been organized by E. M. Stanbery & Co. Capital, \$85,000. Cashier, C. L. Alderman.

PROSPER.—Citizens' Bank is reported here. Capital, \$14,000. President, F. C. Freeman; Cashier, Jno. N. Freeman.

TOLEDO.—First National Bank; M. Nearing, President, in place of V. H. Ketcham, deceased; Jos. M. Spencer, Cashier, in place of S. D. Carr.

WARREN.—Second National Bank; R. W. Ratliff, Cashier, deceased.

OREGON.

EUGENE CITY.—Bank of Oregon is reported here.

JOSEPH.—First Bank of Joseph has been organized. Capital, \$25,000. President, F. D. McCully; Vice-President, Thos. Roupe; Cashier, W. A. Leslie.

LAKEVIEW.—Lakeview Bank is reported here. Capital, \$25,000. President, Peter G. Chrisman; Cashier, Andrew McCallen.

PENNSYLVANIA.

EASTON.—E. H. Shawde & Co. are in business here.

KANE.—McDade, Davis & Co. are in business here. Style, Kane Bank. Cashier, E. Davis.

MILTON.—Milton Trust & Safe Deposit Co. has been recently opened. Capital, \$30,000. President, John McCleary; Cashier, Edmund Davis.

PHILADELPHIA.—Western National Bank; C. N. Weygrandt, President, in place of Joseph Patterson, deceased; John C. Garland, Cashier, in place of C. N. Weygrandt, Vice-President and Cashier; no Assistant Cashier in place of John C. Garland. — Guarantee Trust & Safe Deposit Co.; H. J. Delaney, Treasurer, in place of John S. Brown. — Union Trust Co.; James Long, President, resigned. — Philadelphia Clearing-House Association; James V. Watson, President, in place of Joseph W. Patterson, deceased.

PITTSBURGH.—Allegheny National Bank; F. C. Hutchinson, Cashier, in place of George A. Cook; W. Montgomery, Assistant Cashier, in place of F. C. Hutchinson. — Iron City National Bank; Oliver Lemon, Cashier, in place of Geo. R. Duncan.

SCRANTON.—Lackawanna Trust & Safe Deposit Co. has been organized. President, Wm. T. Smith; Vice-President, J. Benj. Dimmick; Treasurer, F. L. Phillips.

SOUTH WAVERLY.—Home Savings Bank; discontinued.

RHODE ISLAND.

PROVIDENCE.—Butchers & Drovers' Bank; Newton C. Dana, Cashier, deceased.
WOONSOCKET.—National Globe Bank; Arion Mowry, President, in place of Spencer, Mowry, deceased; no Vice-President in place of Arion Mowry.

SOUTH CAROLINA.

COLUMBIA.—Loan & Exchange Bank of South Carolina has been recently opened. President, A. C. Haskell; Cashier, Julius H. Walker.
GREENVILLE C. H.—People's Bank has been recently opened. Capital, \$75,000. President, Frank Hammond; Vice-Pres., H. P. Hammett; Cashier, J. Wilkins Norwood.
SUMTER C. H.—National Bank of Sumter; failed. — Wallace & Simonds have opened an office here.

TENNESSEE.

DRESDEN.—Weakley County Bank has just opened for business. Paid capital, \$25,000. President, C. W. Cottrell; Vice-President, W. J. Burnett; Cashier, John McGlothlin. — Bank of Henry (Branch); R. N. Irvine, Assistant Cashier, in place of John McGlothlin.
HUNTINGDON.—Trustee Jewelry & Banking Co. has been opened here. Cashier, R. F. Truslow.
LEBANON.—Bank of Lebanon is in business here. Capital, \$25,000. President, James Hamilton; Cashier, S. G. Stratton.
MEMPHIS.—Memphis City Fire & General Insurance Co.; President, W. N. Wilkerson; Cashier, Henry J. Lynn.
NASHVILLE.—Merchants' Bank is in operation here. Capital, \$150,000. President, John N. Sperry; Cashier, Jas. McLaughlin.
SOUTH PITTSBURG.—Manufacturers' Bank is reported here. — Savings Bank of South Pittsburg is also reported.

TEXAS.

BOWIE.—Bowie Collecting Agency has been established. Manager, E. W. Russey.
CALVERT.—First National Bank; S. P. McLendon, President, in place of J. S. McLendon.
DALLAS.—Dallas Loan & Mortgage Co. has been incorporated. Capital, \$50,000.
DENISON.—State National Bank; Samuel Hanna, Vice-President, resigned, and office abandoned.
EDNA.—J. W. Allen is in business here.
FLATONIA.—J. M. Harrison is in business here.
GATESVILLE.—Coryell County Bank is reported here. President, S. J. Mings; Cashier, A. R. Williams.
HEARNE.—W. T. Watt is in business here.
HUNTSVILLE.—J. E. Jones is in business here.
ORANGE.—D. Call & Son are in business here.
PLANO.—Plano National Bank; Vice-Pres., Olney Davis; Assist. Cashier, Geo. W. Jones.
SEYMOUR.—J. C. Ziegler is in business here.
TEXARKANA.—Texarkana National Bank; Vice-President, C. W. Moores. — Citizens' Bank; discontinued.
WOLF CITY.—Wolfe City Bank is reported here. Capital, \$35,000. President, H. M. McKnight; Cashier, G. W. Eastwood.

UTAH.

SALT LAKE CITY.—Union National Bank; M. J. Cheesman, Cashier, in place of B. G. Raybould; Assistant Cashier, L. H. Farnsworth.

VERMONT.

BARRE.—Granite Savings & Trust Co.; H. W. Bldgett, Treasurer, in place of C. B. Martin, resigned.
LYNDONVILLE.—Lyndon Savings Bank is located here. President, I. W. Sanborn; Treasurer, I. R. Pearl.
ORWELL.—First National Bank; C. E. Brush, Vice-President, in place of T. A. Hammond; J. S. Wilcox, Cashier, in place of C. E. Brush; no Assistant Cashier in place of J. S. Wilcox.

VIRGINIA.

DANVILLE.—Citizens' Savings Bank has been recently organized. Transacts savings business only. President, John R. Pace; Vice-President, John H. Schoolfield; Cashier, Jas. T. Catlin.
MOUNT JACKSON.—Mount Jackson National Bank; W. E. Knee, Cashier, in place of J. Fred S. Good.
NORFOLK.—Union Savings Bank is reported here. Capital, \$20,000. President, W. H. Morris; Cashier, Frank Morris.
PORTSMOUTH.—Merchants & Farmers' Bank is in operation here. Capital, \$51,000. President, John T. Griffin; Cashier, James H. Toomer.
RICHMOND.—Campbell & Schoolcraft; discontinued.
SALEM.—S. F. Simmons, President, in place of G. B. Board, deceased; T. J. Shickel, Vice-President, in place of S. F. Simmons.

WASHINGTON TERRITORY.

DAYTON.—National Bank of Dayton has been authorized to commence business. Capital, \$50,000. President, W. Breyman; Vice-President, Eugene Breyman; Cashier, J. W. Jesse.
POMEROY.—First Nat. Bank; Walter F. Burrell, President, in place of D. P. Thompson.
PUYALLUP.—Stewart & Masterson are reported here. Cashier, L. W. Ostrander.
SEATTLE.—H. H. Dearborn & Co. are in business here.
TACOMA.—National Bank of Commerce; Vice-President, J. C. Weathered.

WEST VIRGINIA.

HINTON.—Bank of Hinton is reported here. Capital, \$15,000. President, Azel Ford; Cashier, M. A. Riffe.
WHEELING.—Mutual Savings Bank; President, Howard Hazlett; Treas., Alex. Mitchell.

WISCONSIN.

BARRON.—Bank of Barron is reported here. Capital, \$20,000. President, F. J. McLean; Cashier, C. D. Coe.
CHIPPEWA FALLS.—Lumbermen's National Bank; Vice-President, E. Rutledge.
KILBOURN CITY.—W. S. Stroud is reported here.
MEDFORD.—Exchange Bank (J. H. Wheelock); assigned.
MERRILL.—G. Haywood & Son are in business here.
MERRILLON.—Merrill & Austin are in exchange business here.
NEW RICHMOND.—Manufacturers' Bank has been organized. Paid capital, \$50,000. President, John E. Glover; Vice-President, R. A. Guy; Cashier, P. C. Maxson.
WEST SUPERIOR.—Wm. B. Banks is reported here. Cap., \$25,000. Cashier, W. H. Slack.
WYOMING.
CHEYENNE.—First National Bank; no Vice-President in place of A. H. Swan. — Morton E. Post & Co.; failed.

ONTARIO.

BRACEBRIDGE.—Alfred Hunt is in business here. Style, Hunt's Bank.
BRANTFORD.—Traders' Bank of Canada have opened an agency here. Agent, George Snarth; Accountant, A. R. Baxter.
HIGHGATE.—Gillis & Reycraft are in business here.
INGERSOLL.—Traders' Bank of Canada; a branch has been opened here. Manager, C. W. M. Simpson.
MOUNT FOREST.—Ontario Bank; A. E. Ames, Manager, in place of Angus J. Macdonell.
PAISLEY.—Western Bank of Canada have opened a branch here.
PORT ARTHUR.—Ray, Street & Co. are in business here. Manager, S. W. Ray.
WATFORD.—Traders' Bank of Canada have opened an agency here. Agent, J. L. Gower; Accountant, H. M. Howard.
WYOMING.—A. Westland is in business here.
YORKVILLE.—Federal Bank of Canada has opened branch here. Mgr., Geo. Dunstan.
QUEBEC.
FRASERVILLE.—Banque Jacques-Cartier have opened a branch here. Mgr., I. F. Pellant.
HULL.—Banque Ville-Marie; a branch will be opened here shortly.
QUEBEC.—Banque du Peuple have opened a branch here.
STE. CUNEGONDE.—Banque Jacques-Cartier; Manager, G. N. Ducharme.
ST. JEROME.—Banque du Peuple have opened a branch here. Manager, J. A. Theberge.
NOVA SCOTIA.
NEW GLASGOW.—Halifax Banking Co. have an agency here. Agent, I. B. Moorman.
BRITISH COLUMBIA.
KAMLOOPS.—Bank of British Columbia has opened an agency here. Agt. H. Lea Barnes.
NANAIMO.—Bank of British Columbia have an agency here. Agent, Geo. Cruickshank.
VANCOUVER.—Bank of British North America has opened an agency here. Agent, C. E. Taylor.

NATIONAL BANK STATISTICS.—Statement of the Comptroller of the Currency on November 1, 1887, showing the amount of National Bank notes outstanding and the amount of lawful money on deposit with the Treasurer of the United States to redeem National Bank notes:

NATIONAL BANK NOTES.		
Total amount outstanding October 1, 1887		\$272,652,501
Additional circulation issued during the intervening month:		
To new banks	\$238,520	
To banks increasing circulation	1,848,280	
Total	\$1,586,800	
Surrendered and destroyed during the intervening month	2,438,027	
Decrease in total circulation during the month		851,227
Total amount outstanding* November 1, 1887		\$271,801,274
Decrease in total circulation during the preceding 12 months ..	29,432,546	
Circulation secured by United States bonds (as below):		160,215,087
Decrease during the preceding month	716,813	
Decrease during the preceding 12 months	50,495,589	
Amount of outstanding circulation represented by lawful money on deposit with the Treasurer of the United States to redeem notes of—		
Insolvent National banks	958,902	
Liquidating National banks	7,732,498	
National banks reducing circulation under Section 4 of the Act of June 20, 1874	48,756,970	
National banks retiring circulation under Section 6, Act of July 12, 1882	45,077,848	
Total lawful money on deposit		\$102,586,207
Decrease in aggregate deposit during the preceding month	134,614	
Increase in aggregate deposit during the preceding 12 months ..	21,063,043	

W. L. TRENHOLM, Comptroller of the Currency.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, November 3, 1887.

The interview of the Secretary of the Treasury last month, with the New York Bankers, at which the legal point was discussed whether under the Act of March 3, 1881, Mr. Fairchild had the authority to purchase and cancel United States bonds, in addition to those he is authorized to purchase for the sinking fund, seems to have resulted in the Secretary's concluding that he had better take the advice of the Attorney-General of the United States. Whether he did so or not does not yet appear, but there has been a very radical change in the policy of the department, in regard to surplus, since that interview. The circular of September 22d, as was remarked last month had a very beneficial effect on the money market, not only in New York, but throughout the country. But while this was the immediate effect, it was soon seen that the purchase of bonds would not have the effect of permanently quieting all apprehensions for the reason that first, it was doubtful, from the slowness with which toward the last, bonds were offered, whether ten millions of bonds could be purchased every month, and second, if purchases could be made, whether there was any law authorizing the purchase of an amount, in excess of the requirements of the sinking fund. Moreover, the purchase of bonds did not necessarily place the money paid for them in the loan market. A large portion was immediately permanently invested in real estate or other bonds. At any rate the feeling of relief soon wore off, and fears of tight money from Treasury absorption were again the order of the day. These continued to increase until a report of an alleged interview with Mr. Chauncey M. Depew, in which he was made to say that, a panic which would affect the whole country was imminent, served to cause a complete collapse in the stock market, on Friday, October 14th.

The Secretary of the Treasury about this time adopted a plan which has frequently been adverted to in the JOURNAL, viz., the enlargement of the deposits of public moneys made with the National bank depositories. He agreed to permit deposits to the extent of \$1,100,000 upon the deposit of \$1,000,000 in 4 per cent. bonds. It has been estimated that the excess of revenues over expenditures for each month averages about \$10,000,000. More than this is received monthly from the internal revenue, and legally any part or the whole of this revenue may be deposited with National banks acting as the fiscal agents of the Government. Therefore, if banks can be found willing to take these public moneys and deposit bonds to secure them on the terms offered by the Secretary, the danger of segregation in the Treasury of large amounts of the available currency of the country will be avoided. To what extent the banks will find it to their advantage to deposit bonds and take public moneys cannot yet be told, but it is plain that it is not much more profitable to take public moneys on deposit of bonds than to take out circulation on bonds, inasmuch as a reserve has to be kept on the public deposits. Whatever may be the real extent to which the banks will be willing to take the public deposits, the moral effect has been most excellent. Money has been easier ever since it was known that the Secretary was willing to make deposits on such liberal terms. When the surplus is deposited with the banks it is, of course, available for loans to the public. Leaving the funds with the banks untouched, and making all payments from the funds in the sub-treasuries, will give much confidence and stability to the money market.

FOREIGN EXCHANGE.—During the week ending October 8th, sterling exchange was dull, though rates continue firm, and a trifle higher. The

arrivals of gold were \$1,990,000. For the week ending October 15th the demand was greater, on account of foreign sales of stocks. There was an advance in rates; the gold received was \$3,300,000. The week ending October 22d the demand fell off somewhat; there was an increased supply of commercial bills. The gold arrivals aggregated \$1,980,000. For the week ending 29th there was a slight increase in demand, a smaller supply of commercial paper, and rates were higher. The gold received was \$1,590,000. The following are the latest posted and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.82½; sight, nominal, \$4.86½; 60 days, actual, \$4.81¾@4.82; sight, actual, \$4.85@4.85¼; Cable transfers, \$4.85¾@4.86; Prime commercial sterling, long, \$4.80¾@4.81; Documentary sterling, 60 days, \$4.80¼@4.80½; Paris, bankers', 60 days, 5.25@5.24¾; sight, 5.22½@5.21¾; Paris, commercial, 60 days, 5.26% @5.26¼; sight, 5.24¾@5.23¾; Antwerp, commercial, 60 days, 5.27½@5.26%; Swiss, bankers', 60 days, 5.25@5.24¾; sight, 5.22½@5.21¾; Reichsmarks (4), bankers', 60 days, 94¾@94%; sight, 95¼@95¾; Reichsmarks (4), commercial, 60 days, 94¾@94½; sight, 94¾@95; Guilders, bankers', 60 days, 39 15-16@40; sight, 40½@40 3-16; Guilders, commercial, 60 days, 39¾@39 13-16; sight, 39 15-16@40; Copenhagen, Stockholm, and Christiania, krona, 60 days, 26½@26 11-16; sight, 26¾@26 15-16. Paris dispatches quote exchange on London 25f. 32½c.

The following shows the posted rates for prime bankers' sterling bills on London, at 60 days, and sight, and prime commercial sterling, together with exchange on Paris, on September 1st, the changes in the rates as they occurred during the month, and the highest and lowest during the months of September and October:

SEPTEMBER.	BANKERS'		Cable Transfers.	Commercial.	PARIS	
	60 days.	Sight.			60 days.	Sight.
Highest.....	4.81	4.85	—	4.79½	5.26	5.24½
Lowest.....	4.80½	4.84½	—	4.78¼	5.26%	5.23¾
Oct. 1.....	4.80½	4.85	—	4.78%	5.26%	5.24½
" 7.....	4.80½	4.85	4.85½	4.79½	5.27¼	5.24½
" 10.....	4.80½	4.85	4.85½	4.79½	5.26%	5.24½
" 11.....	4.81	4.85½	4.85%	4.79%	5.26%	5.24½
" 12.....	4.81	4.8½	4.85½	4.79%	5.26	5.24½
" 13.....	4.82	4.86	4.86	4.79%	5.26	5.23¾
" 14.....	4.82	4.86½	4.86	4.80¼	5.25¼	5.23¾
" 17.....	4.82½	4.86½	4.86¼	4.80%	5.25¼	5.22¼
" 19.....	4.82	4.86	4.85¾	4.80%	5.25¼	5.22¼
" 21.....	4.82	4.86	4.85¾	4.80%	5.24%	5.22¼
" 24.....	4.82	4.86	4.85¾	4.80%	5.24%	5.22¼
" 28.....	4.82½	4.86½	4.85¾	4.80%	5.24%	5.22¼
OCTOBER.						
Highest.....	4.82½	4.86½	4.86¼	4.80%	5.24%	5.22¼
Lowest.....	4.80½	4.85	4.85¾	4.78%	5.27¼	5.24%

The Bank of England rate remains unchanged at 4 per cent.

COINS AND BULLION.—Bar silver is quoted in London at 44 15-16 per ounce. At this quotation for silver the bullion value of the standard dollar is 76.19 cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars.....	\$ 74 @ \$	Twenty marks	4 73 @ 4 80
New (412½ grains) dollars...	99% @ 1 00	Spanish doubloons.....	15 55 @ 15 70
American silver ½ & ¼s...	99% @ 1 00	Spanish 26 pesetas.....	4 75 @ 4 85
American dimes	99% @ 1 00	Mexican doubloons.....	15 55 @ 15 70
Mexican dollars	75 @ ..	Mexican 20 pesos.....	19 50 @ 19 60
Peru soles & Chilian pesos...	74 @ 75	Ten guilders.....	3 98 @ 4 00
English silver.....	4 78 @ 4 85	Com'l silver bars, per oz...	95% @ ..
Five francs.....	93 @ 95	U.S. Assay silver bars ...	96 @ 96%
Victoria sovereigns.....	\$4 83 @ \$4 88	Fine gold bars par @ ¼ % premium on the	
Twenty francs	3 84 @ 3 88	Mint value.	

HOME MONEY MARKET.—Money has been easy during the month. For the week ending October 8th, the rates on stock and bond collaterals ranged from 3 to 6 per cent., commercial paper from 6 to 7 per cent.; the week ending October 15th, the rates on collateral were from 3 to 5 per cent.; the week ending October 22d, the rates on collateral loans were from $2\frac{1}{2}$ to 5 per cent., commercial paper from 6 to $6\frac{1}{2}$ per cent., and for the week ending October 29th the rates on stock and bond collaterals were from 3 to 6 per cent., commercial paper $5\frac{1}{2}$ to $6\frac{1}{2}$ per cent.

The following are the latest rates of exchange on New York: Savannah, buying $\frac{1}{4}$; selling $\frac{1}{8}$ discount to par. Charleston, buying $\frac{1}{8}$ @3-16 discount; selling par. New Orleans commercial, \$1.25 @50c. per \$1,000 discount; bank, par. St. Louis, 50c. per \$1,000 discount. Chicago, 40 @50c. per \$1,000 discount.

NEW YORK BANKS.—The following table shows the condition of the New York Clearing-House Banks for a number of weeks past, as well as about this time in 1886 and 1885.

1887.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
Oct. 29..	\$350,196,300	\$78,816,600	\$22,612,200	\$357,866,500	\$8,117,500	\$11,982,675
Oct. 22..	351,032,800	76,822,700	21,788,000	356,969,900	8,218,800	9,363,225
Oct. 15..	351,842,700	74,559,500	21,514,500	355,255,200	8,201,700	7,260,200
Oct. 8..	348,068,700	74,974,500	20,731,800	350,371,200	8,174,100	8,201,700
Oct. 1..	344,795,400	75,144,800	20,329,800	345,826,000	8,205,100	9,017,100
Sept. 24..	346,428,800	70,521,900	20,521,900	341,935,900	8,237,000	5,816,725
Sept. 17..	347,096,100	68,931,600	20,606,200	342,860,500	8,128,600	3,818,675
Sept. 10..	347,442,900	68,120,400	21,743,900	342,837,500	8,118,200	4,154,325
Sept. 3..	344,838,900	68,579,300	22,745,100	344,447,100	8,114,800	5,212,625
1886.						
Oct. 30..	341,401,800	76,631,200	17,049,500	349,128,100	8,237,500	6,398,675
1885.						
Oct. 31..	374,360,800	97,034,200	27,516,700	384,479,200	9,992,400	28,432,000

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of October, and the highest and lowest during the month. Actual sales marked * :

O.	4½s, '91, coup.	4s, 1907, coup.	4s, 1907, Reg.	C'y 6s, 1895.	C'y 6s, 1899.	O.	4½s, '91, coup.	4s, 1907, coup.	4s, 1907, Reg.	C'y 6s, 1895.	C'y 6s, 1899.
1	108¼	124	124	121	130	17	108	126	126	121	129
2	108¼	124	124	122	130	18	108¼	126	126	121	129
3	108¼	124	124	122	130	19	108¼	126	126	121	129
4	108¼	124	124	122	130	20	108	126	126	121	129
5	108¼	124	124	122	130	21	108	126¼	126¼	121	129
6	108¼	124¼	124	121	130	22	108¼	126¼	126¼	121	129
7	108¼	*124¼	124¾	121	130	24	108¼	126 ½	126¼	121	129
8	108¼	124¼	124¼	121	129	25	108¼	126¾	126¾	121	129
10	108	*124¾	124¾	121	129	26	108¾	126¾	126¾	121	129
11	108	124¼	*124¾	121	129	27	108¾	126¾	126¾	121	129
12	108	*125¾	124¾	121	129	28	108¾	126¾	126¾	121	129
13	108	125	125	121	129	29	108¾	126¾	126¾	121	129
14	108	125¼	125¼	121	129	31	108¾	126¾	126¾	121	129
15	108	125¾	125¾	121	129	High	108¾	126¾	126¾	122	130
						Low	108	124	124	121	129

The price of fours and four-and-a-halves appears to have been advanced by the demand to secure public deposits under the recent offer of the Secretary of the Treasury.

The public debt less cash in the Treasury has decreased \$16,833,695 during the month of October, as compared with a similar decrease of \$14,247,969 during the month of September. The outstanding interest bearing debt on November 1, was \$1,041,770,742, with accrued interest amounting to

\$7,763,273. This statement includes \$64,623,512 Pacific Railroad bonds. Four per cent. bonds have diminished from \$733,654,150 on October 1, to \$732,447,550 on November 1, and four and a halves from \$231,673,350 to \$230,544,600.

The following table shows the net gold and silver held by the United States Treasury on the 1st of November and on the 1st of September and October :

	Nov. 1, 1887.	Oct. 1, 1887.	Sept. 1, 1887.
Gold coin and bullion.....	\$302,544,605	\$290,702,620	\$282,039,534
Gold certificates outstanding.....	99,684,773	97,984,683	88,765,340
Gold owned by Treasury.....	\$202,859,832	\$192,717,946	\$193,274,193
Silver dollars and bullion.....	\$218,897,528	\$217,954,668	\$218,236,868
Silver certificates outstanding.....	160,713,957	154,354,826	147,876,385
Silver owned by Treasury.....	\$58,183,571	\$63,599,842	\$70,360,483

The changes during the month are an increase in the net gold coin held of \$10,131,886 and a decrease in silver dollars and bullion of \$5,416,271. In addition the Treasury held fractional silver coin amounting to \$24,468,135.

The Treasury Statement for the 30th of September, shows that the Treasury net holdings were as follows : the holdings for the three previous months and for July 1, 1886, are also given.

U. S. Treasury Net holdings of.	July 1, 1886.	July 1, 1887.	Sept. 1, 1887.	Oct. 1, 1887.	Nov. 1, 1887.
Gold	\$156,793,749	\$186,875,669	\$193,274,193	\$192,717,946	\$202,859,832
Silver	96,229,539	73,348,425	70,360,483	63,599,842	58,183,571
U. S. notes	22,868,317	21,767,376	21,157,538	17,610,212	15,361,066
Bank notes	149,014	197,046	219,313	174,370	156,818
Fractional silver....	29,282,496	27,094,192	26,259,313	25,064,880	24,468,135
In Treasury.....	\$805,321,115	\$307,529,129	\$311,270,859	\$299,197,200	\$300,929,422
In Depository B'ks.	14,435,199	22,991,302	25,924,902	25,438,630	31,767,468
Total	\$819,756,314	\$330,520,431	\$337,194,760	\$324,635,830	\$332,696,890

Public deposits in the depository banks have increased \$6,328,838 during the month.

From the statement of the Comptroller of the Currency for November 1st it appears that the total decrease in National bank circulation during the month was \$851,227, as against a decrease of \$1,366,399 during the month of September. Of the circulation issued during the month \$238,520 was issued to new banks and \$1,348,280 to banks increasing circulation. The total amount of lawful money on deposit with the Treasurer to retire outstanding bank circulation was \$102,586,207, a decrease of \$14,614 during the month.

The following shows the amount of each description of bonds held by the Treasurer to secure National bank circulation on the dates indicated :

	Nov. 1, 1887.	Oct. 1, 1887.	Sept. 1, 1887.	Aug. 1, 1887.	Jan. 1, 1887.
Currency 6 per cents.	\$3,256,000	\$3,256,000	\$3,206,000	\$3,176,000	\$3,680,000
4½ per cents.....	69,696,100	70,030,850	69,953,550	69,022,500	59,636,200
4 per cents.....	115,731,400	116,214,250	116,202,900	115,890,950	113,903,200
3 per cents.....	*144,500	*216,000	*734,500	*1,349,350	52,218,950
Total.....	\$188,828,000	\$189,717,100	\$190,096,950	\$189,445,800	\$229,438,350

* Called.

The bonds to secure public deposits amounted to \$33,624,500, including \$425,000 currency sixes, \$9,965,500 four-and-a-halves, \$22,684,000 fours and \$550,000 called threes.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of October, the highest and lowest since January 1, 1887, and also during the year 1886:

	OCTOBER, 1887.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Atlantic & Pacific....	1.	9½	0½	15½—June 13	95½—Sept. 20	139½	7
Canadian Pacific....	53½	50¾	53¾	68¾—Jan. 13	49½—Sept. 20	73	61
Canada Southern....	55½	50½	53½	64½—May 19	49—July 30	71½	34½
Central of N. J.....	74½	71	73½	86½—Apr. 13	55½—Jan. 3	64	42½
Central Pacific....	34½	28½	31½	43½—Apr. 12	32—Sept. 20	51	38
Chesapeake & Ohio..	8	4½	5½	9½—Jan. 8	5—Sept. 29	13½	7
do 1st pref....	12	9	10	17—Jan. 13	8—Oct. 28	21½	13
do 2d pref....	10	6	6	11½—Jan. 20	5½—Oct. 11	15½	8½
Chic., Burl. & Quincy	135½	123½	128	156—May 17	123½—Oct. 17	141	128½
Chic., Mil. & St. Paul.	79½	69½	73½	95—May 18	69½—Oct. 17	99	82½
do preferred....	116½	110	111½	127½—May 17	113—Oct. 17	125½	116
Chic. & Northwest'n.	113½	104½	108½	127½—June 7	104½—Oct. 17	129½	104½
do preferred....	142½	137½	140	153½—June 7	137½—Oct. 17	144	135
Chic., Rock I. & Pac.	121	109½	112	140½—May 17	109½—Oct. 17	131	120½
Chic., St. L. & Pitts..	16	12	14½	22—Apr. 22	12½—Sept. 21	19½	9½
do preferred....	40½	35	36	52½—Apr. 22	35—Jan. 27	43½	26½
Chic., St. P., M. & O..	44½	34	38	54½—May 17	34—Oct. 17	55	35½
do preferred....	107	100	104½	118½—June 7	100—Oct. 17	116½	97
Clev., Col., Cin. & Ind	54½	47½	51	68—Apr. 11	47½—Oct. 17	75½	43½
Col. H. Val. & Toi..	24½	20½	24	39½—Jan. 11	15—Sept. 19	45	26½
Del., Lack. & West'n	130½	123½	126½	139½—June 1	123½—Oct. 17	144	115
Deny. & R. Grande a.p	26	20½	21½	32½—Apr. 14	20½—Oct. 14	35½	21½
E. Tenn., Va. & Ga..	11½	9½	10½	17—Jan. 3	9½—Oct. 17	18½	11
do 1st preferred	59	55	58½	82½—Jan. 13	52—Sept. 21	81½	67
do 2d preferred	22	18	21½	32—Jan. 3	18—Oct. 17	35½	23
Evans & Terr. Haute	90	82	85	100—Apr. 9	80—Sept. 20	91½	67½
Green B., Win. & St. P.	10½	8	8½	17—Apr. 7	7½—Sept. 21	14½	8
Illinois Central....	119	114	117	138—May 28	114—Oct. 18	143½	130
Ind., Bloom. & W'n*	15½	12	13½	27½—Apr. 1	12—Sept. 20	28½	12
Kingston & Pem....	32½	28½	29	47½—Apr. 21	28½—Oct. 17	50½	26½
Lake Shore.....	95½	89	93½	98½—June 30	89—Oct. 14	100½	70½
Long Island.....	82	87	90	99½—May 14	85—Sept. 20	100	80
Louisville & Nashv'e	61½	54½	58½	70½—Apr. 14	54½—Oct. 13	69	35½
Lou'ville, N.A. & Chic.	43	35	43	67½—June 11	30½—Sept. 20	71	32
Manhattan consol..	104½	96	100	161½—Apr. 20	93½—Aug. 31	175	120
Michigan Central....	88½	81½	88½	95½—May 19	80—Aug. 26	98½	61½
Mil., L. S. & West..	85	78½	82	94½—May 18	66½—Jan. 6	71½	22
do preferred....	107	101	103	119—May 18	98—Jan. 4	103	50½
Mineap's & St. Louis.	12½	8½	9½	20½—Apr. 2	8½—Oct. 14	23½	16½
do preferred....	27½	18½	21	48½—May 31	18½—Oct. 14	52½	40½
Mo., Kan. & Texas..	25	17½	20½	31½—Apr. 9	17½—Oct. 28	38½	21
Missouri Pacific....	94½	86½	90	112—May 19	86½—Oct. 17	119	100½
Mobile & Ohio.....	13½	9½	12	19½—Jan. 8	9½—Oct. 15	21½	11
Nash., Chat. & St. L.	75	68½	73½	88½—Jan. 3	68½—Oct. 14	105½	48½
N. Y. Cent. & H. R..	107½	101½	107	114½—May 19	101½—Oct. 14	117½	4½
N. Y., Chic. & St. Louis†	18	14½	15½	20½—May 16	14—Sept. 20	17½	11
do preferred....	32	26½	30	37½—May 18	26½—Sept. 21	31	11
N. Y., Lake E. & Watn	29½	24½	28½	35½—Apr. 12	24½—Oct. 14	38½	22½
do preferred....	67	59	62½	78—May 23	59—Oct. 13	81½	50½
N. Y. & New Eng....	41	34½	40½	66—Mar. 29	34½—Oct. 14	68½	30½
N. Y., Ont. & West'n.	17½	14½	16½	20½—Jan. 3	14½—Oct. 13	22½	15
N. Y., Susq. & Westn	9½	8½	8½	14—Feb. 14	7½—Sept. 20	12½	6
do preferred....	28½	25	27½	38½—Feb. 14	24½—Sept. 21	33½	17½
Norfolk & Western..	16	13	15	23½—Jan. 3	13—Oct. 17	27½	8½
do preferred....	42½	34½	39½	55½—May 16	34½—Oct. 15	59½	25
Northern Pacific....	24½	20	21	34½—July 18	20—Oct. 12	31½	22
do preferred....	51	41½	44½	63½—May 19	41½—Oct. 18	60½	53½
Ohio & Mississipp..	26	21	24½	32½—Apr. 4	21—Oct. 17	35½	19½
Oregon & Transc....	22½	16	17½	35½—Apr. 7	16—Oct. 13	38	25
Peoria, Dec. & Evans.	22½	19	20½	39½—May 25	17½—Sept. 21	34	18
Phila. & Reading....	63½	59	63½	65—Sept. 6	34—Feb. 1	57½	18½
Richm'd & W. Point.	27	20½	23½	53—Jan. 17	20½—Sept. 21	71½	27½
Rome, Wat'n & Og'bg	85	75	80	95—Jan. 17	75—Oct. 18	97	25
St. L. & San F.....	38	32	34½	44½—May 26	30—Jan. 27	34½	17
do preferred....	77	67	69½	84½—May 26	61½—Feb. 2	72½	37½
do 1st pref....	115	107	112	120—June 2	107—Oct. 13	118½	97
St. Paul & Duluth..	67	55	60	95—June 20	55—Oct. 14	67	37
do preferred....	105	100	104	114½—May 23	99—Aug. 2	114	99½
St. Paul, Minn. & Man	108½	94½	103½	120½—May 27	94½—Oct. 17	124½	106½
Texas & Pacific....	29½	21½	24½	35½—May 23	20—Feb. 8	25	7½
Union Pacific.....	54	44	47½	63½—May 18	44—Oct. 17	68½	44½
Wabash, St. L. & Pac.	19	14	17½	23½—May 6	13½—Feb. 1	24½	12
do preferred....	39½	27½	30	38½—May 18	23½—Feb. 1	41½	23½
Col. Coal & Iron Co.	37	31	32½	53½—May 19	30—Sept. 20	58½	38½
Del. & Hudson Canal	100½	96½	100½	105½—Apr. 18	96½—Sept. 21	108½	88½
Oregon R. & Nav. Co.	92	79½	87	105½—May 19	79½—Oct. 13	109½	93
Pacific Mail.....	40½	32½	36½	58½—Apr. 7	32½—Sept. 21	67	45½
Western Union Tel..	79½	73	78½	79½—Sept. 9	67½—June 24	80½	60½

* First assessment paid. † Assented. ‡ Com. Repts. † Second assessment paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange.

The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		NOV. 1, 1887.	
				High.	Low.	Bid.	Asked
Alabama Class A 3 to 5.....	1906	6,728,800	J & J	108	97	106	107
do do small.....				105	97	106	
do Class B 5's.....	1906	539,000	J & J	110	105	106	
do Class C 4's.....	1906	959,000	J & J	103½	95	100	104
do 6's, 10-20.....	1900	960,000	J & J	107½	104	*102	107
Arkansas 6's, funded.....	1899, 1900	3,000,000	J & J	11½	5	9	
do 7's, Little Rock & Fort Smith...		1,000,000	A & O	23	12	20	26
do 7's, Memphis & Little Rock....		1,200,000	A & O	27	13	*20	25
do 7's, L. R., Pine Bluff & N. O....		1,200,000	A & O	27½	12½	*20	27
do 7's, Miss., Ouachita & Red River		600,000	A & O	20½	12	*20	27
do 7's, Arkansas Central R. R.....		1,350,000	A & O	8	9		
Georgia 7's, gold bonds.....	1890	2,000,000	Q J	114	108½	103	
Louisiana 7's, consolidated.....	1914		J & J	94	84	*100	
do 7's, do stamped 4's.....		12,039,000		89½	87		90½
do 7's, do small bonds.....				78	67	87	
Michigan 7's.....	1890	231,000	M & N	112	108	108	
Missouri 6's.....	1887	3,242,000	J & J	104½	102	101	115
do 6's.....	1888	3,251,000	J & J	106½	103½	101	
do 6's, 1889 or 1890.....		1,105,000	J & J	110	107	101	
do Asylum or University.....	1892	401,000	J & J	113	110	109	
do Funding bonds.....	1894, 1895	1,000,000	J & J	119	115	110	
do Hannibal & St. Joseph.....	1887	1,000,000	J & J	104	101	*118	
New York 6's, gold, registered.....	1887	942,000	J & J	104	102	101½	
do 6's, coupon.....	1887	643,200	J & J	104	102	101½	
do 6's, loan.....	1891	4,302,200	J & J	113	110	*112	
do 6's, loan.....	1892	2,000,000	A & O	120	112	112	
do 6's, loan.....	1893	473,000	A & O	122	115	115	
North Carolina 6's, old.....	1886-98	4,738,000	J & J	90½	30	35	
do do April & October.....		3,639,400		90½	30	35	
do to N. C. R. R.....	1883-4-5		J & J	175	165	*170	
do do 7's, coupon off.....				175	165	*140	
do do April & October.....		3,000,000	J & J	145	135	*170	
do do 7's, coupon off.....				145	135	*140	
do Funding Act.....	1896-1900	2,417,000	J & J	13½	10	*10	
do do 1893-1898.....		1,721,400	A & O	13½	10	*10	
do new bonds, J. & J.....	1892-1898	2,883,000	J & J	23	20	15	
do do April & October.....		495,000		23	20	15	
do Chatham Railroad.....		1,300,000	A & O	15	5	10	
do special tax, Class 1.....			A & O	14½	8	12	
do do Class 2.....			A & O	10½	10	12	
do do to W'n N. C. R.....			A & O			12	
do do to West'n R. R.....			A & O			12	
do do to W'il., C. & R'n R. R.....			A & O			12	
do do to W'n & Tar R. R.....			A & O			12	
do trust certificates.....						10	13
do consolidated 4's.....	1910	3,620,511	J & J	100½	88½	95	99
do do small bonds.....			J & J	98	87	*97	
do do 6's.....	1899	2,593,000	A & O	129	115	*124	120½
Rhode Island 6's, coupon.....	1893-4	1,372,000	J & J	124	118	115	
South Carolina 6's, Act March 23, 1869, non-fundable.....	1888, 1	5,965,000		7¾	5	5½	6½
South Carolina, Brown consolid'n 6's.....	1893	4,280,000	J & J	110½	104	108	110
Tennessee 6's, old.....	1890-2-8			65½	53	58	62
do 6's, new bonds.....	1892-8-1900	4,397,000		65½	53	58	62
do 6's, new series.....	1914			65½	53	58	62
do compromise 3-4-5-6's.....	1912	2,014,000	J & J	75½	62	67	
do new settlement 6's.....	1913	827,000	J & J	109	103	102	106
do do small bonds.....		49,400	J & J			100	
do do 5's.....	1913	347,000	J & J	102	100	100	101
do do small bonds.....		10,300	J & J				
do do 3's.....	1913	10,743,000	J & J	80	71½	70	70½
do do small bonds.....		350,800	J & J			67	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

A * indicates no quotation for past month, the last previous quotation being given.
 † A part of this reserved to cover previous issues, etc. † Amount authorized.

STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		NOV. 1, 1887.	
				High.	Low.	Bid.	Ask d
Virginia 6's, old.....		9,427,000		47	42	48	.....
do 6's, new bonds.....1866		700,000		47	42	48	.....
do 6's, do.....1867		466,000		49	42	48	.....
do 6's, consolidated bonds.....		20,239,000		100	80	90	.....
do 6's, ex-matured coupons.....				60	50	45	.....
do 6's, consolidated, 2d series.....		2,442,784		69	60	60	.....
do 6's, deferred bonds.....		12,691,531		13¾	9	8	10
do Trust receipts.....				13¾	9	8½	10
District of Columbia 3-6's.....1924			F & A	120	116	117	119
do small bonds.....		14,033,600	F & A			116	118½
do registered.....			F & A			116½	119
do funding 5's.....1899			J & J	112½	110	*106	.....
do do small.....		943,400	J & J				.....
do do regist'd.....			J & J				.....
FOR GOV. SECURITIES.—Quebec 5's.....1908		3,000,000	M & N			107	.....

CITY AND COUNTY.

Brooklyn 6's.....			J & J			*110	.....
do 6's, Water Loan.....		9,706,000	J & J			*125	.....
do 6's, Improvement Stock.....		730,000	J & J			*125	.....
do 7's, do.....		6,084,000	J & J			*140	.....
do 6's, Public Park Loan.....		1,217,000	J & J			*125	.....
do 7's, do.....		8,016,000	J & J			*163	.....
Jersey City 6's, Water Loan.....		1,163,000	J & J			*106	.....
do 7's, do.....		3,109,800	J & J			*110	.....
do 7's, Improvement.....		3,669,000	J & J			*147	.....
Kings County 6's.....							
New York City 6's, 20, 50.....1877						*128	.....
do 6's.....1878						*130	.....
do 6's.....1887		3,066,000	F.M.A.N			*101	.....
do gold 6's, consolidated.....1896			M & N			*121	.....
do do 6's.....1902		14,702,000	J & J			*136	.....
do do 6's, Dock bonds.....		3,976,000				*110	.....
do do 6's, County bonds.....						*120	.....
do do 6's, C's, Park.....1894-6		10,343,000	J & D			*118	.....
do 6's.....1896						*120	.....
do 5's.....1898		674,000	Q J			*115	.....

MISCELLANEOUS.

	PAR.						
American Telegraph & Cable Co.....100	14,000,000						
Bankers & Merchants' Telegraph.....100	3,000,000		3½	2½	*2½		
Boston Land Co.....10	800,000						
Canton Co., Baltimore.....100	4,500,000		65	53			
Chartiers Valley Gas Co.....100	3,000,000						
Cent. New Jersey Land Improvement.....100	2,200,000				*24	28	
Consolidated Gas Co.....100	35,430,000		111	74½	73½	74½	
Delaware & Hudson Canal.....100	24,500,000	Q M	108½	87½	100½	100½	
Equitable Gas Light Co.....100	3,000,000				115	125	
Iron Steamboat Company.....100	2,000,000				*28		
Manhattan Beach Company.....100	5,000,000				10	12	
Philadelphia Company.....50	7,500,000	Mthy			94	96	
Pullman's Palace Car Co.....100	15,927,200	Q F	147½	128	147½	149	
Southern & Atlantic Telegraph.....25	948,875	A & O			*142		
Sutro Tunnel Co.....10	20,000,000						
Western Union Telegraph.....100	81,200,000	Q F	80½	60½	77½	77½	
North-Western Telegraph.....50	2,500,000						
Central & So. American Telegraph.....100	4,006,600	Q J			*72½	72½	
Commercial Telegram Co.....100	1,800,000				*35		
do do preferred.....100	200,000		105	103½	*102	103	
Mexican Telegraph Co.....100	1,500,000	Q J	122½	110	*135	160	
Joliet Steel Co.....100	2,666,000		131	105	*110	125	

GOVERNMENT SECURITIES.

United States 4½ registered.....1891	234,673,350	M.J.S.&L	114	109½	108¾	109¼
do 4½ coupons.....1891		M.J.S.&L			108¾	109¼
do 4's registered.....1907		J.A.J.&O			126¾	127¼
do 4's coupons.....1907	733,654,150	J.A.J.&O	129½	123	126¾	127¼
do 6's, currency.....1895	3,002,000	J & J			121	
do 6's, do.....1896	8,000,000	J & J			123	
do 6's, do.....1897	9,712,000	J & J			125	
do 6's, do.....1898	29,904,952	J & J	136½	133	127	
do 6's, do.....1899	14,004,560	J & J			129	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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 ‡ A part of this reserved to cover previous issues, etc. † Amount authorized.

RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		NOV. 1, 1887.	
				High.	Low.	Bid.	Ask d
Albany & Susquehanna.....	100	3,500,000	J & J	148	136	140	150
Atchison, Topeka & Santa Fe.....	100	68,000,000	Q F	99 $\frac{3}{4}$	84 $\frac{3}{4}$	94 $\frac{1}{2}$	94 $\frac{1}{2}$
Atlantic & Pacific.....	100	25,000,000		13 $\frac{1}{2}$	7	9 $\frac{1}{2}$	11
Beech Creek.....	50	8,700,000				23 $\frac{1}{2}$	23 $\frac{1}{2}$
do preferred.....	50	1,300,000				80	85
Burlington, Cedar Rapids & Northern.....	100	5,500,000		75	45	30	50
Buffalo, Rochester & Pittsburgh.....	100	6,000,000		35 $\frac{1}{2}$	22 $\frac{1}{2}$	45	
do do preferred.....	100	8,000,000				100	110
Canada Southern.....	100	15,000,000	F & A	71 $\frac{1}{2}$	34 $\frac{1}{2}$	53	53 $\frac{1}{2}$
Canadian Pacific.....	100	65,000,000	F & A	73	61	53 $\frac{1}{2}$	54
Central of New Jersey.....	100	18,543,200	Q	64	42 $\frac{1}{2}$	73	74
Central Iowa.....	100	9,100,000		22 $\frac{1}{2}$	12	2 $\frac{1}{2}$	6
do 1st preferred.....	100	907,000				*17	
do 2d preferred.....	100	1,167,800				*10	11
Central Pacific.....	100	68,000,000	F & A	51	38	30 $\frac{1}{2}$	31
Charlotte, Columbia & Augusta.....	100	2,578,000		50	30		
Chesapeake & Ohio.....	100	15,906,138		13 $\frac{1}{2}$	7	8 $\frac{1}{2}$	9 $\frac{1}{2}$
do do 1st preferred.....	100	8,447,800		21 $\frac{1}{2}$	13	6 $\frac{1}{2}$	5 $\frac{1}{2}$
do do 2d preferred.....	100	11,594,000		15 $\frac{1}{2}$	8 $\frac{1}{2}$	5	
Chicago & Alton.....	100	14,081,000	Q M	146	138	132	140
do do preferred.....	100	3,479,500	Q M	162	150	160	170
Chicago & Northwestern.....	100	41,373,000	Q & D	120 $\frac{1}{2}$	104 $\frac{1}{2}$	106 $\frac{1}{2}$	107 $\frac{1}{2}$
do do preferred.....	100	22,325,200	Q M	144	135	139	140 $\frac{1}{2}$
Chic., St. Paul, Minneapolis & Omaha.....	100	21,403,233		55	35 $\frac{1}{2}$	37	37 $\frac{1}{2}$
do do preferred.....	100	12,616,833	J & J	118 $\frac{1}{2}$	97	103 $\frac{1}{2}$	103 $\frac{1}{2}$
Chicago, Rock Island & Pacific.....	100	746,156,000	Q F	131	120 $\frac{1}{2}$	111	112
Chicago, Burlington & Quincy.....	100	76,385,300	Q M	141	128 $\frac{1}{2}$	127	127 $\frac{1}{2}$
Chicago, Milwaukee & St. Paul.....	100	30,680,361	A & O	99	82 $\frac{1}{2}$	71 $\frac{1}{2}$	71 $\frac{1}{2}$
do do do preferred.....	100	21,555,900	A & O	125 $\frac{1}{2}$	116	110 $\frac{1}{2}$	113 $\frac{1}{2}$
Chicago & Eastern Illinois.....	100	3,000,000				109	
Chicago, St. Louis & Pittsburgh.....	100	10,000,000		19 $\frac{1}{2}$	9 $\frac{1}{2}$	13 $\frac{1}{2}$	15
do do do preferred.....	100	20,000,000		43 $\frac{1}{2}$	26 $\frac{1}{2}$	35	37 $\frac{1}{2}$
Chicago & Indiana Coal Railway Co.....	100	2,197,800				30	40
do do do preferred.....	100	1,465,200				65	
Cin., New Orleans & Texas Pacific.....	100	3,000,000					
Cincinnati, Ind. & St. Louis & Chicago.....	100	10,000,000				70	74
Cincinnati, Jackson & Mackinac.....	100	8,320,000					
do do preferred.....	100	4,680,000					
Cleveland & Pittsburgh guaranteed.....	50	11,243,736	Q M	153	146 $\frac{1}{2}$	151	
Cleve., Columbus, Cin. & Indianapolis.....	100	14,891,800	F & A	75 $\frac{1}{2}$	43 $\frac{1}{2}$	50	51 $\frac{1}{2}$
Columbia & Greenville.....	100	1,000,000				15	25
do do preferred.....	100	1,000,000		60	42	15	20
Columbus, Hooking Valley & Toledo.....	100	11,704,000		45 $\frac{1}{2}$	28 $\frac{1}{2}$	22 $\frac{1}{2}$	24
Delaware, Lackawanna & Western.....	50	24,200,000	Q J	144	115	126 $\frac{1}{2}$	126 $\frac{1}{2}$
do do do 1st preferred.....	50	15,000,000	J & J	144	132 $\frac{1}{2}$	*139	140
do do do 2d preferred.....	50	10,000,000	Q J	109	100 $\frac{1}{2}$	*105 $\frac{1}{2}$	107
do N.Y., Lackawanna & Western.....	100	5,000,000		101	60 $\frac{1}{2}$	75	
Dubuque & Sioux City.....	100	38,000,000	A & O	101	21 $\frac{1}{2}$	22	
Denver & Rio Grande.....	100	23,650,000		35 $\frac{1}{2}$	6 $\frac{1}{2}$	54	57
do do preferred.....	100	7,500,000				12 $\frac{1}{2}$	16
Denver & Rio Grande Western.....	100	7,500,000					
Denver, South Park & Pacific.....	100	3,283,100				7	10 $\frac{1}{2}$
Des Moines & Fort Dodge.....	100	4,793,000					26
do do preferred.....	100	1,970,200					
Detroit, Mackinac & Marquette.....	100	27,500,000					
Det. Bay Cit. & Alp. R. R.....	100	11,000,000		18 $\frac{1}{2}$	11	30	10 $\frac{1}{2}$
East Tennessee, Virginia & Georgia.....	100	18,500,000		8 $\frac{1}{2}$	67	57	58 $\frac{1}{2}$
do do do 1st preferred.....	100	15,000,000		33 $\frac{1}{2}$	24	21	21 $\frac{1}{2}$
do do do 2d preferred.....	100	5,000,000			15	7	20
Elizabethht'n. Lexington & Big Sandy.....	100	3,000,000		91 $\frac{1}{2}$	67 $\frac{1}{2}$	84	86
Evansville & Terre Haute.....	50	6,500,000				*14	
Flint & Pere Marquette preferred.....	100	8,000,000				8 $\frac{1}{2}$	9 $\frac{1}{2}$
Green Bay, Winona & St. Paul.....	100	2,000,000		14 $\frac{1}{2}$	8	14	24
do do preferred.....	100	8,518,100	J & J	240	213 $\frac{1}{2}$	230	
Harlem.....	50	1,281,500	J & J				
do preferred.....	50	10,000,000		44 $\frac{1}{2}$	25	20	30
Houston & Texas Central.....	100	30,000,000	M & S	143 $\frac{1}{2}$	130	116 $\frac{1}{2}$	117 $\frac{1}{2}$
Illinois Central.....	100	10,000,000	J & J	100 $\frac{1}{2}$	93	94	95
do leased line 4 per cent. stock.....	100			28 $\frac{1}{2}$	12	*17 $\frac{1}{2}$	19
Indiana, Bloomington & Western.....	100					*23	24
do assented, first instalment paid.....		10,000,000				13	14
do assented, full assessment paid.....							
Joliet & Chicago.....	100	1,500,000	Q J	160 $\frac{1}{2}$	150	147	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886		NOV. 1, 1887.	
				High.	Low.	Bid.	Askd
Kentucky Central.....	100	5,500,000					
Keokuk & Western.....	100	4,000,000				30	40
Kingston & Pembroke.....	50	4,500,000				20	
Lake Erie & Western.....	100	11,840,000				15	15½
do do preferred.....	100	11,840,000				43¾	44½
Lake Shore & Michigan Southern.....	100	49,466,500	F & A	100%	78½	92¾	92¾
Long Island.....	50	10,000,000	Q F	100	80	88½	90
Louisville & Nashville.....	100	30,000,000	F & A	69	33½	57½	57½
Louisville, New Albany & Chicago.....	100	5,000,000		71	32	36	43
Marquette, Houghton & Ontario.....	100	2,378,600				10	19
do preferred.....	100	3,278,500				*85	90
Mexican Central (limited).....	100	35,000,000				13	13½
Milwaukee, Lake Shore & Western.....	100	2,000,000		71½	22	81½	82½
do do preferred.....	100	5,000,000		103	50½	100	103½
Milwaukee & Northern.....	100	4,131,000		42½	40	*105	108
Michigan Central.....	100	18,738,204		98¾	61½	*86	90
Missouri Pacific.....	100	45,000,000	Q J	119	100¾	87¾	88
Missouri, Kansas & Texas.....	100	46,405,000		98¼	21	18½	18½
Mobile & Ohio assented.....	100	5,320,000		21½	11	10	12
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100				120	
Minneapolis & St. Louis.....	100	6,000,000		23½	16½	9	10
do do preferred.....	100	4,000,000		52½	40	19	20
Manhattan consolidated.....	100	23,895,630	Q	175	120	100¼	103
Minn., S. S. Marie & Atlantic.....	100	2,426,000					
do do preferred.....	100	2,426,000					
New York Central & Hudson River.....	100	89,428,300	Q J	117½	98¾	106¼	106¼
New York, New Haven & Hartford.....	100	15,500,000	Q & J	223	204¼	200	
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000		102	96	98	100
New York, Lake Erie & Western.....	100	78,000,000		38¾	22½	26½	27
do do preferred.....	100	8,536,900	Q	81½	50½	60	64
New York, Ontario & Western.....	100	58,113,982		22½	15	15½	16½
New York & New England.....	100	20,000,000		68½	30½	39¼	39½
New Jersey & New York.....	100	1,500,000				3	6
do preferred.....	100	800,000				4½	6½
New York, Chicago & St. Louis.....	100	28,000,000		17½	4½	15½	16½
do do assented.....	100	22,000,000		31	11	27½	30
do do preferred.....	100	13,000,000				8½	8¾
New York, Susquehanna & Western.....	100	8,000,000		33½	17½	27¼	28
do do preferred.....	100	49,000,000		31½	22	20¼	21
Northern Pacific.....	100	37,936,778		66½	53½	49½	49½
Nashville, Chattanooga & St. Louis.....	25	6,638,375		105½	43¾	72	74
Norfolk & Western.....	100	7,000,000		27½	8	14	15
do preferred.....	100	22,000,000		59¾	25	38½	39½
Norfolk Southern.....	100	1,000,000					
Ohio & Mississippi.....	100	20,000,000		35½	19½	24	24½
do preferred.....	100	4,030,000		91	79	*51¼	51¾
Ohio Southern.....	100	3,840,000		22¼	13½	11½	13
Omaha & St. Louis preferred.....	100	2,220,500				*30½	31½
Oregon & California.....	100	7,000,000					
do preferred.....	100	12,000,000					
Oregon & Trans-Continental.....	100	40,000,000		38	25	17½	17½
Oregon Short Line.....	100	15,295,000		38	19¾	14½	17
Oregon Improvement Co.....	100	7,000,000		51	16	38	39
Oregon Railway & Navigation Co.....	100	24,000,000	Q J	100%	93	86	87
Philadelphia & Reading 1st assm't paid.....							
do 2d do.....							
do 3d do.....							
do All do.....						62½	62½
do preferred, 1st do.....							
do do 2d do.....							
do do 3d do.....							
do All dd.....							
Pittsburgh, Ft. Wayne & Chic. guar'd.....	100	19,714,285	Q J	150	141	148½	
do do special.....	100	10,778,600		140	132½		
Pitts. McK'sport & Youghiogheny con.....	100	3,000,000				*105	
Peoria, Decatur & Evansville.....	100	8,400,000		34¾	16	19¾	20¼
Richmond & Allegheny reorganiz'n cert.....		5,000,000		15¼	2	1	3
do stamped assessment paid.....						6	9½
Richmond & Danville.....	100	5,000,000	Q F	200	75	*150	
Richmond & West Point R. & W. Co.....	100	40,000,000		77½	27¼	23¼	23¾

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RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886. NOV. 1, 1887.			
				High.	Low.	Bid.	Askd
do do preferred	100	5,000,000	J & J			52½	53½
Rome, Watertown & Ogdensburgh	100	5,293,900		96	25	76	84
Utica & Black River guaranteed	100	2,223,000		125	117½	*117	
South Carolina	100	4,204,180		24	10½	*5	11
Southern Pacific	100	88,078,200		41½	30½	*30	
St. Louis, Alton & Terre Haute	100	2,300,000		46	27	32	36
do do pfd	100	2,489,400	May	95	80	*70	80
Belleville & Southern Illinois prof.	100	1,275,000	M & N			*75	
St. Louis & San Francisco	100	11,954,300		86½	17	33	34½
do do preferred	100	10,000,000		73½	37½	68	69
do do 1st preferred	100	4,500,000	F & A	18½	97	*110	113
St. Louis, Arkansas & Texas	100	9,555,000					
St. Paul & Duluth	100	4,055,400		67	37	60	63
do preferred	100	5,377,008	J & J	114	99½	102	104
St. Joseph & Grand Island	100	4,500,000		37	25	*2½	
St. Paul, Minneapolis & Manitoba	100	20,000,000	Q F	124½	106½	103	104
Tex. & P. Trust C't's, all assm'ts paid	100	32,188,700		28½	17½	23	23½
Toledo & Ohio Central	100	1,592,000		38½	26	20	30
do do preferred	100	3,108,000		33½	46½	40	50
United New Jersey R. & Canal Co.'s	100	21,240,400					213
Union Pacific	100	60,868,500	Q J	68½	44½	45½	46
Utah Central	100	4,250,000		18	11	*26	
Virginia Midland	100	6,000,000		51½	15	30	40
Wabash, St. Louis & Pacific	100		Q	13	6	*46½	
do do full-paid p. c. cert.	100	23,419,500		24½	12	15½	16½
do do preferred	100	24,223,200		27	14		
do do full-paid p. c. cert.	100			41½	23½	29½	30½
Wheeling & Lake Erie Railway	100	3,600,000				41½	42½

RAILROAD BONDS.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Achison, Topeka & Santa Fe 4½'s	1820	4,687,000	A & O				
do do sinking fund 6's	1911	12,348,000	J & D				*115½
Atlantic & Pacific guar'd 1st gold 4's	1837	17,610,000	J & J			81½	83
Beech Creek 1st gold 4's	1836	5,000,000	J & J			77	80
Balt. & Ohio 1st 6's (Parkersb'g br'ch)	1919	3,000,000	A & O	128½	120	117	123
do 5's, gold	1885-1925	10,000,000	F & A	114	106½	102	106
do do registered			F & A	113½	109½		*112
Boston, Hoosac Tunnel & W'n deb. 5's	1913	2,000,000	M & S	93½	92½	91	96
Brooklyn Elevated 1st gold 6's	1924	3,500,000	A & O				105
do do 2d mortgage 3-5's	1915	1,250,000	J & J				83
Bur., Cedar Rapids & Northern 1st 5's	1906	6,500,000	J & D	111	106	*106½	108½
do con. 1st & col. tr. 5's	1884	5,000,000	A & O	110	98		99
do do registered			A & O				*100
Minneapolis & St. L. 1st 7's, gold	1927	150,000	J & D	189	128	120	
Iowa City & Western 1st 7's	1909	456,000	M & S	114½	109½	*109	
Cedar Rapids, Iowa Falls & N. 1st 6's	1920	825,000	A & O	111	110½	105	
do do 1st 5's	1921	1,905,000	A & O	106½	100	90	98
Buffalo, N. Y. & Phila. con. 1st 6's	1921	11,000,000	J & J	51	37		*57½
do do trust certificates						30	50
do do general 6's	1924	3,700,000	M & S				*45
do do trust certificates						35	50
Canada Southern 1st int. gold 5's	1908	14,000,000	J & J	108½	103½	104	104½
do 2d mortgage 5's	1913	6,000,000	M & S	95	84	*90½	89½
do do registered			M & S			90	91
Central Iowa 1st mortgage 7's	1899	3,700,000	J & J 15			*112	
do do coupons off.				111	84	*82	90
do (Eastern division) 1st 6's	1912	1,515,000	A & O	75	66		75
do (Illinois division) 1st 6's	1912	1,520,000	A & O	70	66	*70½	
Cent. R. & Bkg. Co. Ga. col. g. 5's	1937	5,000,000	M & N			100½	101½
Chesapeake & Ohio pur. money fund	1898	2,300,000	J & J	117	111½	112	115
do 6's, gold, Series A	1908	2,000,000	A & O	114	103½		98
do 6's, gold, Series B	1908		M & N				*106
do do coupons off			M & N	88	60	65	
do small bonds	1908		M & N			*74	75
do do coupons off		15,000,000	M & N			65	
do extension coupon 4's	1866		M & N			65	
do do reg'd 4's	1908		M & N				*69
do 6's, currency	1918		J & J	41½	25	13	20
do small bonds	1918		J & J			15	15
do mortgage 6's	1911	2,000,000	A & O	103	94½	*93½	90½
Ches., Ohio & S.-W. mortgage 5-6's	1911	6,676,000	F & A	104	85½	*100	101
do do 2d mortgage 6's	1911	2,495,000	F & A			*85	

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				High.	Low.	Bid.	Askd
Chicago & Alton 1st mortgage 7's... 1883		2,383,000	J & J	121½	117	118	114½
do sinking fund 6's... 1903		2,655,000	M & N	125	121	123	.....
Louisiana & Missouri River 1st 7's... 1900		1,785,000	F & A	124	120	118½	119
do do 2d 7's... 1900		300,000	M & N	118½	116	117½	.....
St. Louis, Jacksonville & Chic. 1st 7's... 1894		2,365,000	A & O	122	118½	112	.....
do 1st guarantee (564) 7's... 1894		564,000	A & O	.....	.....	113	.....
do 2d mortgage (360) 7's... 1898		44,000	J & J	.....	.....	114	.....
do 2d guarantee (188) 7's... 1898		188,000	J & J	.....	.....	114	.....
Mississippi River Bridge 1st s. f'd 6's... 1912		660,000	A & O	107	105	108½	.....
Chicago, Burling'n & Quincy cons. 7's... 1903		‡30,000,000	J & J	138	132½	130	131
do 5's, sinking fund... 1901		2,500,000	A & O	.....	.....	110	.....
do 5's, debentures... 1913		9,000,000	M & N	110½	105	104½	105
do (Iowa div.) sinking f'd 5's... 1919		3,000,000	A & O	113½	112½	111½	.....
do do do 4's... 1919		10,591,000	A & O	103	98½	86	87
do Denver division 4's... 1922		7,968,000	F & A	101½	97½	92	93
do do 4's... 1921		4,300,000	M & N	.....	92½	90	*96
do Neb. Extension 4's... 1927		11,600,000	M & N	.....	.....	90	.....
do do Registered... 1927		400,000	M & N	101½	.....	.....	.....
Chic. Burlington & Northern 1st 5's... 1926		9,000,000	A & O	104½	102½	102½	.....
do do debentures 6's... 1896		2,250,000	J & D	.....	.....	*131½	.....
Chic., Rock Island & Pacific 6's, coup. 1917		‡12,500,000	J & J	140	128½	131	.....
do 6's, registered... 1917		J & J	140	130	129	131
do extension & out. 5's... 1904		14,860,000	J & J	113	109	.....	108½
do do Registered... 1904		J & J	.....	.....	*107	.....
Des Moines & Fort Dodge 1st 4's... 1905		1,200,000	J & J	.....	.....	83	.....
do do 1st 2½'s... 1905		1,200,000	J & J	.....	.....	83	*58
do do extension 4's... 1905		672,000	J & J	.....	.....	83	.....
Keokuk & Des Moines 1st mort. 5's... 1923		2,750,000	A & O	113	108	.....	112
do do small bonds... 1923		A & O	.....	.....	107	.....
Central Railroad of N. J. 1st 7's... 1890		5,000,000	F & A	114½	107	105½	.....
do 1st consolidated 7's... 1899		‡25,000,000	Q J	.....	.....	113	.....
do assented... 1902		M & N	118	106	111	117
do convertible 7's... 1902		5,000,000	M & N	.....	.....	*114	115
do assented... 1902		M & N	120	106	115	117
do convertible deb. 6's... 1908		5,000,000	M & N	92½	63	107	111
do interim bond certs... 1908		12,000,000	.....	.....	.....	97	97½
Lehigh & Wilkes-Barre con. gold... 1900		11,500,000	Q M	.....	.....	108	110
do do assented... 1900		114½	103	.....	*108
‡\$6,116,000 held by Central R. R. of N. J. unassented: \$5,384,000 assented.	
Am. Dock & Improvement Co. 5's... 1921		5,000,000	J & J	103	89	101½	102
Mil. & St. Paul 1st m. 8's Pra. du Chn... 1898		3,674,000	F & A	136½	132	128	.....
do 2d 7-10 Pra. du Chn... 1898		1,241,000	F & A	129	125	118	120
do 1st 7's \$ gold, Riv. division... 1902		3,804,500	J & J	134½	130	127½	128½
do 1st 7's 2 do do... 1902		J & J	.....	.....	*118	.....
do 1st m. La Crosse div. 7's... 1893		5,284,000	J & J	125	120	118	116½
do 1st m. Iowa & Minn. 7's... 1897		3,198,000	J & J	127½	122½	116½	118
do 1st m. Iowa & Dakota 7's... 1899		541,000	J & J	132	124½	118	.....
do 1st m. Chicago & Milw. 7's... 1903		2,983,000	J & J	134	130	124	127
do consolidated 7's... 1905		‡35,000,000	J & J	138	128½	124	.....
do 1st 7's, Iowa & Dak. exten... 1906		3,505,000	J & J	134½	125½	.....	115½
do 1st 6's, Southwest'n div'n... 1909		4,000,000	J & J	121	115½	.....	*116
do 1st 5's, LaCrosse & Dav... 1919		3,000,000	J & J	109½	105	111½	*104
do 1st So. Minnesota div. 6's... 1910		7,432,000	J & J	121	114½	110	111½
do 1st Hastings & Dak. div. 7's... 1910		5,680,000	J & J	131	124	120	.....
do do do 5's... 1910		585,000	J & J	.....	.....	97½	100
do Chic. & Pacific div. 6's... 1910		2,500,000	J & J	124½	119	116	.....
do 1st Chicago & Pac. W. 5's... 1921		24,540,000	J & J	111	103	102½	103½
do Chic. & Mo. R. div. 5's... 1926		2,049,000	J & J	.....	.....	102	100
do Mineral Point div. 5's... 1910		2,840,000	J & J	108½	102	102	.....
do Chic. & L. Sup'r div. 5's... 1921		1,380,000	J & J	.....	.....	101	.....
do Wis. & Min. div. 5's... 1921		4,755,000	J & J	109½	102	100½	101
do terminal 5's... 1914		4,686,000	J & J	108½	101½	101	.....
do Far. & So. 6's assu... 1924		1,250,000	J & J	119	114½	100½	102½
do inc. conv. sink'g fund 5's... 1916		2,000,000	J & J	.....	.....	*90	.....
do do do Registered... 1916		1,000,000	J & J	.....	.....	100	.....
Dakota & Gt. Southern 5's... 1916		Q F	143½	383	138	.....
Chic. & Northw'n consol. bonds, 7's... 1915		‡12,900,000	J & J	140	130	127½	.....
do coupon gold 7's... 1902		‡48,000,000	J & D	137	130	127½	128½
do registered gold 7's... 1902		A & O	.....	.....	11	117
do sink'g fund 6's... 1879-1929		6,306,000	A & O	116	*120½
do do Registered... 1929		A & O	116

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1888.		NOV. 1, 1887.	
				High.	Low.	Bid.	Ask d
do do 5's... 1879-1929		8,155,000	A & O	111½	106		107
do do registered.....			A & O	111½	107	*109½	106
do debenture 5's..... 1933		10,000,000	M & N	110½	105	*108	106½
do do registered.....			M & N	110½	105		*106
do 25 year debenture 5's..... 1909		4,000,000	M & N	109	104½	103½	104
do do registered.....			M & N				*105
do extended 4's 1886..... 1923		11,852,000	F & A15			92	93
do do registered.....			F & A15				
Escanaba & Lake Superior 1st 6's... 1901		720,000	J & J	115½	115	*116	
Des Moines & Minneapolis 1st 7's... 1907		600,000	F & A			*122	
Iowa Midland 1st mortgage 6's... 1900		1,350,000	A & O	137	134	*123	
Peninsula 1st convertible 7's... 1886		152,000	M & S			*120	
Chicago & Milwaukee 1st mortg. 7's 1888		1,700,000	J & J	133	124	121½	
Winona & St. Peters 2d 7's... 1907		1,592,000	M & N			130	132
Milwaukee & Madison 1st 6's... 1905		1,600,000	M & S	117½	116½	*113	
Ottumwa, C. F. & St. P. 1st 5's... 1909		1,600,000	M & S	111	106	105	107½
Northern Illinois 1st 5's... 1910		1,500,000	M & S	110½	106	*105	109
C., C. & Ind'polis 1st 7's sink. fund. 1889		3,000,000	M & N	128	124	*120	124
do consolidated mtge 7's. 1914		\$7,500,000	J & D	134	123½		*130
do sinking fund 7's... 1914			J & D	128	124	119	
do gen'l consol. 6's... 1934		3,500,000	J & J	110½	100	*101	106
do do registered.....			J & J			*110½	
Chic., St. P., Min's & Omaha con. 6's... 1930		\$22,839,000	J & D	129½	118½	117½	119
Chicago, St. Paul & Min. 1st 6's... 1918		3,000,000	M & N	130	125	*124	126
North Wisconsin 1st mortgage 6's... 1930		800,000	J & J			*124½	128½
St. Paul & Sioux City 1st 6's... 1919		6,080,200	A & O	130	125	*123	126
Chic. & Eastern Ill. 1st sink'g f'd c'y... 1967		3,000,000	J & D	122	115	*114½	117
do do small bonds.....			J & D			118	119
do do 1st c. 6's, gold... 1934		3,000,000	A & O	119	110	112	113½
Chic., St. Louis & Pittsb. 1st con. 5's... 1932		\$22,000,000	A & O	100	92	95½	98
do do do registered.....			A & O				
Chic. & West'n Ind. 1st sinking f'd 6's 1919		2,500,000	M & N	116	112½	112	114
do general mortgage 6's 1932		\$3,896,666	Q M	113	109	*112	113
Chicago & St. Louis 1st 6's... 1915		1,500,000	M & S	108	101		
Chicago & Indiana Coal 1st 5's... 1936		3,689,000	J & J	100½	92	*96	95½
Cin., Ind., St. L. & Chic. 1st guar. 4's... 1936			Q F				*98
do do registered.....		1,255,000	Q F				
Cincin., Jack. & Mack. 1st con. g. 5's... 1936		1,400,000	J & D			*95	97
Columbia & Greenville 1st 6's... 1916		2,000,000	J & J			*105	
do do 2d 6's... 1926		1,000,000	A & O		81	*98	100
Col., Hocking Valley & Toledo 1st 5's 1931		14,500,000	M & S	94	81	70	
do general mortgage gold 6's 1904		2,000,000	J & D	97½	88½	68	69
Col. & Cincinnati Midland 1st 6's... 1914		2,000,000	J & J				98
Delaware, Lackaw'a & W. conv. 7's... 1882		800,000	J & D	116½	114	111	112
do do mtge 7's... 1907		\$10,000,000	M & S	140	135½	131	
Syracuse, Bingh'ton & N. Y. 1st 7's... 1906		1,750,000	A & O	137½	131½	129	131
Morris & Essex 1st mortgage 7's... 1914		5,000,000	M & N	146	140½	141½	142
do 2d 7's... 1891		3,000,000	F & A	117	112½	108	110
do bonds, 7's... 1900		281,000	J & J			116½	
do 7's... 1871-1901		4,991,000	A & O	133	125	124	124
do 1st cons. gua'd 7's... 1915		25,000,000	J & D	138	130	134	135½
N. Y., Lackawanna & W'n 1st 6's... 1921		12,000,000	J & J	133	125	125	130
do do construction 5's... 1923		5,000,000	F & A	113	106½	105	108
Delaware & Hud. Canal 1st reg. 7's... 1891		4,988,000	J & J	115½	110	106½	109
do 1st extension 7's... 1891		549,000	M & N	115½	112½	107	
do coupon 7's... 1894		4,829,000	A & O	121	115½		116
do registered 7's... 1894			A & O	120½	118	*117	
do 1st Penna. Div. coupon 7's... 1917		\$10,000,000	M & S	144½	136	*137½	138½
do do de reg. 1917			M & S	141	140½	*135	
Albany & Susquehanna 1st 7's... 1888		1,000,000	J & J	109	106½	103	104
do do 1st con. gua'd 7's 1906		3,000,000	A & O	135	128½		127
do do registered.....			A & O				*140
do do 6's... 1906		5,449,000	A & O	124	117½	116	117
do do registered.....			A & O	119½	118	*119	
Rensselaer & Saratoga 1st coup. 7's 1921		2,000,000	M & N	144	141½	140	144
do do 1st reg. 7's 1921						140	144
Denver & Rio Grande 1st consol. 4's... 1936		22,575,000	J & J	81½	75½	77½	78½
do do 1st mtge 7's... 1900		6,382,500	M & N	124	114½	*121	121½
Denver, South Park & Pac. 1st 7's... 1905		1,800,000	M & N	89	72	74	79
Denver & Rio Grande West'n 1st 6's... 1911		5,852,900	M & S	85½	72½	73	75
do do assessed...				83½	73	67	68

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886		NOV. 1, 1887.	
				High.	Low.	Bid.	Ask d
Detroit, Mack. & Marquette 1st 6's... 1921		2,280,000	A & O	100	55	*90	.....
do do land grant 3½ S. A. 1911		4,560,000	J & J	56	20	30	32
Detroit, Bay City & Alp'a 1st 6's... 1913		2,300,000	J & J	108½	105	108½	.....
East Tenn., Virginia & Georgia 1st 7's. 1900		3,500,000	J & J	126	118½	118	122
do do divisional 5's. 1880		3,108,000	J & J	108	105	*102	.....
do do con. 1st gtd 5's. 1956		12,770,000	M & N	99½	94½	97	97½
E. & W. of Ala. 1st con. gld 6's... 1926		1,106,000	J & D	.....	.....	*108	.....
Elizabeth City & Norfolk s.f. deb. cert. 6's.		254,000	A & O	.....	.....	.....	*104
do do 1st mtge 6's. 1920		900,000	M & S	.....	.....	*52½	.....
Elizabeth'n. Lex & Big Sandy 6's... 1902		3,500,000	M & S	110	99	97	97½
Erie 1st mortgage extended 7's... 1897		2,482,000	M & N	127½	121	120	.....
do do 2d extended 5's... 1919		2,149,000	M & S	117½	113	111	.....
do do 3d extended 4½'s... 1923		4,618,000	M & S	112½	108	104½	.....
do do 4th extended 6's... 1920		2,929,000	A & O	119	112½	.....	117
do do 5th extended 7's... 1888		709,500	J & D	109	103	.....	104
do do 1st consolidated gold 7's... 1920		16,890,000	M & S	139½	129	133½	134
do do 1st cons. f'd coup. 7's... 1920		3,705,997	M & S	133	120½	*129½	.....
do do reorganization 1st lien 6's. 1908		2,500,000	M & N	112	108½	105	.....
Long Dock bonds, 7's... 1883		3,000,000	J & D	120	112½	112	114½
do do consolidated 6's. 1935		4,500,000	A & O	124	114½	.....	115
Buffalo, New York & Erie 1st 7's... 1916		2,389,000	J & D	140	133½	136	140
N. Y., L. Erie & W. new 2d con. 6's. 1909		33,597,400	J & D	116½	89	98	.....
do do collateral trust 6's... 1922		5,000,000	M & N	108	102	104½	106
do do fund coupon 5s... 1885-1909		4,082,000	J & J	96½	77½	*80	.....
Buffalo & Southw'n mortgage 6's... 1908		1,500,000	J & J	.....	90	.....	.....
do do small... 1908		1,500,000	J & J	.....	.....	.....	.....
Evansville & Terre Haute 1st con. 6's. 1921		3,000,000	J & J	120½	111½	117	.....
do do Mt. Vernon 1st 6's... 1923		375,000	A & O	112½	103	108	.....
do do Indianapolis 1st con. 6's. 1926		1,020,000	J & J	113	109	.....	109½
Eureka Springs Ry 1st 6's. gold. 1933		500,000	F & A	.....	.....	.....	.....
Flint & Pere Marquette mortgage 6's. 1920		5,000,000	A & O	122½	116	117½	120
Fort Worth & Denver City 1st 8's... 1921		5,616,000	J & D	95½	81	79	81
Gal. Harrisburg & San Antonio 1st 6's. 1910		4,800,000	F & A	116	106½	101	105
do do 2d mortgage 7's... 1905		1,000,000	J & D	119½	98	.....	108
do do Western division 1st 5's... 1931		13,500,000	M & N	103	92	.....	95½
do do do 2d 6's... 1931		6,750,000	J & J	94	80	*117	.....
Grand Rapids & Indiana general 5's... 1924		3,217,000	M & S	.....	98	100	.....
do do registered... 1924		3,217,000	M & S	.....	98	100	.....
Green Bay, Winona & St. Paul 1st 6's. 1911		1,600,000	F & A	107½	80	98	.....
Gulf, Col. & Santa Fe 1st 7's... 1909		11,724,000	J & J	124½	116½	120½	122
do do gold 6's... 1923		5,500,000	A & O	106½	84½	97	97½
Hannibal & St. Joseph consol'd 6's... 1911		26,000,000	M & S	125	119½	116	118
Henderson Bridge Co. 1st 6's... 1931		2,000,000	M & S	112	108½	107	.....
Houston & Texas Cent. 1st main l. 7's. 1891		6,896,000	J & J	.....	113	115	.....
do do do 1st West. div. 7's... 1891		2,375,000	J & J	.....	111	.....	.....
do do do 1st Waco & N. W. 7's. 1908		1,140,000	J & J	.....	114	.....	.....
do do do 2d c. main line 8's... 1912		4,118,000	A & O	95½	76	101	104
do do do gen'l mort. 6's... 1921		4,325,000	A & O	73½	50	*18	.....
do do Trust Co. receipts... 1921		4,325,000	A & O	73½	50	56	67
Houston, E. & W. Texas 1st 7's... 1898		1,344,000	M & N	89½	65	66	68
Illinois Central 1st gold 4's... 1961		1,500,000	J & J	110	106½	105½	.....
do do registered... 1961		1,500,000	J & J	.....	.....	*107	.....
do do gold 3½'s... 1961		2,500,000	J & J	102½	96½	93½	93
do do registered... 1961		2,500,000	J & J	.....	.....	93	93
Springfield division coupon 6's... 1898		1,600,000	J & J	121	117½	116	.....
Middle division registered 5's... 1921		600,000	F & A	109½	109½	111	.....
Chicago, St. L. & N. O. Tenn. lien 7's. 1897		541,000	M & N	.....	.....	116	.....
do do 1st consol. 7's... 1897		857,000	M & N	122	122½	115	.....
do do 2d mortgage 6's... 1907		80,000	J & D	.....	118	.....	.....
do do gold 5's... 1961		80,000	J & D	120½	112	116	.....
do do gold 5's, registered		80,000	J & D	120½	112	111	.....
Dubuque & Sioux City 2d div. 7's... 1894		586,000	J & J	119	118½	118	.....
Cedar Falls & Minn. 1st 7's... 1907		1,334,000	J & J	120	106	103	.....
Ind., Bloomington & W'n 1st pref'd 7's. 1900		1,000,000	J & J	120½	116	110	.....
do do 1st 5-6's trust receipts... 1900		3,408,000	A & O	104½	89½	90	.....
do do 2d 5-6's trust receipts... 1900		1,477,000	A & O	90	66½	73	.....
do do Eastern div. trust receipts... 1900		2,950,000	J & D	105½	89	89	.....
Ind., Decatur & S. 1st 7's. ex. fund coup. 1906		1,613,000	A & O	108	96½	99	108
Internat'l & Gt. Northern 1st 6's. gold. 1919		7,954,000	M & N	119	114	112	114
do do do coupon 6's... 1909		7,054,000	M & S	96	84	75	80

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				High.	Low.	Bid.	Ask d
Kentucky Central R'y gold fours.....	1887	5,600,000	J & J	73	74
Knoxville & Ohio 1st 6's, gold.....	1925	2,000,000	J & J	108½	86½	89½	90
Lake Erie & Western 1st gold 5's.....	1937	5,320,000	.....	.....	.....	100	102
Lake Shore & Michigan Southern.							
Cleve., Painesville & Ashtabula 7's.....	1892	920,000	A & O	119	114	109½	.....
Buffalo & Erie new bonds 7's.....	1898	2,784,000	A & O	129	121½	118	.....
Kal'zoo & White Pigeon 1st 7's.....	1890	400,000	J & J	108	108	105	.....
Detroit, Monroe & Toledo 1st 7's.....	1906	924,000	F & A	.....	.....	117½	.....
Lake Shore div. bonds 7's.....	1899	1,356,000	A & O	126	121½	117½	.....
do consol. coupon 1st 7's.....	1900	\$25,000,000	J & J	134½	127	125	127
do consol. registered 1st.....	1900		J & J	132½	127	124	125
do consol. coupon 2d 7's.....	1903	\$25,000,000	J & D	127	119½	122½	123½
do consol. registered 2d.....	1903		J & D	125	119½	122½	123½
Mahoning Coal 1st 5's.....	1924	1,500,000	J & J	105	103	*122	106
Long Island 1st mortgage 7's.....	1896	1,500,000	M & N	130	119	122	.....
Long Island 1st consolidated 5's.....	1931	\$5,000,000	Q J	115½	108	111	113
N. Y. & Manhattan Beach 1st 7's.....	1897	500,000	J & J	.....	.....	*114	.....
N. Y., B'klyn & M'n B. 1st c. g. 5's.....	1895	783,000	A & O	.....	.....	.....	*110
Louisville & Nashville consol'd 7's.....	1907	7,070,000	M & S	125	117	118	119
do Cecilian branch 7's.....	1900	1,000,000	M & S	113	107½	102½	106
do N. O. & Mobile 1st 6's.....	1930	5,000,000	J & J	107½	99	108	109
do do 2d 6's.....	1930	1,000,000	J & J	97	86	95	98
do Evans, Hend. & N. 1st 6's.....	1919	2,400,000	J & D	116½	112	114	116
do general mortgage 6's.....	1930	\$20,000,000	J & D	109½	100½	111	112
do Pensacola division 6's.....	1920	600,000	M & S	102	97½	100	.....
do St. Louis division 1st 6's.....	1921	3,500,000	M & S	113	108	106	.....
do do 2d 6's.....	1920	3,000,000	M & S	57	51	55	.....
do Nash & Decatur 1st 7's.....	1900	1,800,000	J & J	123	121	120	.....
do So. & N. Ala. sink'g f'd 6s.....	1910	2,000,000	A & O	105	102	105½	.....
do Louisville, Clq. & Lex. 6's.....	1931	\$7,000,000	M & N	.....	.....	*108½	.....
do Trust bonds, 6's.....	1922	10,000,000	Q M	107	98	105½	106
do 10-40 6's.....	1924	5,000,000	M & N	100	84½	100	103
do 5 per cent 50 year g. bonds.....	1937	1,350,000	.....	.....	.....	*100	103
do Penn. & At. 1st 6's, gold, gtd.....	1921	3,000,000	F & A	96	82½	93½	95
Lou., New Albany & Chicago 1st 6's.....	1910	3,000,000	J & J	120	100½	110½	111
do do consol'd gold 6's.....	1918	3,500,000	A & O	100	94½	*90	90
Louisville, N. O. & Texas 1st gold 6's.....	1934	11,140,000	M & S	92½	90½	87	.....
do do 2d mtge 6's.....	1934	8,117,000	S	50	.....	.....	.....
Memphis & Charleston 6's, gold.....	1924	1,000,000	J & J	104½	102	100	108
Metropolitan Elevated 1st 6's.....	1908	10,818,000	J & J	123	115	114½	115½
do do 2d 6's.....	1899	4,000,000	M & N	113½	108½	109½	110
Mexican Central 1st mortgage 7's.....	1911	41,170,000	J & J	.....	.....	*41	43
do do ex. coupon 6-7-8.....	.....		J & J	60	39	*61	.....
do do new assented 4's.....	.....		J & J	57	24	65	.....
do do income bonds.....	1911		.....	.....	.....	19	.....
Michigan Central 1st consol. 7's.....	1902	8,734,000	M & N	133	126½	127½	129½
do do 1st consol. 5's.....	1902	2,000,000	M & N	111½	107	107½	108½
do do 6's.....	1909	1,500,000	M & S	.....	.....	*108½	109½
do do coupon 5's.....	1931	4,000,000	M & S	110	107½	*108½	.....
do do registered 5's.....	1931		Q M	110	107	.....	*108
do Jackson, Lansing & Sag'w 6's.....	1891	1,100,000	M & S	.....	.....	104½	105
Milwaukee & Nor. 1st main line 6's.....	1910	2,155,000	J & D	106½	102	108	111
do do 1st extension 6's.....	1913	1,978,000	J & D	104	100	107	107½
Milw., L. Shore & West'n 1st 6's.....	1921	4,350,000	M & N	121½	112½	119	121½
do do conv. debent. 5's.....	1907	600,000	F & A	.....	.....	90	102
do do Mich. div. 1st 6's.....	1924	1,281,000	J & J	120½	106½	114	116
do do Ashland div. 1st 6's.....	1925	1,000,000	M & S	117	112½	.....	116
Minneapolis & St. Louis 1st 7's.....	1927	950,000	J & D	136	128	.....	135
do do Iowa exten. 1st 7's.....	1909	1,015,000	J & D	125	119	.....	110
do do 2d mortgage 7's.....	1891	500,000	J & J	102	101	.....	100
do do Southw'n ext. 1st 7's.....	1910	636,000	J & D	.....	.....	*110	.....
do do Pacific ext. 1st 6's.....	1921	1,382,000	A & O	110	108	108	.....
do do imp't and equip. 6's.....	1922	2,000,000	J & J	100	90	.....	80
Minnesota & Pacific 1st mortgage 5's.....	1936	3,035,000	J & J	.....	.....	.....	102
Minnesota & N. West 1st 5's, gold.....	1934	7,733,000	J & J	106	99½	98	102
Minn., S. S. Marie & Atl. 1st 5's.....	1928	4,000,000	J & J	.....	.....	*98	.....
Mo., Kansas & Texas gen'l cons. 6's.....	1920	\$35,815,000	J & D	108½	87½	78	79½
do do gen'l cons. 5's.....	1920	9,284,000	J & D	90½	72½	68½	69½
do do cons. 7's.....	1904, 5-6	14,877,000	F & A	118	108	108	109½
do do 2d mort. income.....	1911	630,000	A & O	90	78	*85	91
Hannibal & Cent. Missouri 1st 7's.....	1890	664,000	M & N	115	110	109½

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Mobile & Ohio new mortgage 6's.....	1827	7,000,000	J & D	116	100½	111½	114
do collateral trust 6's.....	1852	50,000	J & J			102
do 1st extension 6's.....	1827	\$1,000,000	Q J	106	101	107½	.....
St. Louis & Cairo 4's, guaranteed.....	1931	4,000,000	J & J	78½	72½	*72	73½
Morgan's Louisiana & Texas 1st 6's.....	1920	1,494,000	J & O	116	104½	*95	.....
do do 1st 7's.....	1918	5,000,000	A & O	127	118	119	.....
Nashville, Chattanooga & St. L. 1st 7's.....	1913	6,800,000	J & J	131	123	129½	132
do do 2d 6's.....	1901	1,000,000	J & J	111½	110	102	105
{ N. Y. Central 6's.....	1887	2,391,000	J & D	106	101	102½	.....
do debenture cert. ext. 5's.....	1893		M & N	108½	104	106½	.....
do & Hudson 1st coup. 7's.....	1893		J & J	140½	134	133	133½
do do 1st registered.....	1903	\$30,000,000	J & J	137½	133½	133	.....
do do deb. 5's.....	1904	7,850,000	M & S	113½	107½	107½	108
do do deb. 5's, registered.....	1904		M & S	110½	107½	107½	107
Harlem 1st mortgage 7's, coupon.....	1900	\$12,000,000	M & N	139	131	130½	131
do do 7's, registered.....	1900		M & N	139	131½	127½	127½
N. J. Junction guaranteed 1st 4's.....	1860	2,000,000	F & A			103½	105
do registered certificates.....							
N. Y. Elevated 1st mortgage 7's.....	1906	8,500,000	J & J	130	123	117½	118
N. Y. Penn. & Ohio prior lien 6's.....	1895	8,000,000	M & S			*108	.....
{ N. Y. City & North. gen'l mtg 6's.....	1910	4,000,000	M & N	73½	55	*75	.....
do do Trust Co. receipts.....				73½	54	60	64
do do assented.....			M & N				
N. Y. & New England 1st 7's.....	1905	6,000,000	J & J	130	125	122	.....
do do 1st 6's.....	1905	4,000,000	J & J	117½	117½	*116	.....
N. Y., Chicago & St. Louis 1st 6's.....		15,000,000	J & D	100½	85½	*87½	.....
do do Trust Co. receipts.....			J & D	100½	84	99	99½
do do 2d 6's.....	1923	10,000,000	M & S		86	87½	.....
N. Y., Ontario & W. 1st gold 6's.....	1914	3,000,000	M & S	109	103	107½	108
N. Y., Susquehanna & W'n. eben. 6's.....	1897	93,500	F & A	94	78½	*78	.....
do do coupons off.....						88	91
do do 1st refund 5's.....	1937	3,750,000	J & J			70	.....
do do 2d mtg. 4½'s.....	1937	636,000	F & A				
Midland R. of New Jersey 1st 6's.....	1910	3,500,000	A & O	110	100	107½	.....
N. Y., N. Haven & H. 1st reg. 4's.....	1903	2,000,000	J & D	112½	112		*111½
N. Y., Tex. & Mex., guar. 1st 4's.....	1912	1,442,500	A & O				
No. Pac. g'l 1st m. r'd and l.g. g.c. 6's.....	1921	53,309,000	J & J	120	111½	115½	115½
do do do reg. 6's.....	1921		J & J	117½	111½	*114	.....
do g'l 2d m. r'd and l.g. s.f. g.c. 6's.....	1933	20,000,000	A & O	104	91½	98	103½
do do reg. 6's.....	1933		A & O			*103½	108½
do dividend scrip.....		4,640,821	J & J			100	101
do do extended.....			J & J				
James River Valley 1st 6's, gold.....	1938	963,000	J & J	109	105½	*110	*104½
Spokane & Pal. 1st sinking f. gold 6's.....	1938	688,000	M & N			113	115
St. Paul & North'n Pacific gen'l 6's.....	1923	6,300,000	F & A				114
do registered certificates.....			Q F				
Helena & Red Mountain 1st gold 6's.....	1937	400,000	M & S			103½	.....
Duluth & Manitoba 1st g. 6's.....	1936	1,650,000	J & J			*103½	.....
Hel. B. Val. & Butte 1st 6's.....	1937	600,000	M & N			*104	.....
No. Pacific Terminal Co. 1st gold 6's.....	1933	3,000,000	J & J	106½	102½	*102½	63
New Orleans Pacific 1st 6's, gold.....	1920		J & J			*62½	*61
do do coupons off.....		6,720,000	J & J	85½	51	74½	*74½
do do Trust Co. receipts.....			J & J	85½	73½		*107
N. O. & N. East'n prior lien gold 6's.....	1915	1,050,000	A & O		104	111½	.....
Norfolk & Western gen'l mtg 6's.....	1931	6,902,000	M & N	115½	99½	*112	.....
do New River 1st 6's.....	1932	2,000,000	A & O	118	97½	92	108
do improvement & ext. 6's.....	1934	3,500,000	F & A	102	87½	98	103½
do adjustment mtg. 7's.....	1924	1,500,000	Q M	107	96	98	108
Ogdensburg & Lake Champl. 1st con. 6's.....	1920	3,500,000	A & O	104½	96	*104½	.....
Ohio & Miss. consol. sinking fund 7's.....	1898	3,435,000	J & J	125	118½	115	116
do consolidated 7's.....	1898	3,086,000	J & J	125	118	115	112
do 2d consolidated 7's.....	1911	3,715,000	A & O	120	118½	111	118½
do 1st Springfield division 7's.....	1905	3,000,000	M & N	110½	91		
do 1st general 5's.....	1932	3,216,000	J & D	94½	87½	85	.....
Ohio Central 1st terminal trust 6's.....	1920	600,000	J & J				
do 1st Mineral division 6's.....	1921	300,000	J & J				
Ohio River 1st 5's.....	1936	2,000,000	J & D			*98	100½
Ohio Southern 1st mortgage 6's.....	1921	2,100,000	J & D	108	97½	105	106
Omaha & St. Louis 1st 4's.....	1937	2,717,000	J & J			76½	76½
Oregon & California 1st 6's.....	1921	9,000,000	J & J			101½
Oregon & Transcontinental 6's.....	1882-1922	10,063,000	M & N	104½	92½	94½

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				High.	Low.	Bid.	Ask d
Oregon Improvement Co. 1st 6's.....	1910	5,000,000	J & D	99	84	92½	93½
Oregon Railroad & Navigation 1st 6's.....	1909	6,000,000	J & J	114½	110	*108½	109
do do consol. m. 5's.....	1925	9,137,000	J & D	108½	102	104½	*100
Panama Sinking Fund subd'y 6's.....	1910	2,747,000	M & N			*90	
Peoria, Decatur & Evansville 1st 6's.....	1920	1,287,000	J & J	119	103		112
do Evansville division 1st 6's.....	1920	1,470,000	M & S	111½	108		106
do 2d mortgage 5's.....	1927	2,088,000	M & N				74½
Peoria & Pekin Union 1st 6's.....	1921	1,500,000	Q F	112	106	110	
do do 2d mortgage 4½'s.....	1921	1,499,000	M & N				75
Central Pacific gold bonds 6's.....	1986	25,883,000	J & J	118½	112½	116	
do do.....	1886		J & J			116	
do do.....	1897		J & J			116	
do do.....	1898		J & J			116	118
do San Joaquin branch 6's.....	1900		A & O	113	107½	112½	
do California & Oregon 1st 6's.....	1888	6,000,000	J & J	108	100	101	
do do Series B 6's.....	1892	5,840,000	J & J			101½	
do land grant 6's.....	1890	9,438,000	A & O	107½	102½	100	
do mortgage bond 6's.....	1926	12,000,000	A & O			102½	
Western Pacific bonds 6's.....	1899	2,735,000	J & J	116	109	112	
Nor. Ry. (Cal.) 1st 6's, guaranteed.....	1907	3,961,000	J & J	123	116½		116½
Southern Pac. of California 1st 6's 1905-12		38,447,000	A & O	114	105½	110	
Southern Pac. of Arizona 1st 6's 1909-1910		10,000,000	J & J	112	104½	111½	
South'n Pacific of N. Mexico c. 1st 6's 1911		5,000,000	J & J	109½	100	108	
Union Pacific 1st 6's.....	1896	27,229,000	J & J	119½	114	114½	114½
do do.....	1897		J & J			114½	116½
do do.....	1898		J & J			115½	116½
do do.....	1899		J & J			116	
do land grant 7's.....	1887-9		A & O	109½	101½	101	
do sinking fund 8's.....	1883	14,348,000	M & S	123½	116	111	111½
do registered 8's.....	1893	14,348,000	M & S	121	117	109	
do collateral trust 6's.....	1908		J & J	109½	104	106	
do do 5's.....	1907	5,583,000	J & D			95	
Kansas Pacific 1st 6's.....	1895	2,240,000	F & A	114½	110½	110	
do 1st 6's.....	1896	4,063,000	J & D	116	110	110½	
do Denver division 6's, ass'd.....	1899	6,242,000	M & N	118	113	116	
do 1st consol. 6's.....	1919	13,855,000	M & N	109½	99½	101	
Central Br'ch U.P. fund'd coup. 7's.....	1895	630,000	M & N			108	
Atchison, Colorado & Pac. 1st 6's.....	1905	3,672,000	Q F	107	101½	104	
Atchison, Jewell Co. & West. 1st 6's.....	1905	542,000	Q F	105	100	100	
Oregon Short Line 1st 6's.....	1922	14,931,000	F & A	109	97½	96	97½
Utah South'n general mortgage 7's.....	1909	1,950,000	J & J	90½	85	92	
do extension 1st 7's.....	1909	1,950,000	J & J	88	72½	90	95
Missouri Pacific 1st consol. 6's.....	1920	20,184,000	M & N	117	108	112	113
do 3d mortgage 7's.....	1906	3,328,000	M & N	127½	116½		120
Pacific R. of Mo. 1st mortgage 6's.....	1888	7,000,000	F & A	107	103½	101½	101½
do 2d mortgage 7's.....	1891	2,573,000	J & J	113	109		*100
Verdiz's V'y Ind. & W. 1st 5's.....	1928	750,000	M & S			*112½	
Leroy & C'y Val. A-L. 1st 5's.....	1928	520,000	J & J				95½
St. L. & S. Francisco 2d 6's, class A.....	1906	530,000	M & N	118	106	113	
do 6's, class C.....	1906	2,400,000	M & N	117	105½	113	
do 6's, class B.....	1906	2,764,500	M & N	118	105½	113	
do 1st 6's, Pecos C. & O. b.....	1906	1,090,000	F & A	117	111½	*118	
do equipment 7's.....	1895	650,000	J & D			107½	
do general mrg. 6's.....	1931	7,732,000	J & J	114	99½	114	114½
do general mrg. 5's.....	1931	5,000,000	J & J			96½	101½
South Pacific (Mo.) 1st 6's.....	1888	7,144,500	J & J	106	103	102	102½
Kansas City & Southw'n 1st 6's, gold.....	1916	744,000	J & J	107½	105		105
Fort Smith & Van B. Bdg. 1st 6's.....	1910	475,000	A & O				109
St. L., Kansas & Southwest'n 1st 6's.....	1916	735,000	M & S			*101	
Texas & Pacific 1st 6's.....	1905	3,784,000	M & S	105½	105½		*111
do ex coupon.....			M & S			100	
do consolidated 6's, trust receipts.....			J & D	103½	90	97	99
do inc. l. gt. ass'd trust receipts.....			July	63½	53½	45	46½
do Rio. O. 6's, 1930, trust receipts.....			F & A	75	72½	63½	
do gen'l m. & term. trust receipts.....		22,859,000	F & O	71	49	58	60
Pennsylvania Railroad Company.							
Penna. Co.'s guar'd 4½'s, 1st coup.....	1921	15,000,000	J & J	108½	102½	104½	105½
do do registered.....	1921		J & J	108½	101½	103	104
Pitt., C. & St. Louis 1st coupon 7's.....	1900	2,706,000	F & A	121	120½	117	
do 1st registered 7's.....	1900	4,157,000	F & A			*119	
do 2d 7's.....	1913	2,500,000	A & O				*124

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RAILROAD BONDS—Continued.

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				High.	Low	Bid.	Ask d
Pitts., Ft. Wayne & Chicago 1st 7's. 1912		5,250,000	J & J	145	141	141	142
do do 2d 7's. 1912		5,160,000	J & J	142½	138	138	140
do do 3d 7's. 1912		2,000,000	A & O	138	133½	130	.....
Clev. & Pitts. con. sinking fund 7's. 1900		2,292,000	M & N	131	126	129½	.....
do do 4th do 6's. 1892		1,105,000	J & J	111	109	106½	108
St. L., Van. & Terre H. 1st guar. 7's. 1897		1,899,000	J & J	122	120	.....	*118
do do 2d 7's. 1898		1,000,000	M & N	.....	.....	105	.....
do do 2d guar. 7's. 1898		1,600,000	M & N	.....	.....	105	.....
Phila. & Reading inc. m. coupon 7's. 1896		J & D	.....	.....	*71	72½
do do trust receipts		10,000,000	J & D	.....	.....	*66	70
do do 3d assessment paid		J & D	.....	.....	75	.....
do do debent. coupon 6's. 1893		670,500	J & J	.....	.....	*66	70
do do trust receipts		J & J	.....	.....	.....	.....
do do 3d assessment paid		J & J	.....	.....	60	.....
do do debent. conv. 7's. 1893		10,395,900	J & J	.....	.....	.....	.....
do do trust receipts		J & J	.....	.....	*57	62
do do 3d assessment paid		J & J	.....	.....	60	.....
do do pfd. 1st series con. 5's. 1922		6,000,000	M & N	.....	.....	.....	.....
do do trust receipts		M & N	.....	.....	.....	.....
do do 3d assessment paid		M & N	.....	.....	81	.....
do do 2d series con. 1933		5,000,000	F & A	.....	.....	.....	.....
do do trust receipts		F & A	.....	.....	*61	.....
do do 3d assessment paid		F & A	.....	.....	62½	67
Pine Creek 6's. 1932		3,500,000	J & D	.....	.....	*114	.....
Pittsburgh, Clev. & Toledo 1st 6's. 1922		2,400,000	A & O	110¾	106½	*114	.....
Pittsburgh Junction 1st 6's. 1922		1,440,000	J & J	.....	.....	*122	.....
Pittsburgh, McKeesport & Y. 1st 6's. 1932		2,250,000	J & D	.....	.....	.....	*130
Rome, Watertown & Ogd. 1st 7's. 1891		1,021,500	J & J	117	108½	108¾	.....
do do consol. 1st ex. 5's. 1922		6,347,000	A & O	103	87½	99½	100
Rochester & Pittsburgh 1st 6's. 1921		1,300,000	F & A	117	113½	*114	.....
do do consolidated 1st 6's. 1922		3,920,000	J & D	112	105½	113½	116
Richmond & Alleghany 1st 7's. 1920		(J & J)	.....	.....	*71½	.....
do do Trust Co.'s receipts		5,000,000	J & J	80	65	*57½	59
do do stamped		J & J	.....	.....	56	.....
Richmond & Danville consol. gold 6's. 1915		6,000,000	J & J	119½	111¾	.....	112½
do do debenture 6's. 1927		4,000,000	J & J	114	88	.....	106
do do do assented		A & O	113½	106½	.....	91
do do consol. m. g. 5's. 1936		1,500,000	A & O	.....	.....	.....	*87
Atlanta & Charlotte 1st pref'd 7's. 1897		500,000	A & O	.....	.....	118	.....
Atlanta & Charlotte income 1900		750,000	A & O	.....	.....	*105	.....
Rich. & W. Point terminal trust 6's. 1897		8,500,000	F & A	.....	.....	82	84½
San Antonio & Aran. Pass 1st g. 6's. '85-1916		1,750,000	J & J	.....	.....	*88	90
do do 1886-1916		2,598,000	J & J	.....	.....	.....	92
Scioto Valley 1st consolidated 7's. 1910		603,000	J & J	72	47	*65	.....
do do do coupons off		J & J	.....	.....	45	65
St. Joseph & Grand Island 1st 6's. 1925		7,000,000	M & N	110¾	104	97	98
St. Louis & Iron Mountain 1st 7's. 1892		4,000,000	F & A	118	110	108¾	108½
do do 2d 7's. 1897		6,060,000	M & N	119	111	114	114½
do do Arkansas branch 1st 7's. 1895		2,500,000	J & D	116½	112½	108	.....
do do Cairo & Fulton 1st 7's. 1891		7,555,000	J & J	113	108½	106	.....
do do Cairo, Ark. & Texas 1st 7's. 1897		1,450,000	J & D	116½	109½	110½	.....
do do gen'l con. r'y & land g't 5's. 1931		*38,201,000	A & O	100	90	89¾	90
St. L., Alton & Terre Haute 1st 7's. 1894		2,200,000	J & J	119½	115	113¾	.....
do do 2d mortgage preferred 7's. 1894		2,800,000	F & A	114	110½	108¾	109½
do do 2d mortgage income 7's. 1894		1,700,000	M & N	108	103½	105	.....
Belleville & Southern Illinois 1st 6's. 1896		1,041,000	A & O	117½	116½	113	.....
Bellevue & Carondelet 1st 6's. 1923		485,000	J & D	110½	110½	.....	111½
St. Louis, Ark. & Tex. 1st cts. 6's. 1936		12,870,000	M & N	.....	.....	99¼	99½
do do 2d cts. 6's. 1936		11,804,000	F & A	.....	.....	41½	43
St. Paul, Minn. & Manitoba 1st 7's. 1909		4,991,000	J & J	116	112	111	.....
do do do small		J & J	.....	.....	*111¾	112½
do do do 2d 6's. 1909		8,000,000	A & O	122½	116½	115	.....
do do Dakota extension 6's. 1910		5,676,000	M & N	122	116½	117½	120
do do 1st consolidated 6's. 1933		J & J	125	115	116	117
do do do registered		21,444,000	J & J	119	114¾	*114	115½
do do do reduced to 4½'s		J & J	.....	.....	283½	284½
do do do do reg'd		J & J	.....	.....	*283½	.....
Minneapolis Union 1st 6's. 1922		2,150,000	J & J	.....	.....	110	.....
St. Paul & Duluth 1st 5's. 1931		1,000,000	F & A	.....	.....	105	.....
South Carolina Railway 1st 6's. 1920		5,000,000	A & O	113	102	92½	100
do do do 2d 6's. 1931		1,500,000	J & J	90	81	50	60

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				High.	Low.	Bid.	Ask d
Shenandoah Valley 1st 7's.....1909		2,270,000	J & J
do do Trust Co. receipts.			J & J	105
do do gen'l mtg 6's...1921			A & O	.....	.....	82	85
do do Trust Receipts.		‡4,115,000	A & O	49½	29	34	38
Sodus Bay & Southern 1st 5's, gold...1824		500,000	J & J	105	101		
Texas Central 1st sinking fund 7's...1909		2,145,000	M & N	80	68		80
do 1st mortgage 7's...1911		1,254,000	M & N			79	
Toledo & Ohio Central 1st gold 5's...1835		3,000,000	J & J	102½	92½	92	94
Toledo, Peoria & W'n 1st 7's...1917		4,500,000	Q J				*104
do do Trust Co. receipts...				106	91	70	100
Toledo, Ann Arbor & No. Mich. 1st 6's...1924		2,120,000	M & N	95	90	90	91
Toledo, Ann Arbor & G.T. 1st 6's, gold...1921		1,290,000	J & J	107	101	100	101
Toledo, St. Louis & Kan. City 1st 6's...1916		2,000,000	J & D				*95
Texas & New Orleans 1st 7's...1905		1,620,000	F & A				
do do Sabine div. 1st 6's...1912		2,075,000	M & S	107½	100½	100	103
Valley R'y Co. of O. con. gold 6's...1921		1,700,000	M & S				98
Virginia Midland mortgage inc. 6's...1927		4,000,000	J & J	100	53½		105
do gen'l mortgage 5's...1836		3,717,000	M & N			79	79½
Wabash, St. L. & Pac. gen. mtg 6's...1920		16,000,000	J & D	62	45		*60
do Trust Co. receipts.			J & D	67	44	51	55
do Chicago division 5's...1910		4,500,000	J & J	97	85	100	100½
do Havana division 6's...1910		1,800,000	J & D	88	88		*60
do Indianapolis division 6's...1921		2,275,000	J & D				*80
do Detroit division 6's...1921		2,052,000	J & J	92	78	103½	104½
do Cairo division 5's...1931		3,857,000	J & J	55	55	*50	
Wabash mortgage 7's...1879-1909		2,000,000	A & O	91	70	87	90
Tol. & Wabash 1st extended 7's...1590		3,400,000	F & A	115½	110	114½	115
do 1st St. Louis division 7's...1889		2,700,000	F & A	111	100	114	114½
do 2d mortgage extended 7's...1893		2,500,000	M & N	105½	97	94½	96½
do equipment bonds 7's...1883		600,000	M & N	6	4	*102	
do consol. convertible 7's...1907		2,600,000	Q F	100	84½	87½	90
G't Western 1st mortgage 7's...1888		2,500,000	F & A	114	109½	114	115
do 2d mortgage 7's...1883		2,500,000	M & N	108	96	94	97½
Quincy & Toledo 1st mortgage 7's...1890		500,000	M & N	97	94	90	
Hannibal & Naples 1st 7's...1909		500,000	J & D			95	
Illinois & So. Iowa 1st exten. 6's...1912		300,000	F & A			100	
St. L., Kan. C. & N. R'l E'e & R'y 7's...1885		3,000,000	M & S	116	108½	108	110
do Clarinda br. 6's...19 9		284,000	F & A	76½	65	*45	50
do St. Charles bridge 1st 6's...1908		1,000,000	A & O	103½	94	100	
North Missouri 1st mortgage 7's...1885		6,000,000	J & J	120	112½	110	118
Wabash, St. L. & P. Iowa trust receipts...		2,289,000	M & S				*50
West Shore 1st guaranteed 4's			J & J	106	100½	98½	99
do do registered...		50,000,000	J & J	105½	101½	98½	
Western Union coupon 7's...1900		3,920,000	M & N	123	118		116½
do do registered...			M & N	125	117		
North Western Telegraph 7's...1904		1,250,000	J & J				
Wheeling & Lake Erie 1st 5's...1926		3,000,000	A & O			96	101
Mutual Union Tel. sinking fund 6's...1911		5,000,000	M & N	90½	75	87½	89
Man. B. Imp. Co. lim'd 7's...1909		1,000,000	M & S				85
Colorado Coal & Iron 1st 6's...1900		3,500,000	F & A	101½	90	*96	98
Tenn. Coal, Iron & R. consol. 6's...1901		620,000	M & N	100	97		*105
do. South Pittsburgh 1st 6's...1902		720,000	F & A	98	96		100
do Bir. div. 1st consolidated 6's...1917		4,000,000	J & J			78½	
Col. & Hocking Coal & Iron gen'l 6's...1917		1,000,000	J & J			*70	

COAL AND MINING.

American Coal Co. Par 25	1,500,000	.....	.....	.....	25	24
Consolidated Coal Co. of Maryland ... 100	10,250,000	.....	.....	.....	21	24
Cumberland Coal and Iron Co. 100	500,000	.....	.....	.....	22	23
Colorado Coal and Iron Co. 100	10,000,000	.....	.....	.....	23	23
Cameron Iron and Coal Co. 100	2,72,900	.....	.....	.....	27	28
Columbus & Hocking Coal & Iron Co. 100	4,700,000	.....	.....	.....	24½	25
Marshall Consol. Coal Co. 100	2,000,000	.....	.....	.....	12	15
Maryland Coal Co. 100	4,400,000	.....	.....	.....	12	15
New York & Perry Coal and Iron Co. 100	3,000,000	.....	.....	.....	12	14
New Central Coal Co. 100	5,000,000	.....	.....	.....	12	14
Pennsylvania Coal Co. 50	5,000,000	Q F	.....	.....	5	27½
Quicksilver Mining Co. 100	5,708,700	.....	.....	.....	23½	25
do do preferred... 100	4,291,300	.....	.....	.....	24	25
Silver bullion certificates		.....	.....	.....
Tenn. Coal, Iron & R. R. Co. 100	10,000,000	.....	.....	.....	24	25

EXPRESS

Adams Express..... Par 100	12,000,000	Q M	150	139½	140	145
American Express..... " 100	18,000,000	J & J	111	101½	107	1 0
United States Express..... " 100	7,000,000	Q F	86	51	69	73
Wells Fargo Express..... " 100	6,250,000	J & J	180	119	127	130
Pacific Mail Steamship Co. " 100	20,000,000		67	45½	35	36

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				High.	Low.	Bid.	Ask d
Atlantic & Pacific West'n div. income. 1910		10,500,000	A & O	31½	20¼	25	25¼
do do do small.		2,100,000	A & O			21½	25
do do Cent'l div. income. 1922		1,000,000	J & D				*25
Central Iowa coupon debt certificates. 1907		620,000	A & O				*25
Chicago & Eastern Illinois income. 1907		1,000,000	D			*100	
Des Moines & Fort Dodge 1st inc. 6's. 1905		1,200,000	J & J			*57	
Detroit, Mack, & Marquette income. 1921		1,500,000		43½	12	*54	
Elizabeth City & Norfolk 2d income 1970		1,000,000					
Green Bay, Winona & St. Paul 2d inc. 1911		3,781,000		42½	24½	31½	33
Ind., Bl'n & W'n consol. inc. trust receipts		4,560,000	J & J			20	22
Indp's, Decatur & Springfield 2d inc. 1906		2,850,000	J & J	39	22		*33
do do Trust Co. receipts. 1888			J & J	41	20		40
Lehigh & Wilkesbarre Coal Co. 1888		1,119,200	M & N	100	90	90	100
do do small bonds. 1888			M & N				
Milw., L. Shore & Western income. 1888		500,000	M & N	107	88	99½	103
Mobile & O. 1st preferred debentures. 1888		4,763,000		74½	53	42½	45
do 2d do do do		1,850,000		44½	32		23
do 3d do do do		600,000		35	30	15	21
do 4th do do do		900,000		31	25	13	17
N. Y., Lake E. & Western income 6's. 1977		508,000		76	56	*70	
N. Y., Penn., & Ohio 1st inc. acc. 7's. 1905		35,000,000	J & J			*48½	
Ohio Central (Min'l division) inc. 7's. 1921		300,000				*39½	35
Ohio Southern 2d income 6's. 1921		2,100,000	J & D	49½	34	32	34
Ogdensburg & L. Champlain income. 1920		800,000	Oct			*40	
do do small		200,000	Oct			65	68½
South Carolina Railway income 6's. 1931		3,000,000	Feb	33	22½	11	15
St. Louis, I. M. & S. 1st 7's pref. int. ac'e.		348,000	Mch				
Sterling Iron & Railway (series B) inc. 1894		418,000	Feb				
do plain income 6's. 1896		491,000	April				
Sterling Mountain Railway income. 1895		476,000	Feb				
St. Louis, Alton & Terre H. div. bds. 1894		1,357,000	June	50	33	30	40
St. Joseph & Grand Island 2d income 1925		1,680,000	J & J	77	55½	50	
Shenandoah Valley income 6's. 1923		2,500,000	Feb			*30	

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph. 100	3,000,000		45	30		
Albany City 6's						
Albemarle & Chesapeake 1st 7's. 1909	500,000	J & J				*115
Alabama Central Railroad 1st 6's. 1918	1,000,000	J & J				
Allegheny Central 1st mortgage 6's. 1922	800,000	J & J				
Atlantic & Pacific (W'n div.) 1st m. 6's. 1910		J & J				
Boston & New York Air Line. 100	1,000,000					
Bradford, Bordell & Kinzua 100	500,000					
do do 1st 6's. 1932	500,000	J & D			*55	60
Bradford, Eldred & Cuba. 100	500,000					
do do 1st 6's. 1932	500,000	J & J			*37	42
Brooklyn City R. R. 10	2,000,000	Q F				
Brooklyn Gas Company. 25	2,000,000					
Brooklyn, Bath & Coney Island 1st 6's. 1912	200,000	F & A				
Brooklyn & Montauk 1st 6's. 1911	250,000	M & S			*108½	
do do 1st 5's. 1911	750,000	M & S				
Buffalo & Northwestern 100	471,900					
do do preferred. 100	471,900					
Carolina Central 1st mortgage 6's. 1920	2,000,000	J & J	19½	11	105	108
Cedar Falls & Minnesota. 100	1,586,000		51	32	7	10
Cincinnati, Sandusky & Cleveland. 50	4,500,000					
do do preferred. 100	429,000					
do do 1st 7's. 1890	1,072,300	J & D				
Cincinnati, Lafayette & Chic. 1st 7's. 1901	900,000	M & S				118
Cin. & Sp. 1st mort. C., C., & I. 7's. 1901	1,000,000	A & O	119	114	*119	
do 1st m. g'd Lake S. & M. S. 7's. 1901	1,000,000	A & O	121	117½	*121	
Cincinnati, Hamilton & Dayton 100	3,500,000		149	105½	50	60
do consol sinking fund 7's. 1905	1,000,000	A & O	120	120		*118
do do consol. 6's. 1920	1,000,000	M & N				
Cin., W. & Baltimore prior lien 4½'s. 1893	500,000	A & O				
do 1st 6's. 1931	1,250,000	M & N			*115	
do 1st 4½'s guaranteed. 1931	5,922,000	M & N	106½	103½	*104	105½
do 2d 5's. 1931	3,040,000	J & J				

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NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886.		NOV. 1, 1887.	
				High.	Low.	Bid.	Ask d
do	3d ¾'s. 1931	2,270,000	F & A				
do	1st income mortgage 1931	3,040,000	F & A				
do	2d income mortgage 1931	4,000,000					
do	preferred stock. 100	12,993,000		12	5	5	5½
do	common stock. 100	5,886,100		6¾	2½	8	3¾
Citizens' Gas Company	..... 20	1,200,000					
Columbus, Springfield & Cin. 1st 7's	..... 1901	1,000,000	M & S				
Consolidation Coal convertible 6's	..... 1897	1,250,000	J & J				
Cumberland & Penn. 1st 6's	..... 1891	903,500	M & S			101½	105
do	do 2d 6's. 1888	392,000	M & N			102½	
Cumberland & Elk Lick Coal	..... 100	1,000,000					
Chicago City 7's	..... 1890	220,000	J & J				
Charlotte, Col. & Augusta 1st 7's	..... 1895	2,900,000	J & J				
Chicago & Atlantic 1st 6's	..... 1920	6,500,000	M & N			*90	
do	do 2d 6's. 1923	2,500,000	F & A				
Dubuque & Dakota 1st 6's	..... 1919	630,000	J & J				
Duluth Short Line 1st 5's	..... 1916	500,000	M & S				
Danbury & Norwalk	..... 50	600,000					
Detroit, Hillsdale & Southwestern	..... 100	1,350,000		82	79		
Eighth Avenue	..... 100	1,000,000					
Erie & Pittsburgh	..... 50	1,998,400	Q M			*112	113
do	do consolidated 7's. 1898	22,485,000	J & J			425	
Farmers' Loan & Trust Company	..... 25	1,000,000					
Frankfort & Kokomo	..... 50	600,000					
do	do 1st 7's. 1908	200,000	J & J				
Fort Worth & Denver City	..... 100	6,440,000		25¼	15	47½	48¼
Galveston, H. & H. of '82, 1st 5's	..... 1913	2,000,000	A & O	79	71	69	75
Gold & Stock Telegraph Co.	..... 100	5,000,000	Q J				
Grand Rapids & Indiana 1st 7's	..... 1899	505,000	A & O				117½
do	1st guaranteed 7's. 1899	3,934,000	J & J			*117	125¼
do	1st extended land 7's. 1899	1,010,000	A & O			*113	120
Henderson Bridge Co.	..... 100	1,000,000					
Ind., Decatur & Sp. 1st coupon 7's	..... 1900	187,000	A & O				
Iron Steamboat Company 6's	..... 1901	500,000	J & J	90	85¼		*94
Int. & Great Northern 2d income	..... 1909	370,000					
Jefferson K. R. 1st mortgage 7's	..... 1889	2,000,000	J & J	107	102¼	*101	
Jerome Park Villa Site & Imp. Co.	..... 100	1,000,000					
Keokuk & Des Moines	..... 100	2,600,400		16	5½	4	5
do	do preferred. 100	1,624,600		38¼	26		25
Little Rock & Fort Smith	..... 100	4,098,135					
do	do 1st 7's. 1905	3,000,000	J & J				
Louisville City 6's, act. of Leb. br'h	..... 1886	225,000	J & D				
do	6's, Leb. branch extension. 1893	333,000	A & O				*75
Long Island Railroad	..... 50			100	80		
{ Brooklyn & Montauk	..... 100	900,000					
do	do preferred. 100	1,100,000					
{ Smithtown & Port Jefferson 1st 7's	..... 1901	600,000	M & S				
Louisiana & Missouri River	..... 100	2,272,700				*24¼	25
do	do preferred. 100	1,010,000				*55	
do	do preferred g'd. 100	329,100	F & A			*120¼	124
Louisiana Western 1st 6's	..... 1921	2,240,000	J & J				
Lac. & Sus. Central 1st E. side 7's	..... 1892	500,000	J & D				
do	do W. side 7's. 1892	500,000	J & D				
Metropolitan Elevated	..... 100	1,136,000	Q J				
Mariposa gold convertible 7's	..... 1886	250,000	J & J				
Memphis & Charleston	..... 25	5,312,725		69¼	29	46	50
do	1st consol'd Tenn. Gen 7's. 1915	1,400,000	J & J	38¼	21		*128
Missouri, Kansas & Texas	..... 100						
{ Union Pacific (South branch) 1st 6's	..... 1899	2,296,000	J & J				
Tobo & Neosho 1st mortgage 7's	..... 1903	347,000	J & D				
Hannibal & Central Missouri 2d 7's	..... 1892	32,000	M & N				
Boonville Bridge Co. 7's, guarant'd	..... 1906	1,000,000	M & N				
Milwaukee & St. P. con. slnk. f'd 7's	..... 1905	209,000	J & J				
do	1st m. Hastings & Dakota 7's	89,000	J & J				
Milwaukee & Lake Winnebago	..... 100	520,000					
do	do preferred. 100	780,000					
do	do 1st 6's. 1912	1,430,000	J & J			*106	
do	do income 5's. 1912	520,000					
New York Life & Trust Co.	..... 100	1,000,000	F & A			*550	
Norwich & Worcester	..... 100	2,604,000					
Nash., C. & St. L. 1st 6's, T. & P. branch	..... 1917	300,000	J & J				

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

* A indicates no quotation for past month, the last previous quotation being given.

‡ A part of this reserved to cover previous issues, etc. † Amount authorized.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

FREE LIST—Continued.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886.		NOV. 1, 1887.	
				High.	Low.	Bid.	Ask d
do 1st mort. 6's, McM., M. W. & Al. b.	100	220,000	J & J	.....	.....	.....	.....
New London Northern	100	1,500,000	.....	.....	.....	.....	.....
New York Mutual Gas Light	100	3,500,000	.....	.....	.....	.....	*100
N. J. Southern int. guaranteed 6's	1899	1,449,600	J & J	101½	91	.....	99
New Orleans, Mobile & Texas	100	4,000,000	.....	.....	.....	.....	.....
N. Y. & Texas Land Co., limited	50	1,500,000	.....	180	149½	*161½	70
do do land scrip	.....	1,006,600	.....	57½	50	55	.....
N. Y., Brooklyn & Man. Beach pref.	100	650,000	A & O	.....	.....	.....	.....
Nevada Central 1st mortgage 6's	1904	720,000	A & O	.....	.....	.....	.....
Oswego & Syracuse	.....	1,320,400	.....	.....	.....	.....	.....
Ohio Central incomes	1920	642,000	.....	.....	.....	*1½	.....
Panama	100	7,000,000	Q F	.....	.....	.....	.....
Pullman's Palace Car debenture 7's	1888	1,000,000	A & O	.....	.....	*103½	.....
Phila. & Reading con. coupon 6's	1911	7,304,000	J & D	.....	.....	.....	.....
do registered 6's	1911	663,000	J & D	.....	.....	.....	.....
do coupon 7's	1911	7,310,000	J & D	.....	.....	.....	.....
do registered 7's	1911	3,339,000	J & D	.....	.....	.....	.....
do imp't mtge. coupon 6's	1897	9,364,000	A & O	.....	.....	.....	.....
do general mtge. coupon 6's	1908	19,686,000	J & J	.....	.....	.....	.....
do def'd inc. irredeemable	.....	34,300,000	.....	.....	.....	.....	.....
do do small	.....	.....	.....	.....	.....	.....	.....
Pitts' h, Bradford & Buffalo 1st 6's	1911	800,000	A & O	82½	70	*80	85
Rochester & Pittsburgh income	1921	70,000	A & O	.....	.....	*65	70
Rensselaer & Saratoga R. R.	100	7,000,000	.....	170	155	160	162½
Second Avenue R. R.	100	1,199,500	.....	.....	.....	.....	.....
Sixth Avenue R. R.	100	1,500,000	.....	.....	.....	.....	.....
do 1st mortgage	1889	415,000	J & J	.....	.....	.....	.....
Savannah & Charleston 1st 7's	1889	500,000	J & J	.....	.....	.....	.....
Sandusky, Day'n & Cincinnati 1st 6's	1900	608,000	F & A	.....	.....	.....	.....
St. Louis, Jacksonville & Chicago	100	1,448,800	.....	.....	.....	.....	.....
do do preferred	.....	1,034,000	.....	.....	.....	.....	.....
St. Louis Southern 1st gold 4's	1931	550,000	M & S	.....	.....	.....	.....
do 2d income 5's	1931	525,000	M & S	.....	.....	.....	.....
Sterling Iron & Railway Co.	50	2,300,000	.....	.....	.....	.....	.....
Scioto Valley Railway	50	‡ 2,500,000	.....	17	6½	*10	11
Spring Valley Water Works 1st 6's	1906	† 7,000,000	M & S	.....	.....	*97	100
Terre Haute & Indianapolis	50	1,988,000	F & A	.....	.....	*220	240
Third Avenue R. R.	100	2,000,000	J & J	.....	.....	.....	.....
do coupon bonds	.....	2,000,000	.....	.....	.....	.....	.....
do registered bonds	.....	.....	.....	.....	.....	.....	.....
Tonawanda Valley & Cuba	100	600,000	.....	.....	.....	.....	*35
do 1st 6's	1931	500,000	M & S	.....	.....	.....	.....
Union Trust Co.	100	1,000,000	.....	.....	.....	425	.....
United States Trust Co.	100	2,000,000	.....	.....	.....	535	.....
Vermont Marble Co.	100	3,000,000	.....	.....	.....	.....	.....
do sinking fund 5's	1910	1,200,000	J & D	.....	.....	.....	.....
Warren Railroad	50	1,800,000	.....	.....	.....	125	.....
do 2d mortgage 7's	1900	750,000	A & O	.....	.....	115	.....
Williamsburgh Gas Light Co.	50	1,000,000	Q J	.....	.....	.....	.....
Wabash funded interest bonds	1907	.....	.....	.....	.....	*100	.....
Toledo & Illinois Division 7's	.....	126,000	F & A	.....	.....	100	.....
Lake Erie, Wabash & St. Louis 7's	.....	350,000	F & A	.....	.....	100½	.....
Great Western 1st mortgage 7's	.....	350,000	F & A	.....	.....	100	.....
Illinois & Southern Iowa 7's	.....	42,000	F & A	.....	.....	*95	.....
Decatur & East St. Louis 6's	.....	472,500	F & A	.....	.....	89	.....
Quincy & Toledo 6's	.....	37,500	F & A	.....	.....	87	.....
Toledo & Wabash 2d mortgage 6's	.....	127,500	F & A	.....	.....	*85	.....
Wabash & Western 2d mortgage 6's	.....	262,500	F & A	.....	.....	*85	.....
Great Western 2d mortgage 6's	.....	437,500	F & A	.....	.....	*85	.....
Consolidated convertible 6's	.....	637,000	F & A	.....	.....	*60	.....
Central Arizona Mining	10	3,000,000	.....	.....	.....	.....	.....
Excelsior Water & Mining Co.	100	10,000,000	.....	.....	.....	.....	.....
Homestake Mining Co.	100	12,500,000	.....	.....	.....	.....	.....
La Plata Mining & Smelting Co.	10	12,000,000	Mo.	23	11	12	14
Little Pittsburgh Consol. Mining	100	10,000,000	.....	.....	.....	.....	.....
Mariposa L. & M. Co., California	100	20,000,000	.....	.....	.....	.....	.....
do do preferred	.....	5,000,000	.....	.....	.....	.....	.....
Ontario Silver Mining Co.	100	15,000,000	Mo.	30	22	26	27
Robinson Consolidated Gold Mining	50	10,000,000	.....	.....	.....	.....	.....
Standard Consol'd Gold Mining Co.	100	10,000,000	.....	.....	.....	.....	.....
Silver Cliff Mining Co.	50	10,000,000	.....	.....	.....	.....	.....

BANKERS' OBITUARY RECORD.

Bearse.—Owen Bearse, Vice-President of the First National Bank, of Hyannis, Mass., died suddenly of heart disease on October 6, 1887. He was 73 years old.

Brown.—Mrs. Lizzie A. Brown, Assistant-Cashier of the Bank of Athens, Ga., died on September 20th. Her husband, Jas. D. Brown, Cashier of the bank, writes: "Her ideas of business and loans were very good and accurate; she was a good judge of mankind and of their prospects, and I never made a loan contrary to her views but it gave me trouble, and business that I have refused on her advice I never had cause to regret."

Buchanan.—Ronald Mackenzie Buchanan, who for sixteen years was Cashier of the Fulton National Bank, of New York city, died suddenly during the night of October 20th, of heart disease. He was 76 years old and had been 54 years in the bank. Mr. Buchanan was born in New York. He was a brother of the late Judge Buchanan, of the Louisiana Superior Court, and was related to Sir Alexander Mackenzie, the English navigator and explorer.

Dana.—Newton C. Dana, Cashier of the Butchers & Drovers' Bank, of Providence, R. I., is dead.

Fiddeman.—Colonel Henry B. Fiddeman, President of the First National Bank, of Milford, Del., died October 26th, at the age of eighty years.

Harrison.—T. A. Harrison, President of the Security Bank of Minneapolis, Minn., died recently. He was born at Belleville, Ill., December 18, 1811. He removed to Minneapolis in 1860. A man of perfect integrity, though personally retiring and unostentatious, there were few men whose judgment was more unerring or whose friendship more valued.

Hyde.—Dr. Frederick Hyde, President of the Cortland Savings Bank, of Cortland, N. Y., died on October 15th, in the 81st year of his age. He was a Trustee from the organization of the bank in 1866, and its President for the last ten years. He was also the President of the Local Board of the State Normal and Training School of Cortland, and one of the faculty of Syracuse University.

Kilham.—A. D. Kilham, Vice-President of the Beverly Nat'l Bank, of Beverly, Mass., and also of the Beverly Savings Bank, died October 25th, of paralysis, at the age of 72.

Lyons.—Robert Lyons, private banker, of Cadiz, Ohio, is dead.

Tatman.—Charles Tatman, President of the New Castle County National Bank, of Odessa, Del., died on October 21, at the age of 95. He was born in Delaware, and elected President of the bank mentioned, in 1854. He was regarded as the oldest bank President in the country.

Taylor.—M. G. Taylor, Cashier of the Clark County National Bank, of Winchester, Kentucky, is dead.

IMPORTANT DECISION.—In the case of the First National Bank of Indianapolis vs. Valentine Barr, the Court held that where the drawer of a check delivers it to the party in payment of a debt, or for any other *bona fide* purpose, and such holder presents it to the bank, and, instead of receiving the money on it, secures its certification by the bank, that is "good" for the amount named in it, and retains the check for use and payment thereafter. By such act the holder releases the drawer from liability on the check and the bank becomes the only debtor to the holder. This rule, however, does not apply where such certification is procured by the drawer of the check before he uses it or delivers it to the payee.

FAILURE OF A ST. LOUIS BANK.—The Fifth National Bank, of St. Louis, is in charge of H. A. Forman, National Bank Examiner. The history of the failure is as follows: On Saturday, November 6th, the bank did not have enough money to pay its Clearing-House balance, and Mr. Specht, one of the Directors, and Mr. Crecelius, the Cashier, called at the Continental Bank and obtained a loan of \$20,000 from Mr. Bullen, Cashier of that institution, on good collateral. They said that amount would carry them over until Monday. On Monday they were surprised to receive a notification from the Clearing-House that there was a forty-thousand dollar balance against them. They had previously spoken to Mr. Bullen and told him that \$100,000 would carry them through their trouble. Mr. Bullen and others looked into their affairs and came to the conclusion that it would take at least \$250,000 to carry them, and that they could not advance that amount. The Fifth National then paid back \$12,000 of the Continental loan, and gave its note, secured by good collateral, for the balance. Then it suspended. Mr. Forman took charge on November 8th, and will make a thorough examination of the character of the assets, and remain in charge until a Receiver is appointed. He says the depositors will be paid in full and stockholders will realize about 70 per cent. It appears that the bank was troubled by the refusal of a New York bank to honor its draft and by the publication of a paragraph saying the bank's stock was being sold on the street. The real cause of the failure is said to have been indiscriminate lending of money to business concerns which were doing a large business on small capital.

RHODES' JOURNAL OF BANKING.

Vol. XIV. DECEMBER, 1887. No. 12.

IN THE OCTOBER number of the JOURNAL we published, among the open letters from bankers, one headed "From a Private Banker's Standpoint," which rather took us to task for speaking approvingly of the law passed by the last Legislature of Minnesota at the beginning of 1887, and which, if sustained by the Courts, will, after January 1, 1888, compel private bankers either to do business as such or become incorporated banks under the State law, and be subject to the supervision of the bank Examiner appointed by the State. A large number of these private concerns were and have for a long time been known by names which gave the impression to the outside public that they were incorporated banks. The law in question, which was printed on page 813 of the JOURNAL for August, prevented existing private bankers from using the corporate names by which they had previously been known. It is highly probable that this portion of the law, applying to existing private bankers, will be declared unconstitutional by the Courts, inasmuch as it seems to interfere with the vested rights of individuals. But the law as applicable to those who hereafter go into the business of private banking appears to be a necessary and important measure. It is similar to the law now in operation in Michigan. There is no justice or right in a private firm holding itself out to the public as an incorporated bank, particularly in States where the incorporated banks are subject to restrictions and supervision which assuredly strengthen their credit. It is unfortunate that this sort of thing has been permitted to go on so long in Minnesota that some private bankers have acquired vested rights in certain titles. While we agree with the view that it is unconstitutional to deprive them of these titles now, it would probably be perfectly constitutional to require them, while still using the title, to print the words "private bank" or "private bankers" on their letter-heads. The JOURNAL is as friendly to the private bankers as to any other class of the banking community, but it is to those that announce themselves as such, and not those that seek to pose before the public as incorporated banks. It is because it seeks to do away with a pretension that the JOURNAL approves of

the Minnesota law. The arguments in the open letter, "From a Private Banker's Standpoint," entirely evade the real question. The JOURNAL institutes no invidious distinctions between National, State or Private banks. Each has its place, and honesty is the rule in the administration of all. We would, however, have it understood to what class any banking concern belongs, so that a customer who prefers a Private bank to deal with may not be led unawares to deposit in a National or a State bank, and a customer who prefers to deal with an incorporated bank may not be induced by a pretentious name to deal with a Private bank. We print two open letters this month received from bankers, one in the East and the other in the West, who take issue with the writer of "From a Private Banker's Standpoint."

IT IS SUGGESTED that the National Banking law should be amended so that the banks shall not be required to keep any reserve upon Government deposits; as the law now stands it seems to require reserve to be kept on all deposits without distinction. Public moneys deposited with National bank depositories are in addition to the reserves which the banks holding them are required to keep protected by a deposit of United States bonds with the Secretary of the Treasury. As the Government invariably holds bonds worth more than the public moneys entrusted to the banks it is argued that the requirement of keeping the reserve on such deposits similar to that kept on individual deposits is unnecessary. At first sight there is much plausibility in this view, and in ordinary times and under ordinary conditions of the money market doubtless a reserve on hand of available cash might safely be dispensed with. It would be perfectly safe to permit National banks having public moneys on deposit to hold them without reserves other than the securities deposited in Washington so long as the Government has a large surplus of unappropriated cash in its vaults. It might not, however, be so safe if the Government revenues were reduced so as to leave very little, if any, margin between them and expenditures. Supposing a National bank depository holding a large amount of public moneys is suddenly drawn on, and that it has kept no available reserve. To pay the draft must certainly run down the reserve held against individual deposits and jeopard the interests of individual customers. A bank must not only be able to pay its liabilities; it must also be able to meet all immediate demands, and even United States bonds in Washington require time to convert into means for paying checks when presented. As long as the Government has an overflowing Treasury and is willing to buy bonds at any time, there might be little difference between cash revenue and a reserve of United States bonds, but if money becomes very scarce there might be reason which, even if there were no law, would induce conservative bankers to keep a reserve in public money deposits, notwithstanding the security deposited at Washington. We do not think, therefore,

that the law should be amended so as to unconditionally except public money deposits from the requirements of the reserve law. We believe, however, that Section 5,153 already gives all the law that is necessary on this point. This section provides that "the Secretary of the Treasury shall require the associations thus designated (as depositories) to give satisfactory security by the deposit of United States bonds and *otherwise*, for the safe keeping and *prompt payment* of the public money deposited with them." It will be observed that there are two things to be secured ; (1) the safe keeping and (2) the prompt payment of the public moneys. The safe keeping is absolutely secured, so far as the Government is concerned, by the deposit of United States bonds, but *prompt payment* cannot be said to be secured by such deposit. The only way in which prompt payment is to be secured is by the keeping of a reserve. It is plain, therefore, that if the class and amount of security to be required for the safe keeping of the deposits is by this section of the law confided to the discretion of the Secretary of the Treasury, the kind and amount of security for the *prompt payment* when demanded, otherwise the reserve to be kept, is equally within the discretion of that office. Under present conditions the bonds deposited are ample pledge both for the safe keeping and the prompt payment of the public moneys, but other conditions may arise when the Secretary might find it necessary to insist that in addition to the bonds deposited, a certain proportion of reserve must be kept to insure *prompt payment* on demand. To sum up, it is the object of this argument to show that the question of reserve on public deposits is not governed by the provisions of Section 5,191, which requires a certain proportion of reserve to be kept on ordinary deposits, but that the question of reserve on public deposits is solely governed by the provisions of Section 5,153, and that the provisions of this section make the proportion of reserve to be kept on public moneys discretionary with the Secretary of the Treasury. This office can therefore decide whether the bonds deposited are sufficient security for both safe keeping and *prompt payment*, or if for the *prompt payment* some reserve in addition to the security of the bonds deposited must be kept. It seems plain however that unless the Secretary does decide that some reserve other than the bonds deposited in Washington need be kept, that these bonds in the view of the law, are all that is required to insure both safe keeping and prompt payment and that no other reserve is really necessary.

THE PLAN FOR perfecting and perpetuating the National banking system, which is advocated by Mr. John Thompson the veteran banker of New York city, printed elsewhere is, if Congress could be prevailed upon to adopt it, one of the best methods of extending bank circulation yet proposed. While Mr. Thompson deserves the greatest credit for the energy with which he has agitated this matter he does not, we believe, claim the plan as entirely original with him. In fact, in the

circular which he has recently issued he prints an extended extract from the report of the Hon. Henry W. Cannon, Comptroller of the Currency in 1885, in which, in substance the issue of circulation in excess of the par value of the United States bonds deposited is advocated, and the records of the office cited to show that the circulation of insolvent National banks would have been redeemed from the proceeds of assets, even if no bonds had been held as security by the United States Treasury Department. The strongest point made in Mr. Cannon's report, is the suggestion that in order to secure the circulation issued in excess of bonds, the tax of 1 per cent. on circulation should be funded as a safety fund, to redeem the excess of notes of such banks as might fall after the proposed change in the law should have been made. This proposition in Mr. Cannon's report for 1885 is based upon a similar suggestion contained in reports of his predecessor Mr. Knox, and the original basis of the plan is the safety fund system which was legalized in New York State in 1829 when Mr. Van Buren was Governor. This safety fund system was first elaborated in a letter from Judge Forman of Syracuse to Governor Van Buren. It was as Judge Forman says in his letter based on the agreement made by the merchants in the China trade who belonged to what was known as the Hong. The merchants belonging to the Hong, bound themselves to collectively pay the debts of any delinquent member. Under the safety fund law of 1829, each bank doing business under a charter obtained from the State of New York was required to pay annually an amount equal to one-half of 1 per cent. of its capital, towards a fund to be held by the State, and to be used to pay the debts, not only circulation but all debts, of any contributing bank which might become insolvent, until it had contributed an amount equal to 3 per cent. Upon any depletion of the fund by payment of losses contributions had to be renewed until the limit was again reached. The result of this safety fund system in New York State is a matter of history, and it shows conclusively that if the contribution had been only used to redeem the circulation of the failed banks belonging to the New York system that the safety fund would have been ample for the purpose. This is the more remarkable, as legally, the banks might issue circulation equal to the amount of their capital, and as moreover there were no safeguards to prevent illegal issues. Each bank bought its own plates, had its own bills printed, and there was really no check beyond the honesty of the bankers against printing and issuing any amount. That the laws of the State were violated and over-issues made in so few instances speaks well for the high character of the New York State bankers of this period. The cases in which over-issues were made were flagrant instances of law breaking and the amounts so over issued were large. Yet the safety fund would have paid all the issues of the failed banks legal and illegal, if it had been devoted to the redemption of circulation alone. It was the attempt to make it pay all the debts of the failed

banks including circulation which brought the safety fund system of New York into disrepute and gave the impression that it was a failure. The history of this system in New York State makes it evident that a fund made up from a tax of $\frac{1}{4}$ of 1 per cent. upon the circulation of National banks, would be ample to redeem the notes of all National banks that might fail, issued in excess of an amount secured by bonds, in a proportion not to exceed 30 per cent. of capital. In other words, if a contribution of $\frac{1}{4}$ of 1 per cent. of capital was sufficient under the New York safety fund law to redeem the notes of all insolvent banks when legal issues might be made to the extent of 100 per cent. of capital or more, much more would a fund made up of the annual tax on circulation of National banks be sufficient to redeem the notes of such National banks as might fail, issued to the extent of 30 per cent. of capital in excess of their notes based on bonded security.

AT THE BANKERS' CONVENTION at Pittsburgh, Mr. Knox proposed a plan for refunding the 4 per cent. United States bonds now outstanding in lower rate bonds, which if adopted by Congress would enable the Treasury Department to use its surplus to great advantage. It has been very widely endorsed by the press of the country and is so plainly a practical solution of the surplus difficulty for the next two or three years, that it is hard to understand the opposition it has encountered in some quarters. At the Bankers' Association the chief opponent of the plan was Mr. St. John, who in 1884 was a strong advocate of the Potter bill embodying precisely the idea advanced previously and since by Mr. Knox. In 1884 there was no such pressure from accumulating surplus as there is now, the 3's were payable at the option of the Government, and the principal motive at that time for the passage of the Potter bill was that it would help the National banks, especially those holding 3's, as Mr. St. John's circular issued in 1884 clearly shows. The condition of things has much changed since 1884. Now the Government is the anxious party and not the banks, and the refunding plan is really one for the benefit of the Government, to be carried out with the assistance of the banks. We are sorry that Mr. St. John, who occupies a prominent position among the younger financial authorities of the country, permits the Potter bill and his disappointment in reference thereto, to float around in his mind like a derelict upon the ocean, coming in contact with and endangering the safety of a later development of a similar idea.

One of Mr. St. John's arguments against Mr. Knox's plan is based on a misapprehension of its terms. Mr. Knox's calculations, intended simply to illustrate the theory of the proposition, are based on the assumption that on July 1, 1888, when the 4's have still nineteen years to run, the price of these bonds will be about 123, which will make 2 $\frac{1}{4}$'s having nineteen years to run worth par at that date. This being the case, by giving a 2 $\frac{1}{4}$ per cent. bond worth par, and \$23 in cash, the

Government gives the holder the exact equivalent of a \$100 4 per cent. bond worth \$123. Mr. St. John continues by saying that 4's are now worth 125 $\frac{1}{4}$, and argues from this that to make Mr. Knox's proposition a success, the 2's must be worth more than par or the holders will not accept. It is, therefore, the element introduced by Mr. St. John and not Mr. Knox's calculations that are at fault, and the terrible dilemma that "either the holders of the 4's will not accept a plan by which they must lose 3 per cent., or the proposition must inure to the disadvantage of the Government" results from this interpolation. Another objection raised by Mr. St. John, is that if the Government gives the 2's in exchange at par, the market price may hereafter rise, and the Government after paying the present premium on the 4's in making the exchange would hereafter, when wishing to purchase the 2's have to pay another premium. The answer to this is that if no exchange were made and the 4's continued outstanding the same conditions that would cause a rise in the price of 2's would also cause a corresponding rise in the 4's, and if bonds have to be purchased hereafter it would cost the Government just as much more to then purchase 4's as the premium upon the 2's would then amount to.

Equally unfair was the objection raised by Judge Ewing, that Mr. Knox's plan contemplated any postponement of the payment of the debt. The *Bankers' Magazine* has fallen headlong into the mud of this stupid objection. One would have thought that a magazine usually so perspicuous would have seen that there was nothing of this kind to be fairly deduced from the plan. The mathematical faculty ought to be strong in any publication treating of financial topics, at least strong enough to enable it to understand that, if by a certain time an amount is to be paid in the liquidation of the combined principal and interest of a debt, and the payment of the principal is prevented by the terms of the contract, the payment at a discount of the interest, in whole or in part, with the consent of the holders is no postponement of the payment of the debt.

Other objections to the plan are founded on the belief that the surplus may be more profitably used by the Government in the purchase of the 4's than in refunding them into 2's. The reasoning is as follows : \$125 of surplus of 4's are at a premium of \$125 on Jan. 1, 1888, it will purchase a 4 per cent. \$100 bond on that date having 19 $\frac{1}{4}$ years to run. The Government thus pays \$100 principal and stops 19 $\frac{1}{4}$ years of interest at 4 per cent. or \$78, in all \$178, by the present use of \$125. By Mr. Knox's plan of exchanging a \$100 2 $\frac{1}{4}$ bond and \$23 cash for a \$100 4, \$125 surplus would allow an exchange of \$552.18 in 4's for an equal amount of 2's. The principal would remain the same but the difference of 1 $\frac{1}{4}$ per cent. on \$552.18 would be stopped for 19 $\frac{1}{4}$ years, equal to \$161.52, the difference in favor of purchase of bonds being some \$16.50. This method of reasoning is as unfair to Mr. Knox's plan as that adopted by Mr. St. John, in that new mathematica

elements are injected, and it does not take into account the effect of compound interest. A computation made at compound interest indicates that, the terms of the problem being properly taken, the gain to the Government by the use of a given amount of surplus in buying a portion of the interest is the same as in buying the bonds outright. The actual amount to be paid at any time under a refunding plan is purely a matter of mathematical computation and must be determined at the time the exchange of bonds is made. Any figures given in illustration of the theory are subject to changes which may be rendered necessary by the circumstances existing when the theory is put in practice.

ARTICLES RECENTLY published in the *New York Commercial Advertiser*, attacking the management of the Comptroller of the Currency, give the impression that both in the past and at the present time the management has been inefficient, and that many failures have occurred that might have been prevented. The manner in which insolvent National banks have been closed by Receivers, under the direction of the office, has been made the object of special attack. It has been intimated that the operations of these Receiverships have been designedly concealed from the public; that the amounts collected from the assets have been largely absorbed in the expenses of conducting the Trust, including the salaries of Receivers.

The articles in the *Commercial Advertiser* show a lamentable ignorance of facts which have already been published in regard to the management of National banks that have failed. The matter of expenses of Receiverships was fully elucidated in the report of the Comptroller of the Currency for the year 1879. Not only was it shown that these banks were wound up at a very moderate expense, but also that losses incurred by the failure of National banks were very small in comparison with the losses suffered by the public through the failure of State, Savings, and private institutions. The information given in this report disposes of the two principal criticisms of the paper named. First, as to the expense of Receiverships, and second, as to the uselessness of the office of the Comptroller of the Currency in preventing losses.

On page 34, of the report of 1879, is a table showing the number of National banks which had failed in each State up to that date; their capital, the claims proved against them, the dividends paid, the estimated dividends yet to be paid, and the estimated losses. We find that up to November, 1879, eighty-one National banks had failed, having a capital of \$17,452,600. That the claims proved against them amount to \$24,859,472; that of this \$15,975,223 had already been paid. That additional dividends of \$2,664,000 were yet to be paid, and that the entire loss to the depositors through all these banks would be \$6,240,189.

On the next page the report states that, for the purpose of comparing the losses of insolvent National banks with those of insolvent banks other than National, much pains had been taken to obtain as reliable

and complete statistics as possible relating to State and Savings banks and private bankers in the different States during the three years ending January 1st, 1879. Before giving the results, attention is particularly directed to the fact that the estimated losses of the eighty-one National banks which had failed amount to \$6,240,189, including all the losses experienced from National bank failures during sixteen years ; whereas the losses of the State, Savings, and private banks given by the Comptroller were for three years only. During the three years ending January 1st, 1879, two hundred and ten State, Savings, and private banks had failed, from which returns had been obtained, and of course there were many others not obtained by the Comptroller's bureau. The claims proved against these amounted to \$88,440,028. The sum already paid and expected to be paid in dividends obtained from the most reliable sources, was \$58,152,638, showing losses during three years, by the failure of State, Savings, and private banks, of \$32,616,661.

This seems to dispose, up to 1879 at least, of the charge that the Bureau of the Comptroller of the Currency is managed in a way that affords no protection to the public. To show this more forcibly, it may be stated that out of an average number of about two thousand National banks in operation during a period of sixteen years, only eighty-one had failed, and were wound up by Receivers, with a total estimated loss to depositors of \$6,240,189. While out of an average of five thousand State, Savings, and private banks, two hundred and ten had failed in three years, and were wound up with a loss amounting to \$32,616,661.

This makes it plain that, as has always been claimed by the JOURNAL, although no supervision will absolutely prevent failures, yet the supervision of the National banks of the country, by the office of the Comptroller of the Currency, has had a very marked influence in reducing the losses which are sure to occur under any systems of banking, and especially under those not subject to Governmental supervision.

In the same report the losses to creditors through the failures of National banks in the cities of New York and Brooklyn for the sixteen years during which the National banking system had then been established were compared with those sustained through the insolvency of Savings banks in the same cities during the eight years previous to 1879. The result of this comparison went to show that seven National banks which had failed in New York city during the time mentioned were wound up by Receivers with a loss to depositors of \$91,421 only, whereas the depositors of the twenty-two Savings and other State banks which had failed within eight years in the same cities had experienced a loss of \$4,475,061.

As to the expense of liquidating National banks in the hands of Receivers, a table is given on page 37 of the same report, which shows the total expenses which had been incurred in winding up insolvent National banks to that time. This indicated that the eighty-one

National banks which had failed had been closed at an average expense of 6.7 per cent. of the total net cash collected. As this cash included the amounts received for the margin, interest, and premium on the bonds deposited to secure circulation over and above the amount necessary to redeem the outstanding circulation of these banks, the percentage of expenses should perhaps be placed at one or two per cent. higher.

This table includes the Ocean National Bank, of New York city, which had been wound up at an expense of 8.3 per cent., and the Union Square National Bank, of New York city, which had been wound up at an expense of 6.3 per cent.; the Eighth National Bank, of New York city, which had been wound up at an expense of 7.2 per cent. The Atlantic National Bank at an expense of 8.5 per cent. The National Bank of the Commonwealth wound up at an expense of 5.3 per cent. The greatest expense in winding up an insolvent bank in New York city was in the case of Croton National Bank, where the cost was 12.8 per cent of the net cash collected.

A very large portion of the expenses incurred arose from litigation. Many persons who punctually pay their obligations to banks when solvent do so only at the end of a law suit, when the same bank has been placed in the hands of a Receiver. Complicated questions arise in the forced settlement of a bank's affairs, which are frequently carried up to the court of last resort before they are finally determined.

If there is any one special branch of the work done in the office of the Comptroller of the Currency of which that office has a special right to be proud it is its record in the matter of liquidating the affairs of the insolvent National banks.

The tables given in the *Commercial Advertiser*, by which it is sought to be shown that large amounts collected from the nominal assets of involved National banks, cannot be accounted for, are seriously and admittedly imperfect, because of the lack of information on the part of those who prepared them. The figures are mostly taken from a table in the Comptroller's report for 1886, which does not pretend to give the disposition made of the moneys collected, further than to show the amount of dividends paid to the date of the report. The amount used to redeem the circulating notes of the several banks is not given, and this omission goes far to explain the discrepancies over which so much unnecessary fuss has been made. The omission of expenses and losses on assets compounded by order of court will probably in every case fully explain the remaining apparent differences.

The *Advertiser's* articles referred to above were written by one William J. Best, of unsavory reputation in connection with various bank Receiverships in this city, and the Pacific National, of Boston. Emanating from such a source, they are really unworthy of any attention whatever, and we would not have taken the trouble to refer to them, but for the fact of their appearance in a respectable newspaper.

CONSUL-GENERAL BONHAM writes from Calcutta to the Department of State that the area devoted to wheat in British India in the year 1886 was about 27,392,742 acres, and the total yield was 288,938,496 bushels, or an average of ten and a half bushels per acre. The quality of the Indian wheat is, he says, inferior to that grown in the United States, and the flour made from it is of a darker color and inferior in quality to the American flour.

The methods of cultivating the soil and harvesting and threshing are still very rude. The native farmers have a great prejudice against using modern agricultural implements. The land is plowed or rather scratched over with a plow made of a forked stick with an iron point. Wheat is sown with the hand, and covered with a bamboo harrow. The grain is reaped with an old-fashioned sickle; tramped out by cattle, and winnowed by pouring it out where there is sufficient breeze. The reason why, with these imperfect methods and implements, the Indian farmer is able to compete with those of the United States is, that the Indian farmer's entire farming outfit does not represent a capital of more than forty or fifty dollars. And his hired help can and does work, feed and clothe himself on about \$2.50 per month.

In 1868 the quantity of wheat exported from India was 299,385 cwts. During the season of 1885-6, 21,060,519 cwts. were exported.

It is claimed that the United States has nothing to fear from competition in wheat growing in India, but Consul-General Bonham strongly expresses the opinion that there is much to be feared in this respect.

THE ANNUAL REPORT of the Treasurer of the United States, an abstract of which we print next month, was made public Nov. 17th. The report is a pamphlet of nearly one hundred pages, reviewing the financial operations of the last fiscal year ending June 30th, 1887. It appears that there has been an increase of every item of public revenue over that of the preceding year, the largest increase being in the custom receipts.

The bond redemptions of the year amount to \$127,911,950. The gold coin and bullion has increased \$34,705,623, and silver dollars and bullion have decreased \$26,143,181. It appears from the report that the demand for five, ten and twenty dollar greenbacks, and for the new one, two and five dollar silver certificates has been greater than the Treasury could supply. When the United States Government undertakes to supply the currency of the country it should certainly take measures to do so to the extent that such currency is demanded, but the Treasurer's report shows that larger appropriations must be made and better facilities afforded for supplying currency than were made during the past fiscal year.

The JOURNAL holds that part of the difficulty in this respect is due to the fact that the entire work of preparing and printing the paper money of the country is relegated to the bureau of engraving and

printing at Washington, and that both the quality and quantity of the work done are deteriorated under this system. We hold that the remedy for this is to call upon the private bank note companies of the country to do a portion of the work. That this is not only necessary for supplying the demand and obtaining a good quality of currency, but it is also a proper step to encourage this class of American art and industry.

WE PRINT this month the address of Hon. Henry M. Knox, public and ex-officio Bank Superintendent of the State of Minnesota. This address explains the entire method by which the banks and public institutions, and County Treasurers of the State of Minnesota are subject to supervision. In no other State is there an officer of this character. The banking laws of other States frequently require periodical examinations of the banks, but the County Treasurers and financial affairs of other public institutions are not under such supervision.

It appears from Mr. Knox's address that the difficulty in introducing a system of examination of county officers is due to political influence. Attempts have been made to introduce a similar law in other States but they have always met with strenuous opposition.

NOTWITHSTANDING that there was a large increase in the amount of money deposited with the National Bank Depositories during the month of October the cash in the Treasury increased in the same month eight million dollars. The relief afforded by the action of the Secretary in depositing one hundred and ten thousand in public moneys for each one hundred thousand of 4 per cent. bonds put up as security, does not therefore seem to be due so much to the actual reduction of the surplus in the Treasury as it is to the feeling which it gives rise to that if the necessities of business require more funds there is a ready way in which the banks may obtain them.

INTER-STATE COMMERCE COMMISSION.—The Inter-State Commerce Commission are, it is stated beginning to find out that but few of the railroads are complying with the law, and particularly the long and short haul sections, and hitherto they have only considered questions of this kind arising against railroads when formal complaints were presented to the commission, but recently they have requested information from the roads themselves as to whether they complied with the law.

SUPPLY OF SILVER CERTIFICATES.—It seems very strange that the Treasury Department cannot supply silver certificates as fast they are demanded by the public. Various excuses are made for the delay in printing a sufficient supply. The bureau of engraving and printing seems to be run to its utmost extent for so many other purposes that there is no chance for it to manufacture these notes, which are in much

demand with the banks and the people. Probably the real reason of the delay is that there is not storage room at present in the Treasury Department for the silver which is presented in exchange for the certificates. If the real reason of the failure to supply the certificates in sufficient quantities is the inability of the engraving and printing bureau to supply them it is another argument against the monopolizing by that bureau of the printing of all Government obligations. If, as formerly, a portion of this printing were done by private bank note companies, there would now be no difficulty in supplying the demand for silver certificates.

THE PRESENT SESSION OF CONGRESS is one of great interest to the banks and bankers of the country. The great excess of the revenues of the Government over expenditures would necessitate a rapid payment of the public debt, if that debt were payable at the option of the Government; but inasmuch as the terms upon which it was contracted do not admit of its immediate payment, the accumulation of surplus revenue in the Treasury Department must necessarily continue, and cause great apprehension.

The most obvious way, under the present circumstances, to equalize the revenues and expenditures of the Government is, of course, by a radical change in the revenue laws; and the tariff reformers and free traders generally regard the present situation as one likely to force the carrying out of their ideas. But no mistake must be made by assuming that Congress will feel this pressure sufficient to induce it to take immediate action in the direction of revenue reduction. A large class might support some modification, but slight changes will not effect any reduction of revenue. To do this the change must be radical, and it is very doubtful whether a majority in Congress can be obtained to enact sweeping modifications of our present system of taxation. Those who expect a short and decisive settlement of the problem will doubtless be disappointed. Relief of the present financial situation must be the result of compromise between the conflicting elements, and no compromise can be made until each side has proved its strength or weakness. We therefore believe that if Congress takes any decided action it will not be until after much discussion, and late in the session.

THE ATTEMPT of Wm. J. Best to get possession of the records of the office of the Comptroller of the Currency, so that he might use them for his own purposes, reminds one of the ancient story of the clever scamp who beguiled the old housewife into furnishing the materials for a nourishing soup by getting her permission to boil pebbles by her kitchen fire. The Comptroller rightly declined to permit Mr. Best to practice a similar species of fraud on his office. Best is a barren rascal, and, like the Fool in "Twelfth Night," is done when no one furnishes him with a cue.

BANK STATEMENTS.

The science of banking grew up by degrees, and for a long time was experimental. The first individual who received a deposit from another kept it in the same form in which it was deposited, ready to be returned when called for. He was not a banker, because that word implies one who receives deposits from a number of people. When, instead of the deposit of one person, he began to receive those of hundreds, and noticing that as soon as some were withdrawn other deposits were made with him, he discerned that there was no identity in money, and that the deposits of one day generally paid the withdrawals for that day, leaving constantly in his hands a fund of greater or less amount that was seldom or never disturbed. Looking at the matter entirely on the practical side, he recognized the further fact that if he imparted the secret to his depositors he might perhaps soon have none. The minds of the public could not yet grasp the idea, and continued in blissful ignorance of the fact that a banker could loan a large portion of his deposits and yet always meet the demands of such as might need their money, he retaining a comparatively small proportion. By degrees something of this secret leaked out : some of these early bankers failed ; their cases got into the courts, the lawyers on both sides explained the kind of business they had been doing to the judges ; the judges were intelligent men and recognized the fact that banking was a good thing, and that the failures were but exceptional cases, due to misfortune or dishonesty.

Gradually the relation of the banker and the depositor became fixed on a sound legal basis. Bankers dealt with each individual customer without reference to his relation to other customers. No banker cared to tell the amount of deposits he had, and what amount he kept to meet demands. This reticence had its disadvantages, although generally it covered the most sterling honesty. It could be, and was, used for a cloak for fraud. Among the members of the craft the limits of safe banking under various circumstances, and what proportion of reserve it was necessary to keep, and to what extent their business might be extended, were well known. As a rule these limits were adhered to, but the spirit of reticence and concealment gave a grand opportunity to men of a predatory disposition, and some of these went into banking as the best method of exercising their faculties in the plundering of the public.

The public have been taught the necessity and economy of good banking, and in what good banking consists, and the bankers have been compelled by law to make their methods of business known, in order that the public may be enlightened and be able to judge intelligently of the confidence that may be properly imposed in the banks. One chief method taken by legislators to accomplish this end has been to require bankers to make reports of the condition of their business to governmental authorities, and to provide for the publication of these reports. The requirement to make reports to the authorities was first looked upon by the banks as in the nature of a penalty or restriction, but in the course of time the majority of banks and bankers have seen the advantage, not only of making these financial reports, but of frankly

and fully, of their own volition, exhibiting the condition of their affairs to the public. In this country the banking laws of most of the States for many years past have required the banks organized under them to make reports to the State officers.

In the year 1832 Congress passed a resolution directing the Secretary of the Treasury to procure and publish as full returns as possible of the resources and liabilities of the State banks. Previous to this, whenever the State banks were used by the Secretary of the Treasury as depositaries of public money, they had been required to make reports of their condition to that officer. Under the act of 1832 the Secretary of the Treasury communicated with the officials of the various States having charge of the execution of the banking laws, and as far as possible obtained from them reports made by the banks in their respective States. These reports were collected and published by the Treasury Department up to the time the national banking system went into operation. In 1863, when the national bank act was passed, a tax was imposed upon the capital, deposits and circulation of the State and private banks as well as upon the capital, deposit and circulation of national banks. State and private banks and bankers were required to pay this tax to the Commissioner of Internal Revenue, and as part of the system of collection they were required to make reports to that officer. The national banks were required to make much fuller reports of their condition to the Comptroller of the Currency, as well as reports for taxation to the United States Treasurer, as under the laws of 1863, relating to the national banks and to the taxation of State and private banks and bankers, the Treasury Department received statements more or less complete from all the banks of the country, and the collection of reports of the State banks, under the act of 1832, appears to have been discontinued. Inasmuch, however, as the reports of the State and private banks and bankers, for the purposes of taxation, did not give all the information desired in regard to them, in February, 1873, Congress passed an act directing the Comptroller of the Currency to obtain from all sources which he might find available, information in regard to the State and private banks and bankers. This act was similar to that of 1832, excepting that the Comptroller of the Currency was entrusted with its execution instead of the Secretary of the Treasury. The result of these various laws, State and national, is to be found in the public documents of the several States, and also, in a more condensed form, in the reports made by the Secretary of the Treasury of the United States from 1832 to 1865, and in the reports of the Comptroller of the Currency from 1863 to the present time, which financial reports have undoubtedly accomplished much in bringing the public and the banks into a truer relation with each other; and while they also have a tendency to establish a higher standard of banking, they are made too infrequently to furnish a comprehensive present knowledge of the condition of the banks.

Of late years there has been a tendency on the part of the banks themselves to supplant the official reports by reports made of their own volition. It has become a custom with many banks to make reports of their condition to their stockholders and customers as an advertisement; but isolated and sporadic reports of single banks are not of much value to the general public. It would have a much greater effect in quieting the apprehensions based on surmise and ignorance if, for instance, a reliable report of the condition of every bank in

the country could be made and published at more frequent intervals, and abstracts made of the principal items in these reports.

In a country as large as the United States, if a harvest fails in one locality, the failure is compensated for by the abundance which prevails in other parts of the country. Means of knowledge and communication bring about this result, or we might starve in New York while wheat was a drug in Chicago, as formerly people have starved in Rome while the storehouses of Egypt were full. The knowledge that the corn was in Egypt saved an enterprising race of commercial people to the world, and since that day they have shown the same acumen as to the value of correct information as was in that instance shown by their progenitors. It is not so easy to obtain a knowledge of the condition of the banks, or to form a correct judgment in regard to it, as it is to obtain information as to the status and movement of products. Knowledge in regard to the condition of banks, to be of value, should be comprehensive and immediate. The plan of having reports every day from all the banks would be impracticable, but it would be a great help if the condition of the banks in the chief money centers were known weekly. The money centers of the country are indicated nearly enough for the purpose by the presence of clearing-houses. When the banks in any locality do business enough to render a clearing-house a necessity, that place may be regarded as a money center. There are at present about forty towns and cities in the United States, the banks located in which make their exchanges through clearing-houses. If the banks in each of these places were to make reports weekly on a uniform day, and these reports were immediately collected, a very comprehensive view of the business of the country would be the result. As it is now, banks belonging to only three clearing-houses of the country make weekly itemized reports, showing the condition of each bank in the association, viz.: those in New York, Boston and Philadelphia. The banks of Chicago, St. Louis, Baltimore, Pittsburgh, Louisville, Cincinnati, Detroit, Milwaukee, New Orleans and San Francisco make no itemized reports, nor do those belonging to the clearing-houses in the twenty-seven smaller places. What would be the effect if all the banks connected with the clearing-houses of the country should on every Saturday put in their reports, as is done by the associated banks of New York, Boston and Philadelphia, can be seen by the beneficial effect produced on the money markets of the country by the weekly bank statements issued by the clearing-houses of the cities above named. It is believed that if the managers of the various clearing-houses of the country would take this matter in hand and secure some uniform form of report, to be adopted by the banks connected with all clearing-houses of the country, such reports to be made weekly upon a uniform day, and to be collated at some common center, that great good would result to all financial and business interests. A weekly report of all the prominent banks of the country would prevent a scarcity of currency in any one city from injuriously affecting the whole. Several times when the weekly statements of the associated banks of New York showed that their reserves were low, if it had been possible to obtain reports of the same date from the principal banks of the West, South and central portions of the country, it would have been seen that there was an abundance of currency available, and the necessity of calling upon the Treasury might not have been so seriously felt. The expense of such a system of reports would not be heavy.

Notes and Comments on
BANKING PRACTICE.

**SOME NEW IDEAS ON HOW TO CONDUCT A BANK WITH SUGGESTIONS AND HINTS
REGARDING THE OLD METHODS.**

Written for RHODES' JOURNAL OF BANKING by a Bank officer—supplemented by
occasional contributions from others who are interested in the subject.

Books About Banking.—There are two kinds of men who know how to manage a bank successfully: first, those men who, by force of character, great natural abilities, and special aptitude for the business, achieve success almost, it would seem, without effort. These are men concerning the causes of whose success it is idle to speculate. They are men who succeed in favorable and in unfavorable circumstances alike. No matter from what quarter the wind blows, it always seems to bring them fortune; endowed with a Midas touch, everything they handle turns to gold, and even errors, which to others would be fatal, seem, in the end, rather to increase their prosperity; but there is another class of men who, if they do not achieve so brilliant a measure of success, yet succeed so fairly well as to entitle them to be ranked among the successful men of their time. Not furnished by nature with any extraordinary powers or special aptitudes, yet imbued with a strong desire for success and sustained by a powerful determination to achieve it, they set themselves resolutely to work to climb by slow and laborious paths until they reach the summit of their ambition. It is often a matter of wonder among unobserving persons how some men manage to succeed so well, in spite of the generally admitted fact that their natural endowments are in no wise superior to the average run of their fellows. These are the men who read and study and think, who are not above gathering information from every available source, and who despise not the day of small things. The business of banking is so exceedingly practical in its nature that it is very hard to reduce its principles to definite rules, and for the additional reason that there are very few persons who understand the principles sufficiently well to make any successful attempt to explain them to others. Indeed, many of the most successful bank Managers would be utterly at a loss to explain definitely and correctly the causes of their own prosperity. This point was illustrated recently by one of the daily papers, which published interviews with a number of rich men concerning the principles which had guided them in the acquisition of their means. One gave one answer, another, another; but, after all, there was but very little information afforded the public which would be any guidance to those who were endeavoring to attain the same end. There was a good deal of talk about industry, honesty, and all that sort of thing, virtues which are often practiced by very many people without resulting in any marked degree in that sort of riches which are suitable to be laid up on earth. Practical men who are more accustomed to deal in actions than in words and have neither the time nor the disposition for philosophical and scholarly reflections are usually quite at a loss to reason correctly as to the causes of their own success, while those persons, on the contrary, who are given to theorizing are usually so much absorbed in their own speculations as to afford anything but an encouraging example to those who would pursue that way of acquiring riches. Not, to be sure, that there is any lack of literature concerning banking and finance, for these have been attractive subjects to writers in all ages. Cicero tells us that commerce, if conducted on a wholesale basis, is not altogether disgraceful, and in later times Lord Bacon writes essays on the subject of riches, and shows his appreciation of the practical side of the question by

exhorting Mr. Justice Hutton to keep his hands clean and uncorrupt from gifts, while he himself, at the same time, was receiving bribes, and thereby increasing his own material fortune. In more modern times Adam Smith discoursed of the "Wealth of Nations," and laid the foundations of modern political economy; but if one asks to-day, what is the best book about banking for practical men to read? the answer is somewhat difficult to give. There are books for lawyers which treat of banking law, there is a whole library of books on political economy, and every month additions are made to the number. There are treatises on finance, and acres of printed matter on special subjects, as, for example, on the silver question; but none of these are exactly the books which one would recommend to a person desiring to equip himself with the information which would be especially useful to a practical banker. It is true that, to him who would be thoroughly informed upon the subject, there is nothing that would come altogether amiss; but there are some books which are more valuable than others, and unless time is unlimited there are some books which it is well to read and study to the partial or even to the total neglect of others; but the special information required by a practical banker is not really to be found in any one treatise on the subject. It is scattered through fugitive articles in the newspapers; in occasional controversies between well-informed people which bring out the fine points of the subjects under discussion. Curious as the statement may seem, a great deal of very necessary information is to be found in the mathematical text books. Indeed, there are some problems concerning rates of interest on stocks and bonds which cannot be solved without the aid of comparatively high mathematical attainments. The United States Government, for example, employs a special officer styled the Actuary to make these calculations for the Treasury Department. Whatever may be said of the comparative ease of obtaining satisfactory treatises on banking law, it is by no means easy to get trustworthy and full information on bank practice, practice which often has almost as much force and effect as law itself. It is all very well for bankers of twenty or thirty years' standing to talk about the valuable lessons of experience, but the competitive spirit of the present day does not permit a man to wait twenty years to find out that which he is expected to know now. That even the general principles of banking practice are not thoroughly understood and generally agreed upon, is shown by the controversies which arise from time to time in the newspapers and in the banking magazines. Indeed it is amusing to note the errors into which even well-informed men will fall in stating what they consider to be well established banking practice. While the study of books on political economy is to be commended, yet books of a more practical nature are really desired by a man who wishes to qualify himself for the position of a manager of a large bank, and it is exactly these practical books which are so exceedingly scarce. Men of experience have neither the time nor the inclination to put themselves on paper, while men whose knowledge is merely theoretical are not fully equipped for the task; hence, as stated before, for the practical banker the best books are the current periodicals especially devoted to the subject of banking, and those newspapers which give special attention to the preparation of their financial articles.

Banks as Special Partners.—In the granting of discounts it should be borne in mind that the bank in extending the accommodation assumes to a certain degree the risk of the business of the firm or corporation to whom it lends its money. Especially is this the case with unsecured single name paper, for here the bank actually becomes a participant in all the risks which attend the business of the maker of the note without sharing any of the profits beyond the actual interest charged. The same remarks apply, though less forcibly, to the discounting of a firm's bill receivable. The increasing volume of single name paper that is constantly manufactured for the market should induce an extra degree of caution on the part of lenders, and the manager should never lose sight of the fact that his bank shares to a certain degree, either directly or indirectly, all the risks of the borrower's business, and consequently loans should not be made to those whose enterprises do not commend themselves to the judgment of prudent financiers. Indeed, in all lending of money to persons

engaged in speculative enterprises the bank encourages the speculation itself, and on that account might, in some cases, be held morally responsible for the extent of the speculation. Indeed, it has been suggested that the banks themselves are largely to blame for a great deal of the wild-cat speculation that is indulged in by advancing money to borrowers, who use it rather for such purposes than for legitimate business enterprises.

Public Opinion and Banking Interests.—It is a common assertion that the majority of men usually desire to do what is right; but, when acting as a body, they are seldom able to carry out their designs. In this country, in which popular government reigns supreme, public opinion is a great lever in political action, and members of the Legislature are often more susceptible to its influences than to the arguments of reason. It is often said of the most desirable measures, that they are all very well in themselves, but that public opinion is not yet quite ripe enough to receive them favorably, and therefore they must wait. Perhaps there is no substantial interest in the country more under the ban of public prejudice than the banking interests. The public seem to be possessed with an idea that all bankers are necessarily very rich, and consequently any addition to their stores is, so to speak, but painting the lily or gilding refined gold, and therefore any effort in that direction is really a work of supererogation. Accordingly the public view with jealousy and suspicion any measures which seem to tend to promote a wealth already apparently sufficiently great. A curious illustration of this feeling is instanced in the growth of the American Bankers' Association. For the first few years the Association did very effective work in securing the passage of laws favorable to the banking interests, and often very greatly to the interest of the public generally, but bye-and-bye the idea began to be diffused among the members of Congress, who have a sharp eye to the views of their constituents, that it would not do to pass so many measures in the interest of an Association of banks and bankers. There seemed somehow to be an irrepressible conflict between the banks and bankers on the one hand and the interests of the dear people on the other, and what was thought beneficial to the former could not fail to be prejudicial to the latter. Indeed some members got themselves into such a mental condition on the subject that they viewed with suspicion any measure that had the approbation of leading financiers, on the principle that gentlemen of wealth were not in the habit of drawing up measures in the interest of anybody but themselves. It is undoubtedly true that public opinion after a long while is likely to reach an accurate conclusion, but the trouble is that it gets there so very slowly, and while passing through its various phases, is apt to do damage by the violence of its expressions. Hence it has always been the endeavor of the framers of our Constitution and statutes to interpose between public opinion itself and the legal expression thereof a barrier of some sort which would prevent the violent and sudden changes which mark purely popular governments. The Senate of the United States serves as an excellent example of a provision of this sort, but unfortunately the tendency of our Constitutions are such that barriers of this sort have a constant tendency either to fall into disuse or so change their constitution as to really become of little value to the purpose for which they were intended. And thus it has come to pass that the opinion of the public generally exercises a strong and direct influence upon every measure pending before a State Legislature or before Congress, and it is only under very strong pressure that measures are passed in the face of existing popular opinion. It is this public opinion making against the interest of the banks which exercises so strong and often so harmful an influence on the interests of the banking community generally. It is true that these interests generally are so intertwined with each other that it is impossible to affect one either favorably or unfavorably without affecting, in the same way, the other, and in these days of corporate banks, the real banker, that is, the owners of the capital stock, are frequently persons of limited means, and not by any means that rich class which, according to the popular view, compose the banking fraternity. It is strange that no organized efforts have ever been made to break down the influence of this popular prejudice, especially as it forms two-thirds of all the opposition to bank measures.

BANKING LAW.

* LEGAL DECISIONS AFFECTING BANKERS.

CERTIFICATES OF DEPOSIT—PAYMENT BY BANK TO PARTY WHO DEPOSITED FUNDS AND RECEIVED THE CERTIFICATES, ALTHOUGH NOT THE PAYEE THEREIN NAMED—LIABILITY OF BANK TO PAYEE—A QUESTION ON WHICH THE SUPREME COURT OF CALIFORNIA ARE NOT UNANIMOUS.

(P, the clerk of H, without the knowledge or authority of H, deposited certain funds with the defendant bank and took certificates of deposit certifying that H had deposited the amount, payable "to self or order." P also wrote in the register of certificates of deposit, under the head of "To whose order," "N. Honig by S. A. Peyser." Subsequently P received the money on all the certificates and surrendered them to the bank. Some time after their payment H learned of the above facts and brought suit against the bank upon the certificates. *Held* (two Judges dissenting), that H could ratify the unauthorized act of his agent, P, in depositing the money, without authorizing P to indorse his name upon the certificates and receive payment, and, as the amount had not been paid to plaintiff or his order, he was entitled to recover.)

This was an action by the plaintiff, Honig, to recover the amount of six certificates of deposit made and executed by the defendant. They were all in the same words, except as to date and amount. The following is a copy of the first issued :

<p>"\$250.</p>	<p>No. 3,289.</p>	<p>Series B.</p>
<p>PACIFIC BANK,</p>		
<p>N. W. COR. SANSOME AND PINE STREETS.</p>		
<p>SAN FRANCISCO, January, 19, 1885.</p>		
<p>N. Honig has deposited in this bank two hundred and fifty dollars in gold coin, payable to self or order on the return of this certificate, properly indorsed.</p>		
<p>S. G. MURPHY, Cashier.</p>	<p>M. W. UPTON, Teller."</p>	

The deposits for which these certificates were issued were, in fact, made by one S. A. Peyser, who was the clerk of Honig, and the certificates were delivered to him. When he made the deposits Peyser demanded certificates, and wrote in the register of certificates of deposit under the head of "To whose order," "N. Honig by S. A. Peyser," and the money was subsequently paid to him on each and all of the certificates. Honig had for many years been a well-known business man in San Francisco, but he had never had dealings with the defendant other than to collect money on checks on the bank; and it did not appear otherwise than by the register and the issuance of the certificates that the officers of the bank ever knew of his existence.

Peyser was in the employ of Honig and was intrusted with the collection of moneys, but Honig did not authorize him to make these or any deposits with the bank; did not, in fact, know of the deposits, or that any certificates had been issued, until long after the certificates had been paid to Peyser as before stated. Of course Peyser had no authority from Honig to indorse the certificates or to obtain the money upon them. Some time after their payment Honig discovered the fact and brought this suit upon the certificates, although they had been so paid, and had, in fact, been surrendered by Peyser to the bank and were still in the possession of the bank.

As to the register of signatures the Cashier testified as follows: "The register book of certificates of deposits is a signature book, or book of identi-

* All the latest Decisions affecting Bankers rendered by the United States Courts and State Courts of last resort will be found in the JOURNAL'S Law Department as early as obtainable.

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

cation, which is placed before a person making a deposit in this way, and in which he writes his name then and there; and opposite to that man's name is the amount that the certificate is issued for and the number; and on the return of that certificate to the bank the Paying Teller is required to examine and compare the signature of the indorsement with the signature of the party depositing the money; and if that signature is not genuine, and has not the appearance of being genuine, and written by the party who deposits the money, payment is refused upon it."

Held, It is contended that a certificate of deposit is a form of deposit by one with whom the bank has not a regular account; that the depositor, on leaving his money, leaves also his signature, thereby designating upon what indorsement the money may be drawn; that the contract really is to pay upon the surrender of the certificate, indorsed by the same person and in the same way that the register is made in the certificate of deposit book. But the trouble with this contention is that the certificate is a negotiable instrument. On their face the certificates sued on are payable to N. Honig or order. The register is a private book kept by the bank for its own convenience and protection. It forms no part of the negotiable instrument issued by the bank. If an indorsement is required, the character of it is indicated on the face of the paper itself, which is expressly made payable to Honig or order.

The exigencies of the defendant's case would require us to hold that (1) had Honig presented in person the instrument which is expressly made payable to him or order the bank could have properly refused payment, and that upon such refusal no action would lie upon the part of Honig against the bank. (2) That had Honig assigned the certificate for a valuable consideration the Assignee could not have obtained the money, although by law it is negotiable and is expressly made payable to Honig's order. (3) That Peyser could have indorsed Honig's name and demanded the money, although the defendant knew he was no longer in the employ of Honig and that Honig expressly protested against his authority to indorse his name or receive the money for him. That is, that Peyser was able without Honig's knowledge or consent to constitute himself Honig's agent and that the agency was irrevocable. And (4) in case of Honig's death his Administrator could not get the money, but Peyser could still obtain it; and in case of his death his Administrator too could have drawn the money.

If I send my messenger boy to make a deposit for me and he discloses his principal, and the certificate is issued payable in terms to me, the contention is that I cannot collect the money until I cause my own name to be indorsed on the certificate by the boy, who at the time may be in Hong Kong. This cannot be so. If the bank keeps a certificate book for its protection its officers must see to it that they get the right signature in the book. It cannot, by taking the wrong signature, prevent the true owner from getting his money on demand.

There is no contract expressed or implied that the certificate was payable only when indorsed according to the signature in the register. The certificate of deposit register is evidently a mere private book whose contents cannot concern the holder of a negotiable certificate; but if it were otherwise it is difficult to discover how it could help the defendant. For, after all, this book only shows the number of the certificate, the amount for which it was drawn and to whose order it was made payable, which in this case was Honig. The Cashier is presumed to know that no act of his could authorize Peyser to act as Honig's agent, and that, if Peyser had then been the agent of Honig, it was competent for Honig to withdraw the agency at any time.

It is said that a person may deposit in a fictitious name, or may give any name he chooses to the bank: so he may represent himself as the agent of a fictitious principal, and in such case he can draw the money in the name in which the deposit was made. Let this be admitted. It does not cover this case. Here the principal was not fictitious. The bank cannot assume that a named principal is a fictitious person, or if it does so it will be at its peril. (*Morgan vs. Bank*, 1 Duer, 484.) The fact that the certificates were in possession of the defendant is immaterial. They had been executed and duly delivered to the plaintiff through his agent. The defendant came

into possession of them wrongfully and without having paid them to plaintiff or his order.

It is said that plaintiff cannot recover the full amount of all the certificates, for he has not shown that defendant received more than \$300 altogether. This is upon the theory that Peyser may have drawn the money on the first certificate and then re-deposited it, or some of it, to purchase the second certificate, and so on. This would perhaps have been a tenable position if Honig had sued for money had and received, ignoring the certificate on the ground that the deposit was not authorized by him. But there can be no doubt of the proposition that plaintiff was at liberty to ratify the unauthorized act of his agent and sue on the certificates, and that he could do this without authorizing Peyser to indorse his name upon the certificates. They were entirely distinct transactions. The action, then, was brought upon several negotiable instruments, each of them reciting the exact amount of money received from Honig and promising to pay the same to Honig or his order. None of them have been paid to plaintiff or his order or to his agent. When plaintiff proved the execution and delivery of the instruments and that they had not been paid he made out his case. All that appears in answer to this is that under the peculiar circumstances of this case it is possible that only \$300 of Honig's money was received by the bank. We cannot disturb the finding of fact by the trial court on the ground that upon the evidence it is possible that the defendant did not receive so much of the plaintiff's money. The burden of proof was clearly shifted to defendant.

The defendant having possession of the certificates the plaintiff was not required to produce and surrender them; but, if that were necessary, it was done when the defendant was compelled to produce them and submit them to the Court. Having come into possession of them unlawfully defendant held them for the plaintiff.

Judgment of the lower court for \$1,250 and interest in favor of plaintiff affirmed.

The opinion of the Court was delivered by Temple, *J.*, and Searls, *C. J.*, and McKinstry and Sharpstein, *J. J.*, concurred. McFarland and Paterson, *J. J.*, dissented.

McFarland, *J.*, in his dissenting opinion, after reciting the averments of the complaint and the proof before the trial Court, said: "The undisputed facts of the transaction are these: On the 19th of January—the day of the first certificate—one S. A. Peyser went into the bank of defendant and deposited \$250 and took for it a certificate of deposit. It is the custom of the bank, when a man wants a certificate of deposit, to request him to write his name in a signature book, or book of identification. Opposite his signature is written the number of the certificate issued him, with date, amount, etc., so that when it is presented for payment the Paying-Teller, by comparing the signature by which it is indorsed with the signature previously written in the book, may see that they are the same, and that therefore the certificate is 'properly indorsed.' In accordance with this requirement Peyser wrote in the signature book 'N. Honig, by S. A. Peyser,' under the heading, 'To whose order,' and the certificate was issued and delivered to him with 'N. Honig' named as depositor. In a few days Peyser returned with the certificate indorsed just as written in the signature book—'N. Honig, by S. A. Peyser'—was paid the money and delivered up the certificate to the bank for cancellation. Shortly afterwards he made another deposit and received another certificate in the same way, which, in a few days, was paid to him in like manner; and so on until the six certificates had been thus issued and paid, except that one of them was payable to 'N. Honig per S. A. Peyser,' and another was also indorsed by a firm called 'Davis & Co.' and seems to have passed through the Clearing-House. Each time Peyser wrote in the signature book 'N. Honig by S. A. Peyser,' and the certificate was thus indorsed before payment. Each certificate was paid before its successor was issued, so that the greatest amount which Peyser ever had at the bank at any one time was \$300.

"While these transactions were taking place the plaintiff, Honig, knew nothing whatever about them. He had never authorized Peyser to deposit any of his money at that bank, and did not know that Peyser had made any deposits

there of any character. Honig had never been a customer of the bank, had no account there of any kind, and had never himself received from it any certificate of deposit; and he was entirely unknown to the bank. But after the transactions were concluded and all the certificates had been paid and taken up by the bank Peyser died; and a few months after his death plaintiff, having then learned of these transactions, demanded of defendant that it should pay all said certificates over again to him; and the demand being refused, this action was commenced. He made no proof at the trial that any of the money deposited by Peyser belonged to him (plaintiff), but he relied entirely upon the mere fact that his name was in the certificates as depositor.

"Upon these facts I do not think the plaintiff was entitled to judgment. I do not see how the principles of law applicable to the peculiar qualities of negotiable paper can be invoked in this case. These principles apply ordinarily when the rights of sureties, indorsees, guarantors, and other persons generally, intervene. If the certificates invoked in this case had not contained the words 'or order,' or any equivalent words, the claim of plaintiff would not have been of any less legal value. If it be shown that a negotiable instrument made by A to B was without consideration, B cannot maintain an action upon it against A. Between the original parties there is not often any difference whether a bailment or debt be evidenced by a simple receipt or a negotiable promise, except that in the latter case a consideration is presumed. If the money deposited by Peyser with the defendant was not the money of plaintiff upon what principle can he recover in this action? If he had obtained possession of the certificates before payment and then had demanded payment, or had indorsed them to third parties, different questions might have arisen. The only parties to the contract were the bank and Peyser; part of that contract was that the certificates should have the indorsement which had been written in the book of identification; they were returned with that indorsement, the money was paid and the instruments were taken up and cancelled; and thus the contract was executed and ended before there was any assertion of the claim—real or pretended—of plaintiff.

"The only position having any strength which plaintiff could take is that the certificates, being in form negotiable, import a consideration; that is, make a *prima facie* case of ownership of the money by plaintiff. Plaintiff, however, in his testimony entirely repudiates the agency of Peyser in every part of the transaction. He says that he knew nothing about the certificates until after Peyser's death. But if Peyser was not plaintiff's agent in receiving the certificates, then the insertion of plaintiff's name therein goes for naught and he can base no right thereon. On the other hand, if, notwithstanding his testimony, he seeks now to adopt and ratify the agency of Peyser, he must adopt the whole of that agency or none. (Story, Ag., Sec. 250.) But suppose it be assumed that the money belonged to plaintiff and was in the possession of Peyser as his agent, how would the case stand then? It has been held in some cases that an original bailor may maintain detinue against a second bailee, but never, we apprehend, where the second bailee has safely re-delivered the thing bailed, according to his contract, to the first bailee before notice and demand by the original bailor. (Story, Bailm., Sec. 105-107.) If B, having custody of the money of A, intrusts it to C for temporary safe keeping, and C returns it to B before any notice or demand by A, then A has no action either *ex contractu* or *ex delicto* against C, because C has neither broken a contract nor done a wrong.

"However, I think that no case can be found where an action has been successfully maintained directly upon a negotiable instrument not lost or destroyed before cancellation when the plaintiff has never been in possession of the instrument and has never known of its existence until after its existence had ended. Here the bank was in possession of the instruments sued on at the time the action was commenced, claiming to own them as cancelled obligations. And it has been directly held in *Crandall vs. Shroepfel*, 1 Hun, 557, that a party claiming to own a promissory note in the possession of another, who also claims to own it, cannot maintain an action on it, and that the title to the note cannot be settled in such an action. Of course this case differs widely from the common case where a man opens a general account

with a bank and a *contract relation* between the parties exists from the start. There the original party alone has the right to draw against the account, no matter by whom he may send deposits. It no doubt would have been more regular and safer if the bank had required Peyser to take the certificates in his own name; but under the facts here, in my opinion, there is no phase of justice and no rule of law which compels the bank to pay these dead and cancelled instruments."

Paterson, *J.*, in dissenting, said: "The bank and Peyser had the right to enter into an agreement that the former should pay the money deposited by the latter to the order of 'N. Honig, by S. A. Peyser,' and this agreement was binding, unless the rights of innocent parties intervened. The instrument never was delivered to Honig. The fact that it is negotiable in form is immaterial. If plaintiff's right of recovery depends upon the agency of Peyser it is sufficient to say that plaintiff must ratify or repudiate all of his acts. He cannot ratify the deposit and repudiate the indorsement. There is nothing to show that the plaintiff owned the money deposited by Peyser. At most the plaintiff ought not to recover more than \$300."

Honig vs. Pacific Bank, Supreme Court of California, September 27, 1887.

PROMISSORY NOTE—STIPULATION FOR PAYMENT OF FIXED SUM AS ATTORNEY'S FEE—SUCH A PROVISION IS NOT USURIOUS, WITHOUT CONSIDERATION, OR AGAINST PUBLIC POLICY, BUT IS VALID AND ENFORCEABLE.

A promissory note contained an agreement that if it was not paid when due an attorney's fee of \$30 was to be paid by the maker, if the note was placed in the hands of an attorney for collection. In a suit on the note the declaration averred the non-payment at maturity, the placing of the note in the hands of an attorney for collection, and the payment by plaintiff of \$30 as a fee to said attorney for his services therein.

On behalf of the defendant it was contended that the promise to pay such attorney's fee was (1), usurious; (2), wholly without consideration; (3), its enforcement would be contrary to sound public policy; and (4), that it was within the prohibition of Section 6, Chapter 74, of the Revised Statutes of Illinois.

Held, It is apparent that the cases of *Nickerson vs. Babcock*, 29 Ill., 497, and *Easter vs. Boyd*, 79 Ill., 325, where it was held that an attorney's fee could not be recovered because by the contract it was not due when the suit was brought, can have no application here. In this case, if recoverable at all, it became due by the terms of the contract when, after non-payment at maturity, the note was placed in the hands of an attorney for collection.

If enforcing this promise to pay an attorney's fee would directly or indirectly have the effect of giving the payee, or of requiring the payer to pay a greater compensation for the loan, use, or forbearance of money than is allowed by law, then unquestionably the contract would be usurious. The law will not tolerate any shift or device to evade its provisions. The sixth section of Chapter 74 provides that "all contracts executed after this Act shall take effect, which shall provide for interest or compensation on account of non-payment at maturity, shall be usurious." It therefore follows that if the \$30 stipulated to be paid is interest or compensation on account of the non-payment of the principal sum and interest reserved, then the contract would be usurious and should be so held. On the other hand, if this portion of the contract gives to the creditor no additional interest or compensation, or provides no penalty for the non-payment of the note, but is intended only as indemnity against actual loss to the creditor from the failure of the debtor to keep his agreement, we are unable to perceive upon what principle he should be debarred from requiring it as a condition to the extension of the credit, or of enforcing it, to an extent necessary to save himself from actual loss, in the contingency of loss occurring to him by the default of the other party to the contract.

By the statute all penalties, whether as additional interest or as compensation for the use of money, are prohibited; but where, as here, no additional or new compensation is provided for, and the contract is only for such sum as the payee would be obliged to expend in compelling the maker to perform his

undertaking, the statute contains no inhibition upon the power of the parties to contract that the same shall be paid by the party whose default occasions the necessity of the expenditure. In this view we are sustained by the authority of very many Courts of the highest respectability.

Upon the question as to whether contracts of this nature are void as against public policy, this Court, as well as those of other States, is also fully committed. In *Clawson vs. Munson*, 55 Ill., 394; *Dunn vs. Rogers*, 43 Ill., 261; *McIntyre vs. Yates*, 104 Ill., 491, and other cases—contracts of this character have been upheld and enforced by this Court. The right of the parties to thus contract has been expressly recognized; and when the contract has been for such reasonable attorney's fees only as would indemnify and preserve the payee from loss, and where due at the time of suit brought, this Court has in every case sustained the plaintiff's right of recovery. (See also *Imler vs. Imler*, 94 Pa. St., 372; *McGill vs. Griffin*, 32 Iowa, 445; *Huling vs. Drexell*, 7 Watts, 126; *Peyser vs. Cole*, 11 Or., 39; *Smith vs. Silvers*, 32 Ind., 821; *Tuley vs. McClung*, 67 Ind., 10.)

Nor do we see anything in the section of the statute quoted that would change the rule. Thereby the parties are prohibited from contracting for interest or compensation to be paid to the payee on account of the non-payment of the principal debt at maturity. In *Armour vs. Moore*, 5 Bradw., 432, the note provided that if it was not paid when due, it should thereafter draw interest at the rate of 2 per cent. per month as liquidated damages; and it was very properly held that if the provision for the payment of 2 per cent. per month if not paid at maturity, was divisible from the note proper, so that the note might be held to be untainted with usury, and the provision for the 2 per cent. regarded as a means of insuring prompt payment of the note at maturity, the agreement to pay the 2 per cent. per month would nevertheless under the statute be usurious and unlawful. It is apparent there the agreement fell directly within the statute. The agreement here provides for no new or additional compensation or interest for the use of the money, because of the failure to pay at maturity. It is not in the nature of a contract for additional interest, but a provision merely against loss or damage to the payee, specifically pointed out, and which will necessarily result if the debtor fails to fulfil his undertaking; and there is no reason why he may not contract to bear the loss occasioned by his own default. It is apparent that the payee must not derive any benefit from the amount agreed to be paid, and the amount contracted for must be only such reasonable sum as will save him from loss in consequence of the default of the maker. It is not pretended here that the amount agreed to be paid was unreasonable or that the payee derived any benefit whatever therefrom. On the contrary, it is shown to be reasonable, and the whole amount was paid to the attorney for his services in the proceedings to collect the note.

The right of the payee to require the indemnity against loss, and the right of the maker of the note to contract to secure the payee against the same, necessarily dispose of the objection that the promise was without consideration. If, while the creditor may not contract for more than the legal interest for use of his money, or for additional compensation or interest for the non-payment of the note at maturity, he is not debarred from requiring, as a condition to making the loan, or extending the credit, that he should be secured against expense occasioned by the default of the debtor, it follows that the making of the loan or extension of the credit would be a good consideration for the promise of indemnity by the debtor.

Judgment for plaintiff.

Farmers & Merchants' National Bank of Vandalia, Ill., vs. Barton, Supreme Court of Illinois, September 28, 1887.

ACTION AGAINST NATIONAL BANK TO RECOVER PENALTY—JURISDICTION OF STATE COURT.

The plaintiff, Overman, brought an action in the District Court of Johnson County, Nebraska, against the First National Bank of Tecumseh, under Section 5198 of the Revised Statutes of the United States, to recover \$100 as a

penalty under said section for the taking of illegal interest. Judgment for that amount was rendered in favor of the plaintiff and the bank appealed the case to the Supreme Court of the State, claiming that the trial court had no jurisdiction.

Held. It is provided by the concluding paragraph of Section 5198 that "suits, actions and proceedings against any association under this title may be had in any circuit, district, or territorial Court of the United States, held within the district in which such association may be established, and in any State, county or municipal Court in the county or city in which such association is located, having jurisdiction in similar cases." This removes the impediment to the exercise of jurisdiction created by the Act of 1789 (Rev. St. U. S. Sec. 711), and expressly confers jurisdiction on the State Courts, as above specified, concurrent with the Federal Courts, in "suits, actions and proceedings against any association under the Banking Act." The Statutes of the United States extend over every State as a part of its laws; and, although exclusive jurisdiction may be given to the Federal Courts, yet if it is not so given, either expressly or by necessary implication, the State Courts, having competent jurisdiction in other respects, may be resorted to. (*Hade vs. McVay*, 31 Ohio St. 236; *Kinser vs. Bank*, 13 N. W. Rep., 59; *Ordway vs. Bank*, 47 Md. 217; *Clafin vs. Houseman*, 93 U. S., 130; *Gruber vs. Bank*, 19 Alb. L. J., 187; *Pickett vs. Bank*, 32 Ark., 346; *Dow vs. Bank*, 50 Vt., 112; *Bletz vs. Bank*, 87 Pa. St., 87.) Authority is therefore expressly conferred on the State Courts having jurisdiction in similar cases.

Further Held. It is very strenuously contended on behalf of the bank that Congress cannot impose duties on the State Courts, and that therefore they had no authority to act in the premises. But Congress has not sought to compel the State Courts to act in a case like that under consideration, nor has it sought to impose duties upon them. It simply confers the authority—in effect, permits them—to hear and determine such cases, but without compulsion. (1 Kent, Comm., 400.) The State Courts do not exercise a new jurisdiction conferred upon them, but their ordinary jurisdiction, derived from their constitution under the State law. (*Clafin vs. Houseman*, 93 U. S. 130.) The State tribunals, therefore, have jurisdiction.

Judgment affirmed.

First National Bank of Tecumseh vs. Overman, Supreme Court of Nebraska, September 23, 1887.

PROMISSORY NOTE—FORGERY OF NAME OF "WILLIAM R. STEPHENS" BY WRITING "BILL STEVENS" — SUCH A SIGNATURE MAKES THE NOTE APPARENTLY VALID AND WILL SUSTAIN A CONVICTION.

The defendant, Rudicel, signed a promissory note with the name "Bill Stevens" and endeavored to negotiate it as the promissory note of William R. Stephens. He was convicted of forgery in the trial court and an appeal was taken to the Supreme Court of Indiana, his counsel contending that as the appellant intended to defraud by forging the name of William R. Stephens, and instead of writing that name wrote the name "Bill Stevens" no case was made out because the instrument was not such as would deceive any person.

Held. We cannot assent to this doctrine. It is true that the forged instrument must on its face appear to be one of some legal efficacy; but it is sufficient if the legal validity be apparent, and not actual. It is only where the instrument appears, as matter of law, to be void that the accused can escape. Mr. Bishop thus states the law: "Since men are not legally presumed to know the facts, a false instrument which is good on its face may be legally capable of effecting a fraud, though inquiry into extrinsic facts should show it to be invalid, even if it were genuine." (2 Bish. Crim. Law, Sec. 541.)

In this instance the note was perfect in form, and it is only by inquiry into extrinsic facts that it can be ascertained that it will not bind the person whose note the accused represented it to be. If the note had been sued on and it had been averred that William R. Stephens had executed it under the style of "Bill Stevens" he as defendant would have been compelled to defend by way of answer and an inquiry into extrinsic facts would have been necessary to determine the validity of the note; so that it is obvious that the validity of the

instrument could not have been determined from a mere inspection. If the note had been bought by the person to whom it was offered as the note of the man William R. Stephens, he would have been defrauded had he believed the representations of the accused, because the validity of the note was not disclosed as matter of law, but depended upon extrinsic facts. It is not the character of the signature that determines, as matter of law, the validity of a promissory note, perfect in form and substance; for if the note is signed, the manner of signing does not necessarily impair its force.

It is not necessary that the prosecution should show that the instrument was in due legal form; it is sufficient if it be shown that it so resembles a valid promissory note as renders it likely to deceive a purchaser. (*Garmire vs. State*, 104 Ind. 441; *Rollins vs. State*, 22 Tex. App. 548.)

Where the accused intends to forge the name of a person and attempts to utter the note as that of the person whose name he intended to forge, he is guilty of the crime of forgery, and will not be allowed to escape punishment on the ground of an error or omission in writing the forged signature. (*Powers vs. State*, 87 Ind. 97.) In the case of *Lemasters vs. State*, 95 Ind. 367, the forged note purported to be signed by one who could not write, and although a space was left and indicated for a mark it was held that the forgery might be alleged upon such a note, notwithstanding the fact that there was no mark. In *Myers vs. State*, 101 Ind. 379, the instrument was represented to have been executed by Vincent T. Wert, but it was signed "Dr. Wert" and a conviction was sustained.

It is always competent to prove that different names may, in fact, identify or relate to the same person. (*Johnson vs. State*, 46 Ga. 269; *Com. vs. Gale*, 11 Gray, 320; *State vs. Dresser*, 54 Me. 569.) It is competent therefore to prove that a man often or usually signs instruments by initials, or by any abbreviation he chooses, or by any familiar name others may give him; and it cannot be said as matter of law that William R. Stephens did not often or usually sign his name "Bill Stevens"; so that it cannot be held that such a signature disclosed the invalidity of the note.

Judgment affirmed

Rudicel vs. State, Supreme Court of Indiana, September 30, 1887.

CERTIFIED CHECK—LIABILITY OF BANK TO HOLDER WHERE THE INSTRUMENT IS NOT INDORSED.

(W, in payment of a diamond which he had purchased, delivered to the plaintiff a check to the order of himself, certified by the bank, but which he had not indorsed. In an action by the plaintiff against the bank, *Held*, That the bank could not be made liable to pay to third persons the funds of W by any transfer of this check except one evidenced by the indorsement of his name thereon.)

One F. F. Wilder purchased of the plaintiff, Theresa Lynch, a diamond of the value of \$500, and delivered to her in payment therefor a check drawn on the defendant, the First National Bank of Jersey City, signed by himself, and reading, with its indorsements, as follows:

JERSEY CITY, N. J., June 1, 1883.	
First National Bank pay to myself, or order, five hundred dollars.	
(Signed)	F. F. WILDER.
Certified: First National Bank, Jersey City. Payable at the American Exchange National Bank, New York. Omberson.	

(Indorsed) "T. LYNCH, R."

The check was not indorsed by Wilder. Omberson was Assistant Cashier of the defendant, authorized to certify checks, and certified the one in question on June 1, 1883, at the request of the drawer, Wilder, while still in his possession, and who at that time had funds in the bank. Payment of the check being refused, plaintiff sued the bank, and the Court below directed a verdict in her favor. On appeal,

Held, Upon the evidence, it is clear that there was no contract made between Wilder and the plaintiff whereby any transfer of the deposit in the bank was

intended to be made beyond that which would follow the mere delivery of the check. The action can be supported only by proof that all of the conditions upon which the authority of the bank to pay the check was made to depend by the drawer have been performed. (*Freund vs. Importers & Traders' Bank*, 76 N. Y., 357.)

It therefore seems to us that the only question in the case is whether the bank could be made liable to pay to third persons Wilder's funds by any transfer of this check except one evidenced by the indorsement of his name thereon. It is well settled by authority that the mere drawing and delivery of a bank check to a third person by a depositor does not constitute an assignment to the payee therein named of the fund held by such bank. (*Ætna National Bank vs. Fourth National Bank*, 46 N. Y., 82; *Commercial Bank of Albany vs. Hughes*, 7 Wend., 94.) A check is analogous to a bill of exchange, and a bank cannot be made liable thereon except by its acceptance indorsed upon it in writing. (*Riley vs. Phoenix Bank*, 83 N. Y., 318.)

An acceptance of the check, however, was made by the bank, we think, when through its agent it indorsed thereon a certificate of genuineness and directed its payment by the American Exchange Bank. That operated as a promise to pay upon presentation at the American Exchange Bank bearing Wilder's indorsement. The obligation of the bank as shown thereby amounts to a representation that the drawer has funds in the bank with which to pay the check, and that it will retain and pay them to the holder, by its agency in New York, upon its presentation there bearing the indorsement of the drawer. (*Farmers & Mechanics' Bank vs. Butchers & Drovers' Bank*, 14 N. Y., 623; 16 Id., 125; 28 Id., 425; *Security Bank vs. National Bank*, 67 N. Y., 458, 460; *Clews vs. Bank of New York*, 89 N. Y., 218.)

Such a contract the defendant had a right to make limiting its liability to an order properly indorsed by the depositor or his payee, and the depositor had a right to impose upon the bank the condition that his money should be paid out by it only upon a check indorsed by himself, or its payee. If the bank should disregard such a requirement it would do so at its own risk, but the holder has no legal right to impose such a liability upon it against its consent. It would certainly add much to the hazard of the transmission of funds by check, draft, or otherwise through the mail or express if the banks or agencies upon which they were drawn should be compelled to pay them to the holder by an action at law where they do not bear upon their face the evidence of the performance of the condition upon which the drawer has authorized their payment.

It was held in *Freund vs. Importers & Traders' Bank* (*supra*) that a certification by the bank of a check in the hands of the holder who had purchased it for value from the payee, but which had not been indorsed by him, rendered the bank liable to such holder for the amount thereof. By accepting the check the bank took, as it had the right to do, the risk of the title which the holder claimed to have acquired from the payee. In that case the bank entered into a contract with the holder by which it accepted the check and promised to pay it to the holder notwithstanding it lacked the indorsement provided for, and it was held that it was liable on such acceptance upon the same principles that control the liabilities of other acceptors of commercial paper. In the case at bar the certification of the bank was made at the request of the drawer and was subject to the condition imposed by him, plainly written in the check, that it should not thereafter be payable except by his indorsement.

The relation existing between a bank and its depositor is that of a debtor and creditor, and the bank holds the fund subject to be paid out upon the direction of the creditor according to the terms and conditions imposed by him. (*Ætna National Bank vs. Fourth National Bank*, 46 N. Y., 82; *Crawford vs. West Side Bank*, 100 N. Y., 56.) The bank's protection in the payment of checks consists in the fact that it has followed strictly the depositor's directions in disbursing his funds. Where a depositor has imposed the condition that his check shall not be paid without it bears his indorsement, the depository, if it pays it to a holder without such indorsement, runs the risk of the transaction and takes the burden of showing that such holder has acquired in some way the lawful title to receive the funds. It may successfully defend such payment

if it can show that it made it to a person who, as against the drawer, was legally entitled to receive it, for in that event the drawer would suffer no damage thereby.

It was held in *Riley vs. Phoenix Bank*, 88 N. Y., 318, that a parol contract by a depositor for the transfer of the whole or any part of his deposit is valid in law and invests the transferee with the right to sue for and recover the amount of such deposit or such part thereof as was intended to be transferred. It was also held in the same case that a depositor might, concurrently with the delivery of a check to a third person, enter into such a contract by parol as would transfer the fund represented by the check to the person named therein. In such a case the liability of the depository is not predicated upon the check, but that is used, in connection with the parol agreement, as evidence of the contract transferring the debt. (*The Oneida Bank vs. The Ontario Bank*, 21 N. Y., 490; *Riley vs. Phoenix Bank*, *supra*.) The action arises upon the contract of assignment and not upon the check.

We are of opinion that the evidence in this case did not authorize the trial Court to find that Wilder intended to transfer any part of his deposit to the plaintiff, and there is no other theory upon which the action can, under the evidence, be maintained. The verdict was therefore improperly directed for the plaintiff.

Judgment reversed.

Lynch vs. First National Bank of Jersey City, New York Court of Appeals, October 18, 1887.

ABSTRACT OF CASES.

NEGOTIABLE INSTRUMENT—ACTION ON BY BONA FIDE HOLDER—DEFENSE—DEMURRER TO EVIDENCE.

In an action brought by the *bona fide* holder of a negotiable promissory note, it is not error to sustain a demurrer to the evidence of the maker, where there is no testimony tending to show want of consideration for the note or any fraud in the inception thereof, when these are the only defenses set up in the answer.

Lowe vs. Higginbotham, Supreme Court of Kansas, October 8, 1887.

PROMISSORY NOTE—PLACE OF PAYMENT NOT SPECIFIED—DUTY OF MAKER—INTEREST.

It is the duty of the maker of a matured, outstanding note in which no specific place of payment is appointed, to seek out the persons entitled to receive payment, and discharge his debt without waiting until those entitled establish their right. (*King vs. Finch*, 60 Ind., 420.) If he elects to wait until those entitled bring him into Court, it must be held that he does so upon condition that he pay interest as the statute (Revised Statutes, Ind., 1881, Sec. 5,200) provides.

Gale vs. Corey, Supreme Court of Indiana, September 20, 1887.

DEMAND NOTE—WHEN OVERDUE?—REASONABLE TIME.

The rule in this country is that a note payable on demand is overdue for the purposes of negotiation, unless it is negotiated within a reasonable time; and what constitutes such reasonableness of time cannot be determined by any fixed and exact rules, but must depend upon the circumstances of each case. (1 Pars., N. and B., 375-379; *Herrick vs. Wolverton*, 41 N. Y., 581; *Carri vs. Brown*, 2 Mich., 401.) It has been said that where the note is given for a loan of money, or is payable with interest, it may be presumed that an immediate demand was not within the contemplation of either party, and that, even after the lapse of months in some cases, the note may be considered as still not overdue. (1 Daniel, Neg. Instr., Sections 607, 608.) Whether what is reasonable time is a question of law for the Court, or a question of fact for the jury, is a matter which has been a good deal controverted; but undoubtedly the better

view is that it is a mixed question of law and fact, and that, except where the facts are few, simple, and undisputed, in which case the Court shall decide it, it should be left to be decided by the jury under the direction of the Court, upon the particular circumstances of the case. (1 Daniel, Neg. Instr., Section 612; 1 Pars., N. and B., 269; Wyman vs. Adams, 12 Cush., 210, 214.)

Bacon vs. Harris, Supreme Court of Rhode Island, July 30, 1887.

NEGOTIABLE PROMISSORY NOTE—PURCHASE FOR VALUE BEFORE MATURITY—KNOWLEDGE THAT CONSIDERATION IS FUTURE AND CONTINGENT DOES NOT SUBJECT PURCHASER TO EQUITIES BETWEEN ORIGINAL PARTIES.

If it were known to the transferee of a negotiable promissory note, acquired for value and before maturity, on taking it, that the consideration was future and contingent, and that there might be offsets against it, this would not make him liable to the equities between the original parties. It cannot affect the negotiability of a note that its consideration is to be thereafter realized, or that from some contingency it may never be enjoyed.

State National Bank vs. Cason, Supreme Court of Louisiana, July 5, 1887.

ACTION ON PROMISSORY NOTE—DEFENSE—ADMISSIBILITY OF EVIDENCE OF CONTEMPORANEOUS AGREEMENT FOR PAYMENT OF NOTE IN MERCHANDISE.

In defense of an action upon a promissory note, when it is between the parties to the note, and where the object is to show that the note has been satisfied, evidence is admissible to show that, contemporaneously with the making of the paper, it was agreed between the parties to it that merchandise should be taken in satisfaction of the amount to become due, coupled with proof that the merchandise was delivered according to the agreement. The admission of such evidence does not infringe upon the well-settled rule that evidence of contemporaneous declarations is inadmissible to vary the terms of a written contract.

Buchanan vs. Adams, Court of Errors and Appeals of New Jersey, June Term, 1887.

PROMISSORY NOTE—FRAUDULENT ALTERATION—EFFECT.

Where a note signed by a husband and wife was secured by a mortgage upon their homestead, and the husband, when about to deliver the note and mortgage to the mortgagee, changed the word "date" in the clause, "With interest from date," in the mortgage and note, to "due," but upon being detected in his act by the mortgagee, corrected the note so as to read, "With interest from date," as originally signed, and the mortgagee accepted the note and mortgage with the understanding that both read, "With interest from date," and loaned his money thereon, *Held*, As the note was corrected before delivery so as to read as originally signed, and as the mortgage was intended to secure said note, and the word "date" was changed to "due" fraudulently, without the knowledge of the mortgagee, or the wife, that the mortgagee is entitled to recover thereon, as there was no material alteration in the note, and the fraud of the husband in attempting to change the mortgage could not defeat the foreclosure thereof.

Osborn vs. Andrees, Supreme Court of Kansas, October 3, 1887.

BILLS AND NOTES—TRANSFER AFTER DUE—HOLDER TAKES SUBJECT TO EQUITIES—RIGHT OF ACCOMMODATION INDORSER TO AVAIL HIMSELF OF EQUITIES BETWEEN ORIGINAL PARTIES AS A DEFENSE TO NOTE TAKEN AFTER DUE.

The general rule is that he who takes a note after it is due, takes it subject to all equities to which it was liable in the hands of him from whom he takes it. Daniel, in his book on "Negotiable Instruments," Volume I., Section 726, says that in England it is held that the rule does not apply to bills and notes drawn, indorsed, or accepted for accommodation, it being considered that

parties to accommodation paper hold themselves out to the public to be bound to every person who shall take the same for value, the same as if it were paid to themselves, though Mr. Daniel also says the earlier authorities were otherwise. But see *Parr vs. Jewell*, 16 C. B., 684. The English rule has not been followed in this country. In *Chester vs. Dorr*, 41 N. Y., 279, the Court decided that an accommodation indorser, without consideration, of a promissory note, is not liable to a transferee of the note after maturity, although such transferee paid a full consideration; for the reason that it cannot be supposed that such an indorser intends to give the note currency by the loan of his credit for a period longer than it is to run according to its terms. In *Bower vs. Hastings*, 36 Pa. St., 285, it was held to be a good defense to an action by an indorsee against the maker of a promissory note, that it was made for the accommodation of the payee, without consideration, and negotiated by him when overdue.

The New York case and the Pennsylvania case were both carefully considered on both reason and authority, and are entitled to the more weight because New York and Pennsylvania are the leading commercial States in this country. See also *Hoffman vs. Foster*, 43 Pa. St., 187. In *Kellogg vs. Barton*, 12 Allen, 527, the Supreme Judicial Court of Massachusetts decided in the same way, though apparently without special consideration or inquiry; and to same effect see *Cummings vs. Little*, 45 Me., 183, and *Battle vs. Weems*, 44 Ala., 105.

We know of no American case which directly applies the English rule, though there are American cases which refer to it as the rule. Of course it is highly important that the rule in this country should be uniform, and we therefore think that the rule laid down in the great commercial States of New York and Pennsylvania, the same being in our opinion just and reasonable should be, as it probably will be, adopted in the other States.

Bacon vs. Harris, Supreme Court of Rhode Island, July 30, 1887.

OVERDUE PROMISSORY NOTE — TRANSFER BY INDORSEMENT — PRESENTMENT AND NOTICE — REASONABLE TIME — LIABILITY OF INDORSER.

Overdue promissory note may be transferred by indorsement—When indorser liable? A promissory note, negotiable in form, though overdue, is still capable of being transferred by indorsement; and when so transferred the indorser is, in the absence of anything to the contrary, liable upon his indorsement, if, in a reasonable time thereafter, the note is presented to the maker for payment, and notice given in case it is not paid.

What is reasonable time for presentment? In such case a reasonable time for its presentment is the lapse of such a period after the indorsement as, under all the circumstances, will enable the holder, in the exercise of reasonable diligence, to present the note for payment.

Reasonable time a mixed question of law and fact. What is a reasonable time is generally a mixed question of law and fact. Where the facts are in dispute, it should be submitted to the jury for its determination under proper instructions from the Court; but where the material facts are admitted, or not in dispute, it is a question for the Court, and cannot properly be submitted to the jury.

Insolvency of maker no excuse for non-presentment. The known insolvency of the maker, and that he himself cannot pay, does not dispense with the necessity of presentment for payment in order to fix the liability of the indorser.

The foregoing principles applied to facts. B, the payee of a negotiable promissory note overdue, transferred it by indorsement to W for a valuable consideration, on the 30th of July, 1883. The makers were, to the knowledge of the parties, insolvent at the time of the transfer, and had made an assignment for the benefit of their creditors; and it was known that, by reason of certain litigation between the general and secured creditors, the note would not be paid immediately from the funds in the hands of the assignee. All the parties resided in the same city, and nothing was said at the time of the indorsement as to whether the note should be presented to the makers for payment or not. Upon the determination of the litigation in favor of the secured creditors, the note

- was, on the 21st of November, 1883, presented to the makers for payment, and immediate notice of non-payment given to the indorser.

Held, (1), That there is nothing in the facts of the transaction from which an inference can be drawn that presentment for payment has been waived by the indorser; (2), that the note was not presented to the makers for payment within a reasonable time, and (3), that the indorser was discharged.

Bassenhorst vs. Wilby, Supreme Court of Ohio, October 4, 1887.

LAW NOTES AND COMMENTS.

Stipulations for Attorney's Fees.—The Federal Court in Georgia in a case reported in our last number, pass upon the effect of an agreement to pay costs of collection and attorney's fees inserted in a promissory note, holding that such a stipulation does not destroy the negotiable character of the instrument.

In the present number a decision of the Supreme Court of Illinois is published, to the effect that such a stipulation is not usurious, against public policy, or without consideration, but is valid and enforceable.

In recent years it has frequently been the practice, especially in the Southern and Western States, to insert in promissory notes and other instruments a clause for the payment of a fixed percentage as an attorney's fee, or of a "reasonable attorney's fee," in case the instrument should not be paid at maturity. This has resulted in a flood of legal decisions bearing upon the validity of such stipulations and the negotiability of the instruments containing them, and adjudged cases may be found supporting every conceivable view of the question. Some cases hold that such a stipulation is valid and enforceable, and does not affect the negotiability of the instrument. Others, while holding that the stipulation is valid and may be enforced, decide that it destroys the negotiability of the note and makes it a mere contract. Another line of cases hold that such a stipulation is absolutely void and will not be enforced, as being a stipulation for a penalty or forfeiture, tending to the oppression of the debtor and to encourage litigation, a cover for usury, without any valid consideration, and against public policy. And other cases wherein the question of negotiability has arisen, hold that because such a stipulation is void and of no effect, it does not consequently affect the negotiability of the instrument to which it is attached. The cases are so numerous and the views of the Courts so various that a brief run over the course of adjudication in the different States may be both interesting and instructive.

Arkansas.—In *Merchants' Nat. Bank vs. Sevier and ano.*, in the Circuit Court for the Eastern District of Arkansas, 14 Fed. Rep. 662 (1882), the action was against the makers of a promissory note which contained an agreement that in the event payment was not completely made at maturity, the makers "further agree to pay an attorney's fee of 10 per cent. on the amount due and unpaid if suit be brought to enforce payment of this note, which said fee shall become due and recoverable in the action brought to enforce the payment of this note for the use of the attorney bringing said suit." The Court held that such a provision was a stipulation for a penalty or forfeiture, and tended to the oppression of the debtor and to encourage litigation; that it was a cover for usury, was without any valid consideration to support it, was contrary to public policy, and void.

In this case judgment was allowed for the principal and interest of the note, and no more. The question of negotiability was not involved as the case arose between the immediate parties to the paper.

In *Trader vs. Chidester*, in the Supreme Court of Arkansas, 41 Ark., 242 (1883), the action was against the makers, by the indorsee before maturity, of a promissory note containing an agreement that "in the event of this note being collected by suit at law (the makers) agree to pay an attorney's fee of 10 per cent. of the amount of principal and interest due, waiving any and all relief whatever from valuation and appraisal laws." The question was as to the negotiability of the instrument so as to cut off a defense of the makers, and the Court held that such a stipulation did not affect its negotiability. Referring to the case of *Merchants' Nat. Bank vs. Sevier*, the Court said that

that case did not involve the negotiability of the paper and that "the logical sequence of denying the validity of the stipulation is to affirm the negotiability of the note." The question whether such a stipulation was valid and enforceable was not presented in the case as the fees were not claimed in the action.

Mr. Justice Eakin dissented, and was of opinion that the insertion of a stipulation to pay attorney's fee in the event of suit renders the note non-negotiable.

In *Boozer vs. Anderson*, 42 Ark., 167 (1883), the note in suit contained a stipulation that in the event suit became necessary to collect it the maker would pay an attorney's fee of 10 per cent. on the amount that should be recovered. The stipulation for the attorney's fee was sought to be enforced, but the Court held that it was an agreement for a penalty and void.

Georgia.—The decision of the Circuit Court of the United States for the Southern District of Georgia (1887), in *Schlesinger vs. Arline*, reported in the November number, is to the effect that a stipulation in a note promising to pay "all costs of collection, including 10 per cent. attorney's fees" does not render the note non-negotiable.

Illinois.—*Nickerson vs. Babcock*, 29 Ill., 497 (1863), was an action upon a note which provided as follows: "And we further agree if the above note is not paid without suit, to pay \$10 additional to the above, for attorney's fees." The Court held that the \$10 could not be recovered in the same action with the principal of the note, saying: "The sum was not due until suit was instituted, and no rule of practice is more uniformly recognized than that a suit cannot be maintained before a demand is due. The plaintiff is therefore limited in his recovery to the debt or damages due at the time of issuing the writ."

In *Nickerson vs. Sheldon*, 33 Ill., 372 (1864), an ordinary promissory note contained this additional clause: "And we further agree if the above note is not paid without suit, to pay \$10 in addition to the above for attorney's fees." It was claimed that this clause destroyed the negotiability of the note, but the Court held otherwise, saying: "The amount due by this note is absolutely certain and it possesses all the requisites of a negotiable instrument under the statute. There is no uncertainty as to the precise sum of money to be paid on the maturity of the note."

In *Short vs. Coffin*, 76 Ill., 245 (1875), a promissory note contained a clause providing for the payment in addition to the amount of the note of an "attorney's fee of 10 per cent. on the amount due, as liquidated damages, in case of the collection thereof by suit at law or otherwise, to be added to and made a part of the amount due, or of the judgment." The action was by the indorsee against an indorser and the Court disallowed the attorney's fee holding that in an action brought by the indorsee of a promissory note against the indorser, the measure of damages is the amount paid by the assignee to his assignor, with interest; and that the recovery could in no case exceed the amount of the note and interest.

In *Easter vs. Boyd*, 79 Ill., 327 (1875), the case was similar to *Nickerson vs. Babcock*, providing for an attorney's fee in case of suit, and the same ruling was made that the attorney's fee not being due at the time the action was commenced, it could not be recovered in the same action. The Court, however say: "Had these notes contained a provision authorizing the recovery of an attorney's fee, on default of payment of principal and interest when due, then, under the contract, the amount claimed might probably have been recovered; but as the contract embodied in the notes falls clearly within the rule announced in *Nickerson vs. Babcock*, no recovery can be had."

In *Farmers & Merchants' Bank of Vandalia vs. Barton* (1887), reported in this number, the note contained an agreement that if it was not paid when due, an attorney's fee of \$30 was to be paid by the maker if the note was placed in the hands of an attorney for collection. The Court held that the cases of *Nickerson vs. Babcock* and *Easter vs. Boyd*, *supra*, did not apply, as by the terms of the contract the attorney's fee became due before suit brought; and that the stipulation was valid and enforceable in a suit on the note.

Indiana.—In Indiana, before the enactment of the statute in 1875 making void any agreement to pay an attorney fee depending upon any condition therein set forth, there were several decisions which will be briefly noted.

In 1858, in the case of *Billingsley vs. Dean*, 11 Ind., 331, a provision in a note that if not paid when due the maker would pay "all attorney's fees and other costs and charges for the collection thereof" was held not to render the contract usurious, and was enforceable.

In *Smith vs. Muncie Nat. Bank*, 29 Ind., 158 (1867), a bill of exchange on its face contained an agreement to pay attorney's fees. It was held that when accepted, the acceptor came under an absolute obligation to pay the bill according to its tenor, being liable thereon the same as the maker of a note.

In *Smith vs. Silvers*, 32 Ind., 321 (1869), it is held that a stipulation in a promissory note whereby the maker agrees to be liable for reasonable attorney's fees in the event of suit, is not usurious and will be enforced.

In *Stoneman vs. Pyle*, 35 Ind., 103 (1871), a note was payable at a bank in the State and contained a stipulation for the payment of attorney's fees in the event suit should have to be instituted thereon. Held that this provision did not destroy the negotiability of the paper.

In *Wyant vs. Pottorhoff*, 38 Ind., 512 (1871), which was a suit upon a note providing for the payment of attorney's fees if suit was brought, it was held that there must be proof of the value of the attorney's services to authorize a finding therefor, and the Court cannot take judicial notice of their value.

In *Hubbard vs. Harrison*, 38 Ind. 325 (1871), it was held that a promise in a note to pay "attorney's fees if suit be instituted on this note" can be enforced against an indorser.

In *Mathews vs. Norman*, 42 Ind., 176 (1873), it was held that an agreement to pay reasonable attorney's fees if the holder is required to resort to legal proceedings to collect the note, is valid.

In *Smiley vs. Meir*, 47 Ind., 559 (1874), the note contained this stipulation: "And 10 per cent. attorney's fees if suit be instituted upon this note." Held, that *prima facie* the amount or rate of attorney's fees stipulated for is to govern in a suit on the note, and where the note does not specify the amount of attorney's fee, evidence of the amount should be given on the trial. It was also held that the attorney's fee should be included in a judgment with the principal and interest of the note, and could not be sued for in a subsequent action.

In *Strong vs. Gear*, 48 Ind., 100 (1874), where a note provided for the payment of "attorney's fees of _____ per cent. if suit be instituted on the note" it was held that the note was payable with reasonable attorney's fees, and that "of _____ per cent." was surplusage.

It will be noticed that in the majority of these cases the stipulation to pay attorney's fees was upon a condition, viz., if suit should be brought, and the Legislature probably intended to do away with these stipulations entirely when in 1875 (Act approved March 10th), it enacted "That any and all agreements to pay attorney fees, dependent upon any condition therein set forth, and made part of any bill of exchange, acceptance, draft, promissory note, or other written evidence of indebtedness, are hereby declared illegal and void; provided that nothing in this section shall be construed as applying to contracts made previous to the taking effect of this Act."

In *Churchman vs. Martin*, 54 Ind., 380 (1876), this Act was held constitutional, and a clause in a note for the payment of "10 per cent. attorney's fees if suit be instituted on this note" was held to be within the terms of the statute and illegal and void, and that it could not be considered in estimating a recovery upon the note.

Whatever the intention of the Legislature, however, as to abolishing stipulations for attorney's fees in promissory notes and other instruments, its only effect under the construction put upon it by the Supreme Court of Indiana was to do away with *conditional* stipulations for attorney's fees where the condition was *set forth* in the instrument, and in all other cases they have been upheld.

Thus, in the same case of *Churchman vs. Martin*, it was held that a clause in a note reading "and 5 per cent. attorney's fees" was an unconditional promise to pay 5 per cent attorney's fees, not within the statute, and enforceable.

And it was further held as to a stipulation contained in a note to pay 5 per cent. expenses of collection, other than attorney's fees, if suit should be

instituted on the note; and a stipulation in another note to pay 5 per cent. exchange and other expenses incident to the collection thereof, other than attorney's fees, if suit should be instituted on the note, that these were valid stipulations, were not usurious, did not violate the statute and could be enforced.

The Court said: "Two things are clearly and unequivocally required to bring a case within the statute. First, the agreement to pay an attorney fee must be dependent upon a condition. Second, the condition must be set forth in the instrument. We cannot assume that the Legislature intended to make all agreements to pay attorney's fees, made part of any bill or note, etc., illegal and void. The language employed utterly excludes such inference. * * * The statute expressly limits the prohibition to agreements depending upon any condition set forth in the instrument."

In the following cases the ruling in *Churchman vs. Martin* was followed, and stipulations to pay attorney fees, contained in promissory notes, were held unconditional and valid.

Brown vs. Barber, 59 Ind., 538 (1887).

Sinker vs. Fletcher, 61 Ind., 278 (1878).

Smock vs. Ripley, 62 Ind., 81 (1878).

Garver vs. Pontious, 66 Ind., 191 (1879).

Tuley vs. McClung, 67 Ind., 10 (1879).

In *Proctor vs. Baldwin*, 82 Ind., 370 (1882), a promissory note payable at a bank in the State promised to pay the amount and "attorney's fees." The Court held that it was commercial paper, and the agreement contained in the note to pay attorney's fees did not deprive it of such character.

In *Maynard vs. Meir*, 85 Ind., 317 (1882), it was held that a void stipulation for attorney's fees in a promissory note does not invalidate the note.

Iowa.—In *Sperry vs. Horr*, 32 Iowa, 184, a promissory note concluded with this clause: "If not paid when due and suit is brought thereon, I hereby agree to pay collection and attorney's fees therefor." The Court held that this stipulation did not affect the negotiability of the instrument, saying: "The agreement for the payment of attorney fees in no sense increased the amount of money which was payable when the note fell due, and we are unable to see that it rendered that amount uncertain in the least degree. It simply imposed an additional liability in case suit should be brought, and such liability did not become absolute until an action was instituted. This agreement relates rather to the remedy upon the note, if a legal remedy be pursued, to enforce its collection than to the sum which the maker is bound to pay. It is not different in its character from a cognovit, which when attached to promissory notes does not destroy their negotiability."

In *McIntyre vs. Cagley*, 37 Ia., 676 (1873), a promissory note provided: "And we agree also to pay an attorney's fee of 10 per cent. if this note is collected by suit." The Court held that this stipulation would not be regarded as in the nature of a penalty to cover the expense of collecting the note by action, and therefore recoverable only to the extent of such actual expense which must be shown by evidence, but as liquidated damages for which the plaintiff may have judgment. *Cole J.*, dissented, claiming that the sum fixed should be construed as a penalty.

In *First National Bank vs. Krance*, 50 Iowa, 235 (1878), where a note provided for the payment of a reasonable amount for attorney's fees, it was held necessary to have proof of the amount of such fees and a judgment could not be entered without such proof.

In 1880 the Legislature (by an act approved March 27th) enacted that "in any action upon a written contract for the payment of money, made after the taking effect of this act, in which is an agreement to pay an attorney's or collection fee, no greater recovery for attorney's fee shall be had against the maker of such contract than is provided for in Section 2 hereof, anything in said contract contained to the contrary notwithstanding." The statute then fixes the rate at which attorney's fees may be recovered, and makes certain regulations as to their allowance.

Kansas.—In *Seaton vs. Scoville*, 18 Kan., 438 (1877), a note executed in 1874 contained a promise to pay "costs of collecting, including reasonable

attorney's fees, if suit be instituted on this note." *Held*, that this clause did not render the note non-negotiable.

In *Howenstein vs. Barnes*, in the United States Circuit Court for the District of Kansas, 5 Dill., 482 (1879), a promissory note, executed in Kansas and payable in Missouri, provided for the payment of "10 per cent attorney's fees if suit be instituted on this note." The Supreme Court of Kansas had decided that such notes were negotiable instruments; the Supreme Court of Missouri had decided that they were not negotiable instruments. *Held*, that the paper was negotiable.

By Chapter 77 of the Laws of 1876, the Legislature of Kansas provided "that hereafter it shall be unlawful for any person or persons, company, corporation or bank to contract for the payment of attorney's fees in any note, bill of exchange, bond or mortgage; and any such contract or stipulation for the payment of attorney's fees shall be null and void," etc.

Kentucky.—In *Gaar vs. Louisville Banking Co.*, 11 Bush., 180 (1874), it is held that an agreement in a bill of exchange that if the bill should be sued upon, a reasonable attorney's fee should be paid to the holder, does not make the amount due thereon uncertain so as to deprive the paper of its negotiability. Further *Held*, that such a contract is not an agreement to pay usury, but an agreement to pay a penalty in default of payment of principal and lawful interest at maturity, or before suit.

In *Witherspoon vs. Musselman*, 14 Bush., 214 (1878), in the body of the note was this stipulation: "If the note is collected by suit, we are to pay a reasonable attorney's fee." *Held*, We are clearly of the opinion that all such contracts are absolutely void. They are contrary to the policy of our laws, which prescribe the amount of attorney's fees that may be taxed against the unsuccessful litigant. They are agreements to pay penalties, tend to the oppression of the debtor, and to encourage litigation.

Louisiana.—In *Dietrich vs. Bayi*, 28 La. Ann., 767 (1871), the note provided: "Should the note not be paid at maturity and judicial proceedings be instituted, the lawyer's fees, fixed at 10 per cent., to be at the cost of the maker." *Held*, That the clause as to lawyer's fees did not make the note non-negotiable.

Maryland.—In *Maryland, etc., Co. vs. Newman*, 60 Md., 584 (1883), the note provided that if not paid when due, the maker promised and agreed to pay all costs and charges for collecting the same, with interest. *Held*, That this rendered the note non-negotiable; but while it could not be treated as a negotiable promissory note, it was a contract for the payment of money, and the indorsee of such instrument may declare on such contract as assignee thereof.

Michigan.—In *Bullock vs. Taylor*, 89 Mich., 137 (1878), a provision in a promissory note for "\$15 attorney's fees over and above all taxable costs should any proceeding be instituted to collect this note" is held to be a stipulation for a penalty and void. The Court say: "It is opposed to the policy of our laws concerning attorney's fees, and it is susceptible of being made the instrument of the most grievous wrong and oppression. It would be idle to limit interest to a certain rate if under another name forfeitures may be imposed to an amount without limit."

To the same effect is *Meyer vs. Hart*, 40 Mich., 517 (1879.)

Minnesota.—In *Jones vs. Radatz*, 27 Minn., 240 (1880), it was held that a stipulation in a note for the payment of "reasonable attorney's fees if suit be instituted for the collection of this note" destroyed its negotiability.

To the same effect is *Hardin vs. Olson*, in the U. S. Circuit Court, D., Minnesota, 14 Fed. Rep., 705 (1882).

Mississippi.—In *Meacham vs. Pinson*, 60 Miss., 217, a note was executed containing a stipulation to pay all attorney's fees and costs expended in collecting it. The Court say: "The validity of the stipulation for the payment of lawyers' fees is assailed by counsel for the appellants. The question has been much mooted elsewhere, and the authorities are not harmonious. We see nothing immoral or contrary to public policy or usurious in such contracts, and concur with those Courts which hold them valid."

Missouri.—In *First National Bank vs. Gay*, 68 Mo., 38 (1876), it is held that an instrument in the ordinary form of a promissory note, but which

contained a clause that if it was "not paid at maturity, and the same is placed in the hands of an attorney for collection, we agree and promise to pay an additional sum of ten per cent. as attorney's fee," was not precise as to the amount to be paid and was not a promissory note.

To the same effect are *Samstag vs. Conley*, 64 Mo., 476; *First National Bank vs. Marlow*, 71 Mo., 618 (1880); *First National Bank vs. Gay*, 71 Mo., 627; *Storr vs. Wakefield*, 71 Mo., 622, and *First National Bank vs. Jacobs*, 73 Mo., 85 (1880).

Nebraska.—In *Heard vs. Dubuque County Bank*, 8 Neb., 10 (1878), a promissory note otherwise negotiable is not rendered non-negotiable by reason of containing a clause in these words: "And if suit is brought to enforce collection I will pay reasonable attorney's fees."

In *Dow vs. Updike*, 11 Neb., 95 (1881), the maker of a note promised to pay in addition to the amount of the note in case it was not paid at maturity "a reasonable attorney's fee for instituting and prosecuting to judgment a suit on this note." *Held*, In this State attorneys' fees were not allowed prior to the passage of the Act of 1873, and the Legislature, by repealing that Act, evidently intended to withdraw from the plaintiff the right to recover the same. The stipulation for attorneys' fees is therefore unauthorized and void.

North Carolina.—In *First National Bank vs. Bynum*, 24 N. C., 24 (1881), in addition to the specific sum promised, the instrument stipulated for the payment of "all counsel fees and expenses in collecting the note if it is sued on or placed in the hands of an attorney for collection;" it was made payable "with exchange on New York;" and it further provided that the payees should have full power to declare said note due at any time they may deem it insecure, even before maturity. The Court held that the instrument was not negotiable for uncertainty; (1) as to the amount to be paid, by reason of the stipulation for attorney's fees and rate of exchange, and (2) as to the time of payment, by reason of the provision which makes it payable before maturity at the future option of the payee.

Ohio.—In *State vs. Taylor*, 10 Ohio, 378 (1841), a stipulation to pay five per cent. as collection fees, in addition to the legal interest for money loaned, is held against public policy and void.

Oregon.—In *Wilson S. M. Co. vs. Moreno*, in the U. S. Circuit Court, Oregon, 7 Fed. Rep., 206 (1879), it is held that a stipulation to pay a reasonable attorney fee in case of suit is just and valid and ought to be enforced.

In *Bank of British N. A. vs. Ellis*, 2 Fed. Rep., 44, in the same Court, it is held that an agreement to pay an attorney fee contained in a promissory note was binding on defendants, who were accommodation indorsers.

In *Peyser vs. Cole*, 11 Ore., 39 (1884), a promissory note contained a stipulation that in case suit was instituted the maker would "pay such additional sum as the Court may adjudge reasonable as attorney's fees in such suit or action." This the Court held valid and enforceable against the maker of the note.

Pennsylvania.—In *Woods vs. North*, 84 Pa. St., 407 (1877), the insertion of a clause in a promissory note to pay "five per cent. collection fee if not paid when due" is held to render the note uncertain, destroy its negotiability and relieve the indorser from liability thereon.

In *Johnston vs. Speer*, 92 Pa. St., 227 (1876), the note contained the clause, "and with _____ per cent. attorney's commission if collected by legal process." *Held*, that the note was not negotiable.

Texas.—In *Miner vs. Paris Exchange Bank*, 53 Tex., 559 (1880), a stipulation to pay the usual attorney's fees in the event suit had to be instituted to enforce the note was held legal and founded upon a valuable consideration.

In *Adams vs. Addington*, 16 Fed. Rep., 89 (U. S. Circuit Court, N. D. Texas, 1883), the note sued on contained this clause: "And in case of legal proceedings on this note agree to pay 10 per cent. of the amount for attorney's fees." The note was held negotiable under the law-merchant.

Wisconsin.—In *Morgan vs. Edwards*, 53 Wis., 599 (1881), the instrument contained a promise "to pay all expenses, including attorney's fees, incurred in collecting." *Held*, that the instrument was not a promissory note, and therefore not negotiable.

In *First National Bank vs. Larsen*, 60 Wis., 206 (1884), the instrument contained a clause agreeing, if the note was not paid at maturity or before suit

brought, "to pay ten per cent. attorney's fees thereon, in addition thereto, for the collection thereof." The Court held that this stipulation was valid, but that the amount fixed was not conclusive on the defendant; and that the amount to be recovered under such a stipulation must be fixed by the Court and jury on the trial of the action. It was further held that the amount recoverable being uncertain, the instrument was not a negotiable note.

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 on another page.

Editor Rhodes' Journal of Banking:

MEMPHIS, Tenn., October 10, 1887.

Please state when the paper described below is due?

J. W. PROUDFIT.

\$50.00.

MEMPHIS, Tenn., June 14, 1887.

To J. N. Frost. Please pay J. W. Smith & Co., Fifty dollars and charge my account.

R. L. JONES.

Across the face of the paper was written the following: Accepted, payable in sixty days. J. N. Frost, June 15, '87.

Answer.—The acceptance carries grace, and is payable in 63 days, viz.: August 17th.

Editor Rhodes' Journal of Banking:

HUMMELSTOWN, Pa., November 3, 1887.

I enclose a copy of a note, as follows:

\$1,500.

HUMMELSTOWN, Pa., October 31, 1887.

Sixty days after date the Hummelstown Mutual Fire Insurance Company of Hummelstown, Pa., by its Secretary, promises to pay to the order of James Jones and John Smith fifteen hundred dollars, without defalcation, for value received, payable at the Hummelstown National Bank,

Witness my hand and the corporate seal of the said Hummelstown Mutual Fire Insurance Company.

PETER SMITH, Secretary,
H. M. F. Ins. Co.

SEAL.

(Indorsed)

JAMES JONES,
JOHN SMITH.

I would like to have your opinion whether it is a negotiable note. The company is incorporated, and the question arises whether affixing the seal of the company takes it out of the statute? What I want to know specially is, whether the endorsers are liable? An early reply will oblige yours truly,

JNO. J. NISSLEY, Cashier.

Answer.—The Supreme Court of Pennsylvania, in the year 1842, in *Hopkins vs. Railroad Company*, 3 Watts & S., 410, held that a note similar to the foregoing was not negotiable. In that case the defendant corporation executed a note in form strictly negotiable, but to which its corporate seal was affixed. The corporation being sued by an indorsee, the question arose whether plaintiff's cause of action was open to the defense that no consideration passed to the defendant for the note. The Court held that the note was not negotiable; that the affixing of the seal made the note a specialty, and the consideration of it was open to inquiry in the hands of the assignee or indorsee as much as if held by the original payee. One of the cases quoted by the Court in support of its decision is *Frevall vs. Fitch*, 5 Whart., 825 (an action by the indorsee against the endorser of the note of a banking corporation, negotiable in form, but which bore the corporate seal), wherein the Chief Justice said: "It is clear that recourse cannot be had to the defendant on his endorsement. Bearing the corporate seal of the bank on its face, though framed in other respects as a promissory note, the instrument is a specialty, and no obligation arose from the endorsement of it, either by the statute or the custom of merchants."

The rule here laid down does not appear to have been changed by any subsequent statute or legal decision, and is therefore applicable to the present case.

THE OFFICE OF PUBLIC EXAMINER—A MINNESOTA NOTION.

AN ADDRESS BY HON. HENRY M. KNOX, PUBLIC EXAMINER AND EX-OFFICIO BANK SUPERINTENDENT OF MINNESOTA BEFORE THE BANKERS' CONVENTION AT PITTSBURGH, OCTOBER 13, 1887.

Mr. President and Gentlemen of the Convention:

To the ordinary work of a Bank Examiner having the supervision of fifty-five banks rapidly increasing in number, three recently organized Trust companies, seven Savings banks under five different acts, add the examination of the State Treasury with its auditing office, the duty of visiting and supervising the books and financial accounts of the several public institutions of the State (including two State prisons, three hospitals for the insane, the State University and four Normal schools, the Institute for the Deaf, Dumb and the Blind, Idiots and Imbeciles, the State Reform School, the School for Indigent Children, and the Soldiers' Home)—weight this down with the care of eighty counties, each having eleven officers whose accounts should be examined, and the proceedings of whose two accounting officers, with their local Board of Commissioners, are expected to be gone over in detail annually, and you have that phenomenon which in the West is called "The Office of the Public Examiner."

I am by request to give you something of the history and objects of this office, and the methods by means of which its efficiency is secured. The limits of your time will admit of only a most condensed statement.

HISTORY.

The office of Public Examiner for the State of Minnesota was created by the Legislature in 1878, the present incumbent assuming his duties on May 1st of that year. It has therefore been in operation something over nine years. Its establishment is due mainly to the energetic efforts of the Hon. John S. Pillsbury, the Governor of the State. Its main purpose was to control the actions of the County Treasurers, whose accounts had fallen into a state of chaos, and whose numerous defalcations had created general alarm. The State Treasury and the public institutions were naturally placed under its supervision, and the banks (but thirteen in number at that time, with its seven Savings Associations) were included as a sort of annex. The Annuity, Safe Deposit and Trust Companies, since incorporated, were placed under the same supervision.

OBJECTS AND METHODS.

1. *Moneyed Institutions.*

As to the objects to be attained and the methods to be pursued under the Act in its relations to the moneyed corporations, they may be dismissed, as they are not other than those with which you are familiar under the National Bank Act. But in passing from this division of my subject, and remembering that I address a body of practical bankers, I may properly add a word in reference to the banks and banking laws of our State. The basis of the banking laws of Minnesota is a general Act passed July 28, 1858. Considerably more than one-half of its forty-six sections relates to the securities, issuance and redemption of circulating notes, and are, of course, inoperative at the present time. The remaining portion was grievously defective as to the organization and general powers of the banks, and entirely wanting in any effective controlling or restrictive limitations of the business. The law remained, however, in the form in which it was originally passed until the Examiner Office was instituted, since which time it has been liberally amended and improved. The Act as it now stands can, however, be considered as no more than a passable make-shift, awaiting the time of its intelligent recasting and codification.

By an Act of the Legislature of 1887 all the duties under the laws regulating the business of banking, which heretofore had been performed by the State Auditor, were transferred to the office of the Public Examiner. These relate principally to the authorization of State and Savings Banks, the calling for reports, the institution of proceedings in the case of violation of the laws, and in extremities for the annulling of the existence of the corporation. In the exercise of these functions, entirely

different from those imposed by the Act creating the original office, the Public Examiner is vested with the *ex-officio* title of "Superintendent of Banks."

From the official statements rendered to this officer in July of the present year it appears that the fifty-four incorporate banks of the State reported their capital and undivided profits as amounting to \$6,420,000, and their total resources to \$22,000,000. The seven Savings Associations report deposits amounting to \$3,900,000, and the three Trust companies, a capital of \$1,250,000.

On August 1, 1887, fifty-seven National banks in the State report to the Comptroller of the Currency a capital and undivided profits of \$16,900,000 and total resources amounting to \$54,130,000.

In July, 1886, there were also in Minnesota one hundred and thirty private banks, seventy-one of which were unofficially stated as having a capital and surplus of some \$2,300,000. Of these one hundred and thirty private banks, the report of the Examiner for that year gave a list of one hundred and nineteen having artificial names indicating legal authorization and not distinguishable from those which had been incorporated under the laws. Whereupon the Legislature of 1887 passed an Act forbidding the use of any corporate or artificial name after January 1, 1888, by any person or persons engaged in the business of banking and not subject to the supervision of the State. The main provision of the Act is identical in language with the provision of a similar Act passed by a late Legislature of the State of New York, without the amendment however which makes the law inoperative as to the banks in existence at the time of its passage, and which would seem to annul any salutary effects to be derived therefrom. The Act was carried notwithstanding a violent opposition. The private bankers of the State have since formed an organization for the purpose of testing the constitutionality of the Act.

2. *State Institutions.*

Returning now to the objects to be attained by the Examiner Act, it may be said that as to the several Public Institutions of the State the methods employed for the purpose of securing a wise and economical use of the funds appropriated for their support are—the visitations of the Examiner to each at irregular periods and without notice—the supervision of their books and financial accounts—the enforcement of correct methods of keeping the same—exhaustive examinations of the balances of cash on hand and of the vouchers for expended funds, and a thorough inspection of the purposes of the expenditures. The officers of these institutions are appointed by the Governor and chosen by reason of their substantial character and fitness for the position, and are thus free from the corrupting blight of politics.

3. *The County Finances.*

In regard to the county treasuries, the first great need was found to be, as anticipated by the Act, a simple and uniform system of accounts. These were found to be in the most dire confusion. The Accounting Officers were chosen every two years politically, and with very little inquiry as to their qualifications for performing the duties of their offices. The system of bookkeeping (if system it could be called which had none) had been introduced by each officer for himself, either as imported by memory from the various States of the Union and nations of the globe, or as copied from other officers, imperfections included. The main item of the account, namely, the revenues derived from taxation, appeared upon the books but three times a year, and then at irregular intervals and with no details by means of which its accuracy could be proven or ascertained. In most of the counties no off-setting account of the cash appeared. The different funds for which taxes were levied or money received were simply credited with their collections, and the sum of all the balances of these accounts was the only method of indicating the amount of money which should be in the treasury. The Treasurer had, therefore, no clue to his own accountability except (perhaps) at the three tax settlements of the year, when all the accounts had received their total credits. With no experience or facility in handling money it is easy to predict that these irregular balances were by no means satisfactory. If the cash proved to be "over" the excess must belong to the Treasurer; if "short," the error must be in the account, and it was easy to correct an account that preserved no details and was not subject to supervision. Many a well-meaning officer who would gladly have done better had he known how became helplessly entangled in his own figures, and was led on to worse things. The few who were intentionally fraudulent had a wide open door before them. Favoritism was universally practised. Obligations of a

friendly, political or financial nature were repaid from the treasury, by immunity in the payment of taxes either as to time or in amount, by influence in the auditing of claims of a doubtful character, or by a loan of the public funds. Thus the taxpayers were plucked on every hand, and when the day of reckoning came the official bond on which the public relied was found, in form and execution as well as in security, to be a rope of sand.

Were you able to imagine the condition of the National banks, were their officers nominated by political strikers and chosen for thirty years in the prevailing methods at elections held biennially; were there no consistent code of banking laws, but only a patch-work of incoherent shreds, put together without reference to each other, at odd times during all this period; and were there no provision by means of which the public could become acquainted with what was going on, you would have a picture not far different from the one attempted to be presented.

The first duty of the Examiner under the Act was to order and enforce a correct and uniform system of accounting, with a suitable check upon the mutual action of Auditors and Treasurers, insuring a thorough supervision and safety of the public funds. The ordering of such a system was promptly performed, and the enforcement of it is also at length in a large measure accomplished, the delays being such as must naturally be expected under a politically elective system, and one subject to constant changes in the officers.

Great progress has been made also in the repeal of conflicting laws, or in their amendment, so as to bring them into harmony with the purposes of the Examiner Act. To those of you, however, who have had to deal with the legislative branch of Government, it will occasion no surprise to learn that the main difficulty in carrying out this reform ordered by the Legislature itself, lies in its own action, or more properly in its inaction.

The very structure of the laws providing for the collection of the taxes and other revenues of the State, gives the control both of the money collected and of the original data from which it is collected into the hands of the County Treasurer. The County Auditor is indeed nominally the county's bookkeeper, but so far as the accounts are concerned he is not an independent or even a co-ordinate officer. He must receive the data for measuring the Treasurer's accountability from the Treasurer himself, and is not compelled by law to audit the Treasurer's figures. Each Legislature for several years has been made fully acquainted with this radical defect in the existing legislation; ample measures for its remedy have been introduced; three successive Governors have strongly recommended the passage of such a measure; every committee before whom it has been argued has recommended it to pass, and each time it has been defeated, not in open and manly debate, but by dilatory tactics. The nominal objection to the measure is the increased expense of the amended methods, as though anything can be more expensive than the disposition of Trust funds in the hands of a single officer and without check upon them. The real opposition is, however, well known to be the dependence of legislators upon the county officers for political support and advancement. Party politics is everywhere the bane of safe legislation. We need a civil service reform that shall reach far below the presidential appointees.

Progress in many other directions cannot be more than mentioned here, as in cleansing the treasuries of a vast amount of extraneous matters, providing safe depositories for the funds on hand, preparing printed forms for the official bonds of all officers and providing for their submission to the Attorney-General for his approval or disapproval in writing as to their legal form and execution, and in many ways creating a public sentiment which should demand a great improvement in the personnel of the service, and the administration of its duties.

POWERS UNDER THE EXAMINER ACT.

I may, perhaps, be expected to allude to the facilities furnished the Examiner under the Act, and the authority granted him and others for enforcing its provisions. As has been seen, he has full authority to expose false or erroneous systems of accounting, and to prescribe and enforce correct ones, to reduce all systems to uniformity whenever practicable, and to provide every check and safeguard necessary for the control and protection of the public funds.

He can call for verified statements and trial balance sheets from county officers as often as he may deem necessary. As the Superintendent of Banks he is required to

call for statements of condition of the banks not less than four times each year, and on a past day by him specified, and as Examiner he may call for special reports at any time.

He has full power and authority to examine books and all documents pertaining to the duties of the various officers, to issue subpoenas and examine under oath all trustees, officers, managers, employees, agents or other persons in control of or doing business with any of the above institutions or corporations. He has supervision of all official bonds of State and county officers, with power to reject or approve any or all the sureties thereon.

The assistance of the Attorney-General is provided in case of refusal or neglect to obey instructions, and for the enforcement of the laws. The Examiner is to report to the Governor forthwith as to the condition of the moneyed corporations, together with his suggestions or recommendations, and in regard to any failure of duty by the financial officers, as often as the public interests may require. The Governor may in his discretion cause any of the Examiner's reports to be published. Plenary power is also conferred upon the Governor to suspend, and on trial, if demanded, to remove from office any derelict county officer so reported to him.

EXAMINERS IN OTHER STATES.

Inquiry has been made as to the existence of an officer of this character in other States, and as to the adaptability of the provisions here set forth to other localities. Other States have more or less ample provisions for the examination of State and Savings banks, and some, notably in New England, for the supervision of their public institutions. The Legislature of Dakota passed an Act during the present year substantially in accord with our own, but providing for two Examiners, thus anticipating the possible action of Congress in admitting the territory as a divided State. I know of no other State which extends its supervision over county officers, although vigorous inquiry has been made as to the working of our law by many others as widely separated as Massachusetts, Montana and New Mexico. In several of the Legislatures Acts of this character have been introduced. They have always met with strenuous opposition, as was the case in our own State, where the measure was finally carried by a majority of but a single vote.

Its methods are especially applicable to States in which, like Minnesota and others, the entire revenues for State, county, town and school purposes pass through the county treasuries. Even in our young State the amount collected annually for these objects already reaches the sum of \$9,000,000, and is increasing at the rate of from one-half to three-fourths of a million dollars per year. The officers who act as the receivers and disbursers of these funds are not chosen by reason of their business experience, they are subject to the constant mutations of party strife, they have not the benefit of the control or direction of boards of men noted for their sagacious business methods. Without supervision they are subject to unusual temptations. Competent and law-abiding officers are not restive under examination, but rather court it for the honor of the service in which they are engaged. With all our criticisms of our public servants there are very many officers of this class. The large proportion are at least well-meaning. The wilfully and intentionally fraudulent are but few. For the vindication of the faithful, the instruction and encouragement of the well-disposed, and for bringing to condign punishment the designedly bad this new branch of the public service has been found to be greatly useful and worthy of recommendation.

Unclaimed Money in Savings Banks.—The law recently enacted in the State of Massachusetts, vesting authority in the Savings Bank Commissioners to require savings banks to publish annually their lists of deposits which for twenty years have remained unclaimed, has already been conformed to by several of the banks. The amount of unclaimed deposits in the State amounts to more than a million dollars. In the Five Cents Savings Bank on School street, Boston, \$89,102, divided into deposits of from \$25 to \$2,000, has been unclaimed for twenty years. This sum represents 367 deposits made by persons who had mostly lived in Massachusetts. The Provident Institution on Temple Place has an aggregate sum unclaimed of \$148,972, the larger part of which was originally owned by Boston residents. Two hundred and sixty-eight deposits are represented in this amount, of which four are for sums of more than \$3,000; fifteen more than \$2,000 and less than \$3,000; and twenty-eight more than \$1,000 and less than \$2,000.

THE NATIONAL BANK SYSTEM.

* A PLAN FOR PERFECTING AND PERPETUATING IT, BY JOHN THOMPSON, VICE-PRESIDENT OF THE CHASE NATIONAL BANK, NEW YORK.

The two subjects of vital interest to the community at large are the *Tariff* and the *Currency*. In relation to the *Currency*, I beg to express my opinion freely. We have now two kinds of what is considered money. One, real money, coin, greenbacks and National bank notes. These are not liable to be discredited in times of stringency and panic. The other I call "token" money, consisting of checks, drafts, letters of credit, etc. The latter always has been and always will be liable to discredit when distrust arises.

Such token money now constitutes nineteen-twentieths (ninety-five per cent.) of our business transactions, while real money is so scarce that when a panic overtakes the business community it is inadequate, and unreasonable depreciation in values necessarily takes place. Discrediting token money is such a vital contraction of our moneyed facilities that it becomes apparent we should have more *real* money to save us from bankruptcy of enormous magnitude. We have too much *token* money and too little *real* money to be on a safe foundation.

These facts were apparent in 1873, when travelers in Europe were incommoded because their letters of credit were refused when cash was solicited. And these facts were still further corroborated by our savings banks losing confidence in their credits at deposit banks, drawing their balances in greenbacks and storing them for safe keeping in safety deposit companies, so that our banks for several weeks were deprived of their reserve money. Stringency is always intensified by hoarding, and the smaller the volume of real money the more active this dangerous element becomes.

Therefore, it becomes a necessity to devise some plan that will give us more real money. How this shall be done is one of the questions which will come before Congress, and is very interesting to every business man—yes, every American citizen.

Having studied for months (and I may say a few years) this subject in all its aspects, I ventured in a communication to the Hon. W. L. Trenholm, Comptroller of the Currency, November, 1896, to chalk out a method which in my opinion will bring about the desired result. It is as follows:

1st. *Permit the banks to discontinue the deposit of Government bonds as security for currency, and in lieu adopt the following:*

2d. *Make it legal for banks to obtain currency from the Treasury Department of 50 per cent. on capital paid up.*

3d. *Give this issue of currency a preferred lien on the entire assets of the bank, including the individual liability of stockholders, in case of insolvency.*

4th. *Divert the annual internal revenue tax of 1 per cent. per annum on circulation into an insurance fund to be held in the Treasury of the U. S. as a guarantee for the redemption of any currency which may fail to be redeemed under the above preferred arrangement.*

Preserve in the National bank law all the requirements now in force under that act, keeping intact the central redemption at Washington and the deposit of 5 per cent. for such redemptions, keeping also in force all the restrictions and regulations as to the organizing and management of banks, also the system of examinations.

These simple amendments to the National bank act will obviate the necessity of working up any new banking schemes, it will make the National bank system a permanency, and give to the people a currency as universally accredited at par as our present issue of National bank notes. It will invite into the system State banks and individual bankers to an extent that will make the banking of the country almost uniform and much safer for depositors and holders of other obligations, such as

* This communication is addressed to the bankers of the United States, to the public press, as well as to the members of the next Congress.

drafts, etc., than the present diversified systems now in operation throughout the country.

As regards "elasticity," it is apparent that the banks working under the proposed change can retire and re-issue their currency with great freedom and facility as compared with the present system.

The objectors to this proposed change may assert that the "safety fund" system of New York was a failure and that this is of like character. To this my answer is, the contribution to the "safety fund" was only one-half of one per cent. per annum on capital, and this contribution ended when three per cent. on the capital had been paid, and it was liable for deposits as well as for circulation.

Circulating notes were issued by the State bank officers without any restraints, guards, or State supervision. The legal limit was *two of currency to one of capital*.

Several banks made what was called "over issues," rendering false statements leading to disaster.

The New York "safety fund" was a delusion, and should not be named in connection with our National bank system, under which the banks can issue only the notes furnished to them by the Treasury Department.

Should the suggested amendments to the bank act be adopted, it is my estimate that in three years 500 millions of National bank note currency will be in circulation, and the guarantee fund will exceed ten millions of dollars. When this fund becomes unnecessarily large (as it surely will) a judicious portion of it could be covered into the Treasury.

I hope all who take an interest in keeping our currency at *par* everywhere, will exert an influence for this or any better measure, for there is an under current in favor of returning to the old State system of banking and State bank currency, with all its danger and discount.

J. T.

FINANCIAL MATTERS IN CHICAGO.

[From the JOURNAL'S Chicago Correspondent.]

The money market has been very steady during the month, both borrowers and lenders being measurably satisfied with the situation. Rates have probably strengthened somewhat, though there is no change in the quotations. Bankers state that they are lending very little as low as six per cent., and that seven is a common rate for call loans. The best borrowers in the city cheerfully pay seven for ordinary mercantile accommodations. The revival of speculation on the Board of Trade has made little difference with the market. The quantity of grain carried here is very small, and about the only impression made on the money market by this speculation is in the form of margin deposits at the banks by those who are short of grain or provisions. Applications have been made to our banks and private capitalists in large numbers for loans to parties in St. Louis, St. Paul, Minneapolis, and other Western cities, who are carrying grain. The demand from St. Louis has been specially large of late. The failures there have necessitated considerable borrowing. Paper has been sent in for rediscount from the country banks in considerable quantities. Our banks have not been able to meet all these demands on account of the home market requirements.

The funds of private capitalists are a factor of increasing importance. They are in some cases loaned below bank rates. Such lenders often take a good class of paper, which has been rejected by the banks because it has too long a time to run. The note brokers too are doing a good deal of business and are now selling considerable paper in Boston and New York, which cities were entirely closed against their operations during the recent period of tight money.

It is the time of the year when the great packing-houses are usually heavy borrowers, but they have not yet cut much of a figure in the market. Their requirements will, however, constantly increase during the remainder of the year. It is not expected that there will be any decline in rates till the middle of January.

The movement of currency to the country towns continues small, and the total this year will be from one-half to two-thirds of the aggregate last year. Exchange on New York has been at a discount all the month and was particularly abundant the third week on account of the shipment of large quantities of agricultural products.

The bank clearings have been noticeably large. They began to show a marked increase before the revival of speculation on the Board of Trade. The increase is due

mainly to the expansion of legitimate trade. One of the biggest checks ever seen in Chicago passed through the Clearing-House about the middle of the month. It amounted to \$1,015,000 and was the first installment (25 per cent.) on the stock of the West Division Street Railway, purchased by the Philadelphia syndicate and their Chicago associates. The entire expenditure of these people in buying and cabling the road will be not far from \$10,000,000.

The sale of the West Division road, releasing as it has a large amount of local capital, has, along with other influences, given some strength to the local security market and there is a good demand for bank stocks, of which, however, the offerings are moderate. A small lot of Merchants' Loan & Trust Co. was recently sold at 235. J. T. Lester, a well-known broker, has bought 400 shares of First National at about 240. The stocks of nearly all the other banks are much sought for. The profits of the Chicago institutions this year will be larger than in any previous year. Other securities are quiet, except the Gas Trust certificates, which have been active of late at advancing prices on account of the settlement of a suit in which it was sought to enjoin the issue of \$10,000,000 of bonds by the Chicago Gas Light & Coke Co.

Our large stock speculators are bears, though they are apparently not doing much in the market just now, preferring to operate in grain. They take the position that the short crops, the curtailment of railroad building and the decline in iron will inevitably force a lower range of prices for securities.

An effort is in progress to get the United States Sub-Treasury into the Clearing-House. New York is the only city where the Sub-Treasury is a member of the Clearing-House. The advantages of the arrangement are obvious to any banker, and there is much complaint here of the inconvenience of having to deal with so important a financial concern by the old and clumsy methods. Local bankers have had conferences on the subject and a petition will be sent to the Secretary of the Treasury.

A suit has been brought for the annulment of the charter of the Chicago Trust & Savings Bank on the ground that the change in the name and location made when its charter was purchased was unconstitutional. The real motive for the suit is that the methods of the bank are regarded by other banks as bad and a menace to the banking interests of the city. It lends on chattel mortgage and similar security and charges rates of interest that ought to be satisfactory to a pawn-broker. H. C. B.

The Comptroller of the Currency. Mr. W. L. Trenholm, has prepared a codification and revision of the National banking laws to be submitted to Congress, with an explanatory letter. The original Currency Act was drawn with much care in 1863 and aimed to embody the provisions of the several State banking laws, which up to that time had stood the test of experience. This law was revised and further improved by Congress in 1864. Further additions and amendments were added from time to time until December, 1873, when a complete revision, made by a Congressional Committee composed of experienced lawyers, was approved by Congress and embodied in the Revised Statutes of the United States. Other amendments and additions have been made since. As the law now stands almost every provision has been tested by litigation in the courts, and nearly every doubtful expression has been construed. Some amendments and additions are necessary. The portions of the law in reference to circulation are, in many points, at variance with the present condition of the finances of the Government. Still, the points where amendment is absolutely necessary in the National banking laws proper are comparatively few. The legislation which would cure the evils under which National bank circulation now labors concerns the management of the public debt. A sweeping revision of the National banking laws is both unnecessary and attended with the danger that many points now well settled by court decisions will be affected by the changes, and that much of the costly litigation of twenty-five years will go for nothing. Slight modifications of law always require new decisions as to their effect. It will be a notable achievement if, after an experience of a year and a half as Comptroller, Mr. Trenholm can judge so well of the workings of the National bank laws as to be able to subject them to an exhaustive revision, eliminating or amending such provisions as are useless and imperfect without changing for the worse many other provisions acknowledged to be plain and beneficial. It is a big task, and we hope some good may come out of it.

BANKING AND FINANCIAL NEWS.

THIS DEPARTMENT ALSO INCLUDES: OPEN LETTERS FROM BANKERS, THE WORLD OF FINANCE, AND A COMPLETE LIST OF NEW BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES.

An Editor's Preferment.—The following, clipped from the *New York Times* of November 11th, may interest some of the JOURNAL's readers:

"Of course it's a compliment, but don't spend any money," was an expression very generally used by the friends of BRADFORD RHODES after he had received the Republican nomination for Assembly in the Second Assembly District of Westchester County, N. Y. The district had generally gone Democratic by a majority of about 1,100. Mr. RHODES is editor of the JOURNAL OF BANKING, published in William Street. He lives at Mamaroneck, which generally gives a Democratic majority of from 50 to 60. The town's total vote this year was 320, and Mr. RHODES' majority was 227. The result of his canvass was astonishing, even to the candidate. He had visited every town and village in the district, and in every one of them the young men made a special effort to defeat the opposition candidate, J. H. Byron. They succeeded beautifully. Even East Chester, which is generally good for 150 Democratic majority, and is Mr. Byron's home, was carried by Mr. RHODES by a majority of 149. Mr. RHODES carried every town in his district except West Chester, and there the usual majority of 250 was cut down to 95. His total majority in the district foots up 967.

"Mr. RHODES made a vigorous canvass. To his exertions and his standing in the community he owes his election. His success simply staggered the old political managers of both parties, but in spite of it he is not unduly elated, and expects to maintain his good reputation when he attends to his duty as a legislator. He is a bright man with a clean record."

These facts should be supplemented with the statement that the JOURNAL's Editor is not "in politics" in the sense usually implied by that term. He has never held any public office except that of School Trustee in his home town, and, besides, the nomination above referred to came to him entirely unsought. It is certain that his course in the Legislature will be guided solely by the desire to promote the best interests of all the people.

Mr. RHODES' duties as a legislator will not in the least interfere with the management of the JOURNAL, but, on the contrary, he trusts that in his new capacity he may be of greater service to the banking community.

Mr. WILLIAM B. GREENE, who has been connected with the JOURNAL during the past year as Associate Editor, will continue as heretofore.

North Texas National Bank of Dallas, Tex.—This institution will be opened for business on January 8, 1888, with a paid-up capital of \$500,000. The history of banking in Texas for the last ten years has been phenomenal, and the profits have been exceptionally large. There is, therefore, every reason to believe that the North Texas National Bank has a bright future before it. The population of the State doubled between 1870 and 1880, and there is every indication that even this great increment will be exceeded by the growth between 1880 and 1890. Banks in Fort Worth, Tex., which has a population of 18,000 and a banking capital of \$1,800,000, pay from 12 to 18 per cent. per annum. Dallas, with 45,000 inhabitants, has as yet only \$1,110,000 banking capital, so that there is a loud demand for another National bank. The stock has been largely subscribed for in New York city, Pittsburgh, and other Eastern cities. There cannot certainly be a more promising investment. Col. Henry Exall, the Vice-President, and Mr. F. R. Malone were at the Bankers' Convention at Pittsburgh, and created a most favorable impression with all who met them. Their high personal character and eminent capacity as bankers are well known in Texas and wherever they are known.

Commerce of New York.—The foreign imports during the month of October, 1887, at the port of New York were the largest of any October except that in the year 1880. The total valuation of imports during the month were \$49,927,704. Of this, \$30,121,120 was the valuation of the merchandise, and \$10,806,604 specie and bullion. The large imports of precious metals in view of the adverse balance of trade attracted

some little attention. This was probably due partly to the great demand for money in this country, and partly to the sale of American securities abroad. Although the duties collected during the month of October do not all represent the duties paid on the merchandise imported during that month, they were very large, amounting to \$12,380,655. The total amount of customs received at New York during the first ten months of 1887 were \$127,864,856. The exports during the month of October from New York amount to \$28,481,274. Of this, \$26,808,660 was the valuation of domestic produce exported. It is estimated that the imports for the month of October at all ports of the United States will reach seventy millions of dollars, and that the exports are likely to fall below that amount. This will have a tendency, other things being equal, to cause an exportation of gold, but this tendency may be countermanded by the sale of our securities abroad, or by the investment of foreign capital in this country.

California Bank Commissioners' Report.—We have received the ninth annual report of the Bank Commissioners of the State of California for August 1, 1887. The Board is in the tenth year of its existence, and has, as is acknowledged both by the banks and the public, been a great benefit to the State. There are now eighty-eight commercial banks and twenty-four savings banks, in all 112 banks, showing an increase of sixteen since the closing of the last report. The number of savings bank depositors on January 1, 1887, was 90,500, and the amount due them was \$65,196,189.54, an average of \$731.38 for each depositor. The commercial banks of the State on July 1, 1887, had a capital stock of \$19,555,960, and deposits, including those to banks and individuals, of \$49,391,834.04. The report includes statements of the National banks and private bankers of the State, although these institutions are not under the control of the Commissioners.

Minnesota State Banks.—Hon. Henry M. Knox, Bank Superintendent of the State of Minnesota, has prepared his abstract showing the condition of the State banks on Saturday, October 15, from which the following summary has been taken :

RESOURCES.	LIABILITIES.
Loans and discounts..... \$15,827,606.96 Overdrafts..... 112,833.35 United States bonds on hand..... 3,402.37 Other stocks and bonds..... 833,046.07 Due from other banks..... 1,973,583.68 Banking house, furniture, and fixtures..... 608,000.25 Other real estate..... 319,143.35 Expenses paid..... 118,186.91 Taxes paid..... 8,165.50 Checks and cash items..... 48,446.73 Exchanges for Clearing House..... 848,968.93 Cash on hand..... 1,461,195.12 Other resources..... 452.30	Capital stock paid in..... \$5,308,000.00 Surplus fund..... 701,908.83 Other undivided profits..... 646,434.28 Dividends unpaid..... 3,568.00 Due to depositors..... 13,752,366.16 Due to other banks..... 807,972.75 Notes and bills rediscounted..... 314,288.62 Bills payable..... 225,200.84 Other liabilities..... 5,311.04
Total resources..... \$21,761,030.52	Total liabilities..... \$21,761,030.52

The last call for reports was for July 23, 1887. Since that date there was an increase of one in the number of banks, making a total of 55. As compared with the July statement there was a falling off in the individual deposits of over \$676,000. The cash means of the banks had decreased as follows: In due from other banks, \$460,700, and in cash on hand, \$411,700, or a total decrease of \$872,400. Bills payable and rediscounts had restored the equilibrium by an increase of \$171,800. The cash reserve per October statement was: In banks, 14.3 per cent., and in cash, 10.6 per cent.; total, 24.9 per cent., as against a total of 23.3 per cent. per July statement. The legal requirement is 20 per cent. of immediate liabilities, of which one half must be cash in hand. The report indicates the usual increased call for funds in the autumn for the purchase and movement of produce, somewhat accelerated by the late stringency in the money market.

The Dry Goods Credit Guarantee & Indemnity Co., about to be incorporated in New York city with a capital of one million dollars, says in its prospectus that the credit system in vogue in the United States has become very much strained. The necessity for relief has become apparent. The new company proposes, for a reasonable

consideration, graduated in every instance to the character of the risk insured, to insure the applicant against loss upon any debt or debts due or to become due upon specific sales and for fixed periods of time. The contracts will, if desired, provide for the assignment of the claim against the insured at any time upon demand and the subrogation of the company to all the rights of the assured. The affairs of the company will be under the management of a board of nine directors. Although the title of the company seems to limit its operations to the dry goods trade, it has taken the entire commercial world for its field.

The Bay Shore Bank is a new institution with \$50,000 capital, which opened for business December 1st, in Bay Shore, N. Y. Mr. R. M. Raven, one of Bay Shore's leading and wealthiest citizens is President.

The Sub-Treasury Robbery.—Henry M. Jackson, Paying-Teller of the United States Sub-Treasury at New York, recently took from his cash ten thousand dollars, and departed for Canada. The Treasurer and his bondsmen are responsible for the amount lost by the Government.

The Clearings for the month of October, 1887, at the principal Clearing-Houses of the country amount to \$4,539,936,737, of which sum \$2,978,940,406 represents clearings of New York city banks, and the balance of \$1,560,996,331, represents the clearings of points outside of New York city.

The United States Supreme Court has refused to advance the case of the First National Bank of Buffalo against the Directors of that bank, which involves questions of liability of National Bank Directors, as requested by Attorney-General Garland at the suggestion of the Comptroller of the Currency.

The Real Estate Exchange of St. Paul, Minn., is organizing a Loan and Trust Company with "a banking attachment." The amount of capital is not yet stated, but according to the *Pioneer Press* the only wish is to provide facilities for taking care of certain branches of business for which there is no provision now.

The Central Bank of Canada.—This institution suspended on November 16th. It is expected that the bank will receive assistance, which will enable it to commence business again within the near future. The capital of the bank was \$1,000,000, with \$500,000 paid up. It is expected that the depositors will suffer no loss.

A Bank is being organized at North St. Paul, Minn., which will be ready for business January 1, 1888. More than double the stock required has already been subscribed. The organizers of the institution have purchased the furniture and fixtures of the Third National Bank, St. Paul, and will have them transferred to North St. Paul immediately.

The Osawatamie Bank is an institution recently opened at Osawatamie, Kansas. It is incorporated, has a paid up capital of \$50,000 and the following officers: E. W. Warfield, President; L. A. Wheeler, Cashier. The latter was formerly Assistant Cashier of the United States National Bank, Atchison, Kans. Will transact a general banking business.

New York City Stock.—Comptroller Loew, of the city of New York, recently obtained proposals for \$600,000 three per cent. consolidated stock, known as school-house bonds, payable November, 1897. The bids received aggregated \$4,475,000. Four hundred thousand dollars of the bonds were awarded to Moller & Co., at 101.27; and \$200,000 to A. M. Hyatt, at 101.56.

Bank of Montreal Statement.—The Bank of Montreal statement for the six months ending October 31st, which was published on November 11th, shows the net profit for the semi-annual period, after deducting all bad and doubtful debts, of \$665,064, or over 5¼ per cent. The profits therefore are less this year than they were for the corresponding period last year, when they were 6½ per cent.

Governor Church, of Dakota, has appointed Mr. John D. Lawler Territorial Treasurer, to date from January 1, 1888. Mr. Lawler is President of the First National Bank of Mitchell, Dak., and his appointment is said to give general satisfaction. He was elected a member of the Territorial Council last year by a large majority, and his record as such has proved him to be a capable and conscientious legislator.

Savings Banks for Girls.—In Germany there is a kind of Savings bank for girls, which is similar to what is known in the United States as the Endowment Plan in life

insurance companies. On the birth of a girl parents in moderate circumstances, by paying a small sum in one of these Savings banks can insure that on the completion of her eighteenth year she will have a certain capital to start with in life, or as a dowry.

Demand for Small Coins.—The demand for small coins, cents, nickels, and dimes is so great that working night and day the Philadelphia mint cannot keep up with it. In October the mint coined \$350,000 in five cent pieces and \$41,770 in cents, and still it is \$200,000 behind the orders. The Superintendent says the demand for small coins is almost unprecedented, and probably reflects the great commercial prosperity of the country at the present time.

The Argentine Republic is rapidly running into debt in order to secure capital for building railways, and for carrying on other enterprises, government and private. Thirty-four million pounds were borrowed during the years 1883 and 1884 inclusive, and since 1882 a total of forty-eight million pounds; or about two hundred and forty one millions of dollars have been borrowed by a country which has a population not greater than the State of Illinois.

Silver Currency in China.—The Viceroy of Canton has presented a memorial to the Emperor, asking permission to establish a mint. He points out that there would be much advantage to the Government in having a National currency.

He proposes to strike off one million dollars first, and if that goes into circulation four million more will be minted, and offers to pay the cost of the experiment from the revenues of his own province.

John Harper, the veteran President of the Bank of Pittsburgh, belongs to the old regime. He believes that the establishment of the National banks was a piece of unsound political economy, in that he does not think that the Government should guarantee a person's security for money loaned him any more than it should guarantee a farmer a crop from the seed he sows in the spring. He thinks that the National bank system is bound to disappear with the National debt.

The Savings Fund of the Pennsylvania Railroad.—The Pennsylvania Railroad are making preparations to establish a saving fund department for the benefit of their employes. The company's agents in the larger towns along the Pittsburgh and Erie line will receive sums exceeding five dollars, on which an interest of four per cent. will be paid. Ten days' notice will be required for the withdrawal of deposits. It is stated that the details of this scheme will be analogous to the Postal Savings System of Great Britain.

New National Bank at Sumter, S. C.—The Simonds National Bank of Sumter, S. C., commenced business on November 15th, with a capital of \$50,000. The business of Wallace & Simonds, private bankers, has been transferred to the new bank, as has also that of the defunct National Bank of Sumter. Dr. Andrew Simonds, the well-known President of the First National Bank of Charleston, S. C., will be President of the new bank also. R. M. Wallace will be Vice-President and resident Manager, and James M. Carson, Cashier.

Columbia Bank.—There will be a change in the Presidency of the Columbia Bank, of New York City, after January 1st. Mr. Joseph Fox recently bought out the interest of President John H. Watson, and enough other stock to give him the controlling interest. He has been elected Director, taking the place of Theo. E. Smith. This bank was organized several years ago, by Elliot F. Shepard, son-in-law of the late Wm. H. Vanderbilt. The stock sold seems to have brought about 115. The Columbia Bank has heretofore been very prosperous.

Comptroller of the Currency's Report.—The report of Comptroller Trenholm contains the result of inquiries which have been made for a number of months past, as under the provisions of the law of February, 1873, as to State banks, savings banks, trust companies, etc. Tables show the capital invested in each of the States in National banks and in banking institutions of other classes named; the amount of deposits held, business transacted, etc. The report will be published in the January number of the JOURNAL, with comments on its leading features.

Movement of Specie for the Fiscal Year Ending June 30, 1887.—The report of the Bureau of Statistics of the Treasury Department shows that for the fiscal year 1887 imports of gold and silver coin and bullion amount to \$80,170,732. Of this \$41,238,214 were received at New York city, \$10,598,215 at El Paso, Texas, \$4,004,888 at San Francisco,

and \$7,239,495 in all other custom districts. For the same year the exports of gold silver, coin and bullion were \$35,997,691, of which \$18,163,661 were exported from New York city; \$17,602,812 from San Francisco, and \$231,218 from all other custom districts.

Steven A. Northway, at one time President of the Second National Bank, of Jefferson, Ohio, and who has for a number of years been under indictment for embezzling the funds of that bank, was recently brought to trial. On November 10th the trial came to a sudden termination. The Judge stated that the funds alleged to have been lost had been invested in New York city, and therefore the case should not have been brought to trial in Ohio. The indictment was also deemed to be defective, in that it did not show that Northway had anything to do with the fraud committed in New York.

Successful Embezzlement.—A paragraph states that a trusted clerk in a Massachusetts National bank speculated heavily in California Mining Stocks, using the bank's money. When discovered the stocks were down, but the Directors compelled him to surrender all that he had in his possession. Before the surrendered stocks could be sold they had so risen in value that the bank made money on the defalcation. The defaulter however went to prison, and always regretted that he had not waited a week or so longer before surrendering the stocks, as he would have been all the richer and the bank none the poorer.

Causes of Stringency in the Money Market.—One of the Boston papers holds that the stringency which has more or less prevailed during the past year is due to five leading causes. First and most apparent is the accumulation of money in the National Treasury by the excess of revenues over expenditures. The second cause is the increase of railroad mileage. Third is the remarkable boom of business at the South. Fourth a heavy increase in emigration. And fifth the great real estate speculation all through the West. In regard to the latter it is remarked that by this last cause a large amount of money is rendered unproductive for a time, and in many cases for eternity.

The Condition of the Fidelity Bank of Cincinnati.—The Comptroller of the Currency has received from Mr. David Armstrong a full schedule of the liabilities of the bank. The value of the assets is upwards of \$5,800,000, of which about one-half are classed as worthless or doubtful. The valid claims against the bank amount to about \$3,800,000, and there are claims in dispute in addition aggregating \$1,500,000.

The subscriptions for the increase of capital stock amount to \$1,600,000, but less than half this amount was paid outright in money. No estimate of dividends which will ultimately be paid can now be made. The Receiver has recently paid a dividend of 25 per cent.

Vermont Savings Banks.—We are indebted to Hon. Carroll S. Page, Inspector of Finance, for a copy of annual report of Savings Banks and Trust Companies of the State of Vermont for the fiscal year ended June 30, 1887. From this it appears that the various Savings institutions and Trust companies have now nearly 54,000 depositors, an increase of 4,357 over last year, and the amount of deposits has increased from \$14,254,000 to \$15,600,000 or nearly 10 per cent. It is stated as an evidence of Vermont's prosperity that in addition to the foregoing nearly one million dollars have been invested in Western farm mortgages by the people of two towns alone—Weathersfield and Springfield.

Dairy Products.—While the bank capital of the country is a little less than six hundred and seventy-one millions of dollars, it is estimated that in the dairy interests there are more than three billion dollars invested. The number of milk cows is estimated at twenty-one millions, giving each an average of three hundred and fifty gallons of milk annually. Four thousand million gallons are used for butter, seven hundred millions for cheese, and the remaining two billion four hundred and eighty million gallons are used in the original state. The value of the dairy products of the United States the last twelve months was nearly five hundred million dollars, which is one hundred and twenty million more than the average wheat crop of the country.

Bank Robbery.—F. F. Bickel, a clerk in the Union National Bank, Duluth, Minn., robbed that bank of packages of money amounting to \$24,000. When the vault was opened he noticed that when the Cashier read his paper he held it above his face in such a way that a man could easily slip into the vault without being noticed by the

Cashier. Taking advantage of this, on September 16th he slipped into the vault and stole the amount above mentioned. The Cashier however discovered the robbery the afternoon of the same day, and as the movements of Bickel had been suspicious attention was attracted to him. The next week he started for Chicago, and when he arrived there he was arrested by a detective, and all the money except about \$150, was recovered.

Stafford National Bank.—The Receiver of the Stafford National Bank, of Stafford Springs, Conn., has made a report of the assets and liabilities of that unfortunate institution. He finds nominal assets to the amount of \$492,623, which he estimates to be worth \$310,021. The liabilities, or proven claims, amount to \$301,622. If the Receiver's estimate of the value of the assets is correct it will leave a balance of \$8,396 for the stockholders. This, however, leaves no margin for expenses. The bank had a capital of two hundred thousand and a surplus of twenty-four thousand, which has been virtually wiped out by the operations of Hicks, the defaulting Cashier. The statement, however, seems to be far more satisfactory than might have been expected under the circumstances.

Receipts and Expenditures of the City of New York.—A detailed statement of the receipts and expenditures of the city government of the City of New York for the year ending August 1st, published by Comptroller Loew, shows that the total receipts for the year were \$64,487,621, which, with the balance on hand on August 1, 1886, makes up a total of \$67,596,249.63. The total expenditures on account of the city Treasury were \$64,619,212.15; and the balance in the city Treasury August 1, 1887, was \$2,979,000.37. The sinking fund account shows that the balance in the city Treasury August 1, 1886, on that account was \$2,015,310.16. The receipts for the sinking fund during the year were \$19,942,300.61. The expenditures were \$20,229,773.77, leaving a balance on August 1, 1887, to the account of the sinking fund of \$1,727,537.

The Annual Report of the Register of the Treasury.—The annual report of the Register of the Treasury shows that the amount of outstanding bonds on June 30, 1887, was \$893,493,312, of which \$11,001,860 or one and twenty-three one hundredth per cent. is held by foreign investors, and \$212,415,450 were deposited with the Treasury by the National banks—this sum includes deposits both for circulation and deposits for public money. Individuals, Trustees, insurance companies and Savings banks in the United States hold \$670,076,062, the Savings banks holding \$208,000,000 and the insurance companies \$55,500,000.

The commission appointed to report upon amounts paid for interest, commissions and expenses of funding of the public debt since the foundation of the Government, have, it appears, a difficult task, and find that to secure a complete statement of all expenses connected with the National indebtedness will require more time than was anticipated.

Banks of Franklin, N. H.—The Franklin Savings Bank was organized August 23, 1869, and was opened for business in October of that year. In 1874 the amount of deposits was \$241,750, and on the first of September, 1887, the amount was \$667,655. The guarantee fund is \$26,183.01, and the surplus is \$34,430.07. The present officers are: President, Geo. W. Nesmith; Treasurer and Secretary, Alexis Proctor; Trustees, Geo. W. Nesmith, D. Barnard, W. F. Danell, J. H. Rowell, John Taylor, Walter Aiken, D. S. Gilchrist, A. W. Sulloway, H. A. Weymouth, I. N. Blodgett, E. B. S. Sanborn, C. C. Kenrick, F. L. Morrison. Judge Nesmith has been the President for many years. He visits the bank every week and maintains his old time interest. As the bank pays a tax of 1 per cent. on the deposits, the town receives a handsome revenue.

The Franklin National Bank was organized on November 22, 1879. The aggregate amount of money deposited during the year of 1886 was \$2,069,385, and the amount of exchange drawn on the First National Bank, of Boston, in the same time was \$1,556,189.72. Beginning with the first year of its organization it has paid regularly 3 per cent. semi-annual dividends, besides accumulating a handsome surplus. A. W. Sulloway is the President of the bank and Frank Proctor, Cashier.

Panama Canal.—There has recently much been said in the public press in regard to the difficulties in the way of completing the Panama Canal, and these expressions receive some warrant from articles which have appeared in the *Economiste Francaise*. The French, however, notwithstanding the alleged difficulties which have been

encountered, and the discouraging reports which have been rife, have still great faith in De Lesseps. It must be remembered, too, that a similar outcry was raised in regard to the Suez Canal at various stages of its progress. The great financial success of that undertaking has, of course, much to do with the faith in De Lesseps' ability to finish the Panama Canal.

It is not, however, for Americans to find fault with the interest taken by the French in the enterprise of dividing the Isthmus. If the canal were completed there is no doubt but what the United States would derive eventually more benefit from it than any other nation, and there is no doubt but what the work will be completed at some future day. Even if the French should fail in their undertaking the work which has been accomplished by them would be of great advantage to those who subsequently undertake the completion of the project. We can understand why a feeling of National jealousy should induce the American press to decry the undertaking as long as it is in French hands, but why they should desire to show it to be impossible of completion under any circumstances we do not see.

Missouri Banks.—The financial condition of the State banks of Missouri, as appears from a recent statement made to the Hon. M. K. McGrath, Secretary of State, is as follows:

RESOURCES.	LIABILITIES.
Loans undoubtedly good on personal or collateral security..... \$49,184,739.29	Capital stock paid in..... \$13,866,294.58
Loans and discounts undoubtedly good on real estate security..... 3,573,887.79	Surplus funds on hand..... 7,845,038.00
Overdraft by solvent customers..... 941,109.32	Undivided declared dividends..... 110,115.68
United States bonds on hand..... 623,979.75	Deposits subject to draft at sight..... 47,779,785.40
Other bonds and stock at their present cash market price..... 4,738,560.99	Deposits subject to draft at given dates..... 11,544,653.23
Due from other banks, good on sight draft..... 12,882,707.35	Bills payable..... 446,496.53
Real estate at present cash market value..... 2,407,968.84	Due other banks and bankers..... 8,068,154.50
Furniture and fixtures..... 408,171.76	Expenses now due..... 3,780.71
Checks and other cash items..... 2,112,628.68	
Bills of National banks and legal-tender United States notes..... 7,741,943.29	
Gold coin..... 1,537,628.83	
Silver coin..... 303,701.33	
Exchange maturing and matured..... 3,187,301.71	
Total..... \$89,704,818.68	Total..... \$89,704,818.68

The First Run on a Bank.—The extravagant luxury of the court of Charles II., combined with its utter want of principle and incapacity to carry on the memorable contest with Holland, produced the first run upon bankers that ever was made. The Government had suffered a succession of humiliating disasters. The extravagance of the court had dissipated all the means which Parliament had supplied for the purpose of carrying on offensive hostilities. It was finally determined to wage only defensive war, but even for that the vast resources of England were found insufficient. The Dutch insulted the British Court, sailed up the Thames, took Sheerness, and carried their ravages to Chatham. The blaze of the burning ships was seen in London; it was rumored that a foreign army had landed at Gravesend, and military men seriously proposed to abandon the Tower.

The people, accustomed to the secure reign of Cromwell, were in consternation. The moneyed portion of the community were seized with a panic. The country was in danger; London itself might be invaded. What security was there then for the money advanced to the Crown? The people flocked to their debtors and demanded their deposits. London now witnessed the first run upon the bankers!

The fears of the people, however, proved groundless, for the goldsmiths, as the bankers were then called, met all demands that were made upon them. Confidence

was restored by royal proclamation that the demands on the exchequer should be made as usual, and the run collapsed.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

- The First National Bank, Ellsworth, Maine, is building a new vault.
- The involved estate of E. S. Wheeler will, it is estimated, pay less than 15 per cent. on the dollar.
- Simpson's Bank, of Sidney, Ohio, is constructing a new building, to be used by the bank for offices.
- The Second National Bank of Atlantic city, N. J., opened for business on the 10th of October last.
- John Reston, private secretary to B. C. Faurot, of Lima, Ohio, was recently arrested for forgery.
- Stock of the Chemical National Bank, New York city, recently sold at \$3,000 per share, par value \$100.
- The Chestnut Street National Bank, of Philadelphia has been designated as a Government depository.
- Work has been commenced on the new building for the National Bank of Commerce of Minneapolis, Minn.
- Lon V. Stephens, of Boonville, Mo., was appointed Receiver of the Fifth National Bank of St. Louis, November 15th.
- The National Bank of the Republic, New York city, has obtained an attachment against the property of Walter E. Lawton to recover \$14,111.50.
- It is rumored that the Bank of California is to be sold out to and hereafter managed by a syndicate of Scotch bankers.
- The statement that Mr. Wm. K. Vanderbilt was in some way connected with the proposed Chinese Bank has been authoritatively denied.
- On October 31st F. C. McNealy, the Teller who stole a large sum of money from the Saco Savings Bank, Me., is said to have been in St. John, N. B.
- Herr Sandbank is the name of a Berlin financier who recently failed. Those who trusted in him had the usual luck of those who build upon the sand.
- John Taylor, the London banker, has been in Philadelphia to introduce his scheme for distributing the surplus of the Pennsylvania Railroad among its stockholders.
- In the Baltimore and Ohio matter Henry S. Ives & Co. paid Mr. Garrett \$215,000 in cash, and gave him \$1,500,000 preferred stock of the Cincinnati, Hamilton & Dayton Railroad.
- The Comptroller of the Currency on October 25th declared a dividend of 25 per cent. in favor of the Fidelity National Bank, of Cincinnati on claims proven, amounting to \$2,386,566.
- The stockholders of the American Exchange National Bank, of Chicago, are debating whether to bring suit against D. W. Irwin for the recovery of money lost in a wheat deal.
- The wool crop of the United States for the present year is estimated at seventy million pounds, and the number of sheep forty million, an increase of five million since the last census.
- There is much doubt as to the present conditions of the concessions said to have been granted by the Chinese Government to an American syndicate represented by Count Mitkiewicz.
- Providence, R. I., with 140,000 inhabitants has more banks than Philadelphia, with nearly a million, but then Rhode Island is ahead of any State in the Union in wealth per capita.
- Julian T. Davies, Receiver of Grant & Ward, recently filed his annual report in the County Clerk's office in New York city. The assets in possession of the Receiver consist of \$45,400, in real estate, assets which are claimed by other parties, \$385,000, and

assets due the Receiver, \$1,578,382, of which \$1,395,752 consists of the warrant out against W. S. Warner.

— The Cashier of the Stafford National Bank, of Stafford Springs, Conn., has, it appears, been engaged in speculating for a number of years. He was a defaulter to the amount of \$100,000.

— We see that the old proposition for the issue of legal-tender notes by the Government is being revived. Greenbackers are always on hand whenever financial questions are discussed.

— The semi-annual duty collected from the National banks during the year amounts to \$2,044,922, making an aggregate of \$134,637,876, collected from the banks since the organization of the system.

— Mr. S. M. Nickerson, President of the First National Bank of Chicago, has recently presented the "Interior of St. Marks," the picture painted by David Neil, to the Art Institute of that city.

— The Comptroller of the Currency on October 12th appointed Mr. M. Crosby, Corry, Pa., to be Receiver of the First National Bank of that city, which closed its doors about the middle of September.

— An exchange remarks that the youngest stockholder of any bank in America is Miss Olive Cowens, of North Platte, Nebraska, who was presented with a share of the First National Bank of North Platte.

— A man dropped two fifty dollar bills. They were finally returned by the finder, who stated that he was at first inclined to keep the money, but that his conscience troubled him so much that he had to return it.

— An attempt recently made to rob the First National Bank, of Abingdon, Ill., was frustrated. The doors of the vault were blown open, but the thieves were frightened away before they could open the money box.

— Mrs. Howe, of the Woman's Bank notoriety, recently started one of her peculiar institutions in Chicago, and after successfully running it for some time departed, it is said, with some seven or eight thousand dollars of her depositors' money.

— During the month of October 5276 tons of silver ore, valued at \$265,808, were imported from Mexico into the United States by way of El Paso, Texas, which gives an average of 176 tons per day. The average value of the ore is \$50 per ton.

— The Comptroller of the Currency has declared a fourth dividend of ten per cent. in favor of the creditors of the First National Bank, of Leadville, making a total of forty per cent on claims proven, amounting to \$200,854. The bank failed January 24, 1884.

— Lester Hays, nineteen years of age, Cashier of the Bank of Commerce at La Junta, Colo., disappeared on October 31st with about \$8,000 of the bank's money. It is believed that he has fled to Mexico. His bondsmen are good and the bank will lose nothing.

— Dispatches from St. Louis claim that there is an unusual money stringency existing throughout the South-West. Reports come from Wichita and Kansas City that there are immense amounts of real estate paper looking in vain for discount in the West.

— Cablegrams from Berlin announce that the Imperial Bank of Germany has ceased to lend money on Russian securities. This is supposed to be Bismarck's method of retaliation against the Czar for raising the tariff on goods imported into Russia from Germany.

— The United States Grand Jury has found indictments against Crecelius, Cashier of the Fifth National Bank, of St. Louis, and against two of the Directors. The Cashier has been indicted for making false entries and false reports, and the Directors for having guilty knowledge of the bank's condition.

— The Third National Bank, of St. Paul, Minnesota, voted on November 4th to go into voluntary liquidation. The business of the bank will hereafter be transacted by the Merchants' National Bank, of St. Paul. The liabilities of the institution will be paid in full, and the stockholders will realize about 60 per cent.

OPEN LETTERS FROM BANKERS.

An Interchange of Opinion by the Journal's readers.

COMBINATION AMONG BANKS.

Editor Rhodes' Journal of Banking:

It is unnecessary to go beyond the history of our own country to prove the existence of a law, that with the increase of population and development of the country, a vast number of manufactories and industrial enterprises have sprung into existence through combinations of capital, so regulated by competition that their value is almost incalculable, and so long as the money invested therein yields only the returns of legitimate enterprise, strikes, mobs and social disturbances will only temporarily check their prosperity.

The advantage to the traveling facilities and traffic of the country derived from a combination of many weak and struggling railroad corporations into one grand organization or system, is fully appreciated by all except those who, realizing their own incapacity to conceive and intelligence to successfully execute such an undertaking, would deny the persons, to whose energy, industry and skill we are indebted for such consummation, any share of the increased value the property has acquired by reason of greater importance and usefulness. However, the passage of the Inter-State Commerce Law clearly demonstrates the existence of an intelligence, which makes it possible to thus provide for our comfort and promote general prosperity, and at the same time, prevent an unjust exercise of the power thereby obtained.

Again: Such corporations being dependent for success upon the prosperity of the people, for whose convenience they are brought into existence, must meet with irretrievable ruin when they fail to accomplish this result.

All other industrial and commercial combinations are subject to this same general principle; they must promote the public welfare or cease to exist. It is true combinations are sometimes formed to prevent competition, to advance the price of various commodities beyond a reasonable profit above the cost of production, but the inordinate selfishness of man, which in the first instance conceived this plan of extortion, is its own antidote; possibly they may last a day, a year, or a decade, but at most their existence is ephemeral, and they are soon forgotten.

If then associated action, or combination is required to accomplish any great object, and there is a natural universal law preventing long continuance of attempted oppression by such associations, the aggregation of capital in banking institutions must be governed by this edict, and our interests demand the system be founded upon the broad principles of equal and exact justice to all, and susceptible of development to meet the requirements of the future.

Whether our National system meets these requirements, the future alone can determine.

The first bank established by the United States met the requirements of the first years of its life, but a rapidly growing country soon demanded a system of larger scope and wider usefulness. So apparent was its inadequacy to accomplish the expected result, that at the expiration of its charter the affairs of the bank were brought to an honorable close. The State bank system was then greatly expanded with results so unsatisfactory that a second bank was chartered by Congress with results not calculated to increase confidence in the usefulness of another institution of like character.

From the subsequent history of banking until the establishment of the National system, it is clearly apparent local legislation uninfluenced by the banking fraternity, is inadequate to secure the solidity and elasticity now required to satisfactorily transact the business of the country.

What the future is to develop depends largely upon the action of the members of the American Bankers' Association. Isolated individual action is without practical results; the sessions of this convention for the discussion of abstract questions and the social pleasures it affords, will not protect the National banking system from the

dangers now threatening it, nor commend the usefulness of the association to the class of practical men usually found at the head of responsible and influential financial institutions. Definite, decisive and vigorous action is demanded from this convention if we expect to preserve the valuable features of the National banking system, and add the additional safeguards experience has demonstrated to be necessary for the future.

Fortunately diversity of interests are not so great as to prevent practical unanimity in the adoption of wise measures of relief, and certainly Congress will not long hesitate to pass suggested legislation if every member of the association will make a personal appeal to their Senators and Representatives for support of measures formulated by a committee of representative bankers appointed by this convention. (A committee is suggested for the reason, it will be impossible to hold this convention together sufficiently long to give matters of great importance due consideration.)

The failure of Congress to devise a satisfactory plan for perpetuating the National banking system is not surprising when we remember so few familiar with the details of banking, and the general principles governing financial affairs are members of that body. If this convention should attempt to compile a set of rules governing practice in the United States Supreme Court, it is hardly probable our success would be remarkable.

Bankers as a class are not politicians, nor do they often make a simultaneous and determined effort to influence legislation; the probable result of such an effort can be best judged by recalling occurrences during the first years of the late civil war. At that time the necessities of the Government were such, that the banks were masters of the situation and dictated the financial policy of the country with such wisdom, that the nation promptly met its obligations, and came out of the struggle with a credit enabling it to borrow money at a nominal rate of interest, and a National system of banking vastly superior to anything yet devised in this or any other country. Here was a case of pressing necessity, which fortunately was of such a nature that its management must be placed with those most competent by education and practical experience to solve the difficult problem.

The success at that time attained is in marked contrast with the more recent financial policy adopted by Congress, the principal features of which seem to be, the compulsory coinage of debased silver dollars for storage in Government vaults, and the accumulation of an enormous surplus in the Treasury by the withdrawal from circulation of millions of dollars required to properly transact the business of the country, rendering it possible to frequently create a stringency in the money market, unsettling values, destroying confidence, and making it impossible to maintain the commercial equilibrium necessary to the continued prosperity of the varied industries of the country.

Again the power of combinations among banks to avert impending calamities, was strikingly illustrated in New York during May, 1885: this, too, was a case of self preservation and was made possible by the successful results attending the former efforts for preservation of the National credit; these instances out of many which might be mentioned, clearly show the propriety of employing bankers to look after the financial legislation of the country; to have such laws devised and shaped by the average legislator, either State or Congressional, is like employing a blacksmith for landscape gardening, or a carpenter to construct a steam engine.

The inefficiency of Congress to provide the necessary legislation required by our banking interests is equalled only by the stupidity of some among many excellent provisions of the State legislation of an Eastern commonwealth, which permit Savings banks to make long loans upon real estate within the State, where values are in many localities depreciating, up to 60 per cent. of its present valuation, but deny the privilege of placing money outside the State where rates of interest are double the amount received at home, and the security not only productive but rapidly increasing in value.

Again, three names must appear on every note not secured by real or collateral security, but tangible evidence of responsibility is not required; the subtle wisdom which conceived these provisions considered it unsafe to make a small loan with only two names, even with abundant evidence to establish the undoubted responsibility of borrowers.

Such laws are based upon the conviction that legislative enactments can supply intelligence, and render harmless the ignorance and incapacity of the officers of

financial institutions. However, it is to the honor of the enlightened and progressive bankers of the State mentioned, that these laws were not suggested by them, nor do they remain upon the statute book with their approval.

The exemption law of a Western territory, which makes it almost impossible to collect a note unless it is secured by mortgage, and the paucity of bank legislation in some of the States, is the opposite extreme.

State laws in regard to interest and usury are based upon principles widely divergent. Arkansas voids the contract as to principal and interest, and vitiates negotiable instruments in the hands of innocent holders if more than 10 per cent. is exacted. Dakota declares usury a misdemeanor punishable with a fine of five hundred dollars and six months' imprisonment. Georgia is inviting Northern capital to develop her resources with a provision on her statute books, providing mortgage deeds given to secure a debt bearing more than 8 per cent., shall be null and void. In Oregon the penalty for usury is a forfeiture of the debt to the school fund. Does any one believe such laws encourage the investment of money in the States mentioned?

Connecticut has no usury law. Her people have wisely concluded the law of supply and demand is superior to and will annul legislative enactments, as it does to-day in every State having a rigorous usury law.

Why the hire of money should be regulated by law, and the rent of a house or the income from land, left free from this restriction is not apparent to the man of average intelligence, particularly when it is clearly apparent the people for whose benefit the statute exists, are the principal sufferers from its unwise provisions; the borrower not only pays for the use of the money, but also an additional amount as a compensation for the risk incurred, a risk which would not exist in the absence of the law mentioned.

The public welfare requires, however, that not only the National banks shall be under the supervision of authority competent to determine their solvency, and enforce compliance with regulations regarding the transactions of business, with power to immediately close an institution unworthy of confidence, but all individuals, associations and corporations soliciting the care and custody of the earnings of the poor, the patrimony of orphans, the hoardings laid aside for old age, as well as the daily balances of the business man, should be placed under restrictions which experience has shown to be the most adequate for insuring safety and creating the mutual confidence among financial institutions necessary to maintain public and private credit.

Again, legitimate banking needs protection from unsafe business methods of responsible individuals and financial institutions engaged in the banking business, which are not under the supervision of any authority charged with the duty of protecting the public interests. The greatest financial panics have been caused by the failure of such houses, and we can all call to mind many instances when serious disasters, which might have caused widespread ruin, have been averted only through timely assistance rendered to private and State banks by solid and conservatively managed institutions.

Many individuals, associations and corporations are to-day transacting business outside the National banking system, in order that the public may not be informed regarding their financial weakness and unsafe methods of conducting business. Such concerns are an excrescence upon the financial system of the country, and the managers of legitimate banking institutions are certainly derelict in their duty, so long as they neglect to endeavor to protect the interests entrusted to their care from the effects of this morbid growth, either by urging the necessary legislation, or a combination of all honorable financiers to bring them to merited disgrace.

Idle discussion, without action, will accomplish nothing, and individual effort is futile to secure a uniform system of banking throughout the length and breadth of the country and protect legitimate institutions, as well as the public, from the vampires which now affect the financial world.

One object of the American Bankers' Association should be to initiate combined action for mutual protection, which will secure legislation necessary for the continued existence of National banks; establish a uniform system of banking throughout the whole country, and surround it with all the safeguards experience has demonstrated to be necessary for the protection of the public as well as the banks themselves, either by compulsory adoption of the National system, or securing uniform State legislation of a similar character; the repeal of all usury laws, which will soon equalize interest rates between the East and West, and North and South, and make desirability and

sufficiency of security and character of borrower, rather than location, determine amount to be paid for use of money, and secure the adoption of extradition treaties, which will prevent escape from swift and merited punishment for all violations of the law. Can this be accomplished, and if so how? It is suggested this convention select from each State and Territory an active, progressive, experienced and successful banker, who together shall form an Executive Council and be entrusted with the duty of deciding upon such State and National legislation as may seem necessary, and the preparation of and presentation to State Legislatures and Congress, of properly prepared bills for enactment into laws, and then bring to bear upon the law-making power the influence of each and every member of this association. A united effort of this character by such a large number of prominent and influential bankers attempting to secure laudable results, could hardly be successfully resisted or long delayed.

The advantages to the whole country that would be derived from a successful effort of this kind, are almost incalculable, and the diversity of interests which might appear in a council, composed of men from sections so remote from each other, cannot from the nature of their business be sufficiently divergent to prevent harmony of action; and although perfection cannot be expected from the first effort, the situation is such that we may reasonably expect the prompt removal of many of the incongruities of existing State legislation, and at least some supervision over financial institutions in States and Territories where none now exists.

It is conceded by all, the National Banking Act must soon be amended, or placed with the rubbish of the past.

State legislation, based upon principles ante-dating the era of Wampum currency, cannot long survive, nor will financial institutions existing in States where no banking legislation has yet been attempted, be allowed to long continue thus unmolested.

We seem to have arrived at a time when important changes in our banking systems are required and must soon occur.

Whether these changes shall be made by those who are almost entirely ignorant of the practical effect of proposed measures, or under the supervision of others, competent by education and experience to suggest and formulate wise financial legislation, largely depends upon the united action of the bankers of the country.

* O. M. CARTER, President First National Bank, Ashland, Neb.

EFFECT OF THE LAW OF MARCH 3, 1887, CREATING RESERVE CITIES.

We have received the following letter from a correspondent:

Editor Rhodes' Journal of Banking:

SIR:—I have read your remarks about reserve cities. If you were a banker at this Western end of the banking line you would appreciate the Act of March 3, 1887, making interior cities places for National banks to keep their reserves.

When we were obliged to keep our reserves in Chicago and New York it took from two to five days, at heavy express charges, to receive currency; therefore we had to carry nearly all our idle money in our safe. Now we can deposit in reserve banks in interior cities and the interior cities can deposit in New York.

PAOLA, Kans., November 5, 1887.

A. W. SPONABLE, *President.*

Our correspondent has somewhat misapprehended the remarks heretofore made in the JOURNAL with regard to the effect of the reserve law of March 3, 1887.

We have claimed that this law has had no effect as far as the distribution of cash was concerned between New York city and Chicago and St. Louis.

It is no doubt true that by permitting the majority of banks in certain cities to decide that such cities may be reserve cities of the second class it has become more convenient for country banks in certain portions of the country to obtain cash, but we think that the figures derived from the reports of Chicago and St. Louis banks, made to the Comptroller of the Currency during the year 1887, do not show that the National banks in those cities hold more cash reserve than they did prior to the enactment of the law. At least any increase may be readily accounted for in the business done in those cities in the past rather exceptional year.

If the only feature of the bill had been to create additional reserve cities of the second class in portions of the country remote from New York city, in which the

* Mr. Carter introduced the resolution printed on page 1099 of the November JOURNAL, instructing the Executive Council to take measures to secure a uniform system of banking throughout the United States. Mr. Carter's letter embodies the remarks he would have made in the convention had his motion met with opposition.

country banks might keep a portion of their reserve, there is no doubt that to this extent it was a desirable measure.

The original National banking law contemplated an increase of these reserve cities of the second class as the business of the country extended. This feature of the bill, however, was not esteemed of any importance by the Comptroller of the Currency in his recommendations. His idea, as far as can be gathered, in recommending the measure was to compel all banks to keep as large a portion of their reserve as possible at home, whereas the effect of the bill, as it seems from the letter of our correspondent, has been to permit country banks to utilize a portion of the reserves hitherto kept at home by depositing them with their reserve agents.

It has been claimed by many that the new law has had the effect of lessening the natural preponderance of the banks in New York city; and all that the JOURNAL has contended is that this or no other law can affect the natural tendency of money to the natural financial centres, and that, law or no law, no more money will in the long run be held at any point than is required by the necessity of business at those points.

FROM A NATIONAL BANKER'S STANDPOINT.

Editor Rhodes' Journal of Banking:

In a recent number of the JOURNAL there is a letter from a private banker in Minnesota, who seems greatly concerned in regard to four questions, which he puts in precise numerical order. He wishes to know first, whether the public has any means of knowing anything more about the condition of a National or State bank than the sworn statement of its Cashier discloses until "the Examiner comes along some day and discovers the cash gone and the President or Cashier in Canada." The curious intimation that the Examiner "comes along," as it were, by mere chance and accident implies a lack of appreciation of the methods of the Comptroller's office. The Examiner does not "come along" at all; he is the accredited agent of the Comptroller of the Currency, and under the orders of his superior officer, makes a rigid examination of any designated bank as often as the Comptroller may deem such an examination necessary or desirable. Every bank is examined at least once every year, and oftener if necessary. The discovery that the cash is gone and the President or Cashier in Canada is certainly no fault of the Examiner; but rather a reflection upon the Managers of the institution, and it might not be out of place to remark that there have been instances in this country where unincorporated banks and private bankers have been discovered to be woefully deficient in assets, though in the latter case there have been no stockholders to assess, and very little capital to fall back upon, and the depositors come off with next to nothing; in National bank failures they average seventy per cent of their claims. What more about the business of the bank does the public want to know than what is disclosed by the usual sworn statement of the Cashier. Is n't even that, small though your correspondent thinks it, a good deal more than is known about the affairs of unincorporated banks and private bankers, who have been known to do business for years, banking all the time on nothing but their reputation in the community. Don't these statements furnish the means of knowing the bank's condition, or does your correspondent think that the crime of perjury is so common among bank Cashiers that their sworn statements are not entitled to general credence? If a depositor has the slightest reason to believe that there is anything the matter with his bank he has a very simple way to ascertain the state of the case by drawing his check for his balance. If the check is honored, what more does he want? If it is not honored, is not he much better off than if he were banking with an unincorporated bank or private banker? Is it so usual a thing to find the cash gone and the Cashier or President in Canada that one may regard that condition of affairs as the normal one? Is all the honor and honesty of the financial world confined to the proprietors of unincorporated banks and private bankers? Do they never go to Canada with money belonging to other people? Do they never pull the wool over the eyes of a trusting and confiding public?

The Public Examiner very frequently prevents such disasters as the failure of the Fidelity and "dozens of others" that come under his notice.

The experience of the office of the Comptroller of the Currency is full of instances where mismanagements have been discovered by the Examiner, called to the attention of the directors, and effectually corrected, not to mention the fact that the whole

National bank act is filled with provisions especially designed to prevent bank failures. Being the work of human hands, the National bank act has, of course, some imperfections. It is not, even by its best friends, said to be free from all errors, and, consequently, under this system and under any system, there will be failures like that of the Fidelity National; but they are not as many and not as bad as if there was no banking law, and everybody conducted the business in whatever happy-go-lucky style that struck his fancy. It is a fact, and one very much to be regretted, that National bank officers do at times deceive the public and the Examiner; but these instances, when one considers the vast army actually engaged in National banks, are comparatively rare. They seem numerous because each one that happens is reported in the newspapers, and, though the bank itself may be as distant as the width of the continent, yet so prompt and accurate are the press reports that the occurrence seems to happen at our own door. Will your correspondent, for example, go over in his mind all the bank officers whom he personally knows, and then say exactly out of that number how many are defaulters? It may be, it is true, that there are many such who have not been as yet discovered; but that is arguing entirely on the unknown, and carrying the discussion into altogether undiscovered regions. It is just as logical to assume that all are honest as it is to assume that all are dishonest; but even of defalcations that come to light, comparatively few have been carried on year in and year out, mostly they do not extend over one or two years. The question of comparative honesty between private bankers and the managing officials of National banks is of too delicate and personal a nature to bear much discussion, but certainly it is not unfair to private bankers to say that at any rate the managers of National banks do not, in this particular respect, suffer by comparison. It is not altogether a question of honesty or dishonesty, that is a comparatively small point in the argument; it is a question of sound banking or the practicing of principles which have commended themselves to the financial authorities as accurate in the banking business. Without going into a general discussion of this branch of the subject, it will suffice to say that the National bank act embodies those provisions which experience has shown to be conducive to sound and legitimate banking, and National banks are compelled to conduct their business under these restrictions. A National bank is managed according to sound rules proved by experience and tested by actual practice; a private banker conducts his business precisely as he thinks proper, and no two of them, in this respect, or perhaps in any other respect, think exactly alike; consequently, apart from any question of honesty or dishonesty, a National bank by the very nature of its constitution, and the rules which govern its transactions, is safer as a financial institution than a firm composed of private bankers, or than an unincorporated bank. But, waiving the question of comparative advantage, what we say to your correspondent is this, you must not hold yourself out to the public as an incorporated bank when in fact you are only a firm of private bankers. If you assume the name of a bank you must become a bank. You must not hold yourself out to the public to be that which you are not. What object have you in calling yourself a bank except to induce the public to believe that you are conducting your business under those restrictions which the laws of the State throw around an incorporated institution. Why call yourself a bank if a private banking firm is just as good? In other words, you shall not enjoy the advantages of incorporation without, at the same time, subjecting yourself to its disadvantages and restrictions. As your correspondent seems to have made a special study of the imperfections of the National bank act and the present system of bank examinations, it may not be out of place to request him to place before the banking community a definite statement of what these imperfections are. The friends of the National bank act would apply themselves to find the proper remedies.

NATIONAL BANK.

BALTIMORE, November 19, 1887.

Dedicated to the notorious bank Receiver who receives all he can lay his hands on, but disburses as little as possible:

"In vain we call old notions fudge,
And bend our conscience to our dealing;
The Ten Commandments will not budge,
And stealing will continue stealing."

CONDITION OF NATIONAL BANKS ON OCTOBER 5, 1887.—The following is an abstract of reports made to the Comptroller of the Currency, showing the condition of the 3,049 National Banks in the United States at the close of business on Wednesday, the 5th day of October, 1887; and, for comparison, an abstract of the reports of May 13, 1887. [Cents omitted:]

RESOURCES.

	Oct. 5, 1887.	May 13, 1887.
Loans and discounts.....	\$1,580,045,647	\$1,553,768,029
Overdrafts.....	7,503,486	6,523,782
United States bonds to secure circulation.....	189,083,100	200,462,340
United States bonds to secure deposits....	27,757,000	24,960,500
United States bonds on hand.....	6,914,350	8,157,250
Other stocks, bonds and mortgages.....	88,831,009	88,031,125
Due from approved reserve agents.....	140,873,587	148,067,875
Due from other National banks.....	93,302,413	106,576,842
Due from State banks and bankers.....	22,103,677	22,746,190
Real estate, furniture and fixtures.....	57,968,159	55,729,096
Current expenses and taxes paid.....	8,253,890	7,781,152
Premiums paid.....	17,288,771	16,806,432
Checks and other cash items.....	14,691,373	13,065,663
Exchanges for Clearing-House.....	88,775,457	86,829,364
Bills of other banks.....	21,937,884	25,188,137
Fractional currency.....	540,594	556,186
Trade dollars.....	509	184,204
Specie, viz:		
Gold coin.....	Oct. 5, 1887. \$73,782,489	May 13, 1887. \$73,864,674
Gold Treasury certificates.....	53,961,690	56,387,010
Gold Cl'ar'g-House certifi'cs.....	28,981,000	21,489,000
Silver coin—dollars.....	6,683,368	7,139,180
Silver coin—fractional.....	2,715,526	3,134,612
Silver Treasury certificates.....	3,961,880	—167,315,665
Legal-tender notes.....	73,751,255	79,596,068
U.S. cert's of deposit for legal-tender notes.....	6,190,000	8,025,000
5 per cent. redemption fund with Treasurer.....	8,310,442	8,810,566
Due from Treasurer other than above.....	985,410	1,113,554
Aggregate.....	\$2,620,193,475	\$2,629,314,022

LIABILITIES.

Capital stock paid in.....	\$578,462,765	\$565,629,068
Surplus fund.....	173,913,440	167,411,522
Other undivided profits.....	71,451,167	70,153,868
National bank notes issued. ..*	\$169,420,165	*\$179,342,210
Amount on hand.....	2,136,822	2,570,671
Amount outstanding.....	167,283,343	176,771,539
State bank notes outstanding.....	98,699	98,717
Dividends unpaid.....	2,495,127	1,977,314
Individual deposits.....	1,249,477,126	1,266,570,588
United States deposits.....	20,392,234	17,556,435
Deposits of United States disburs'g officers.....	4,881,666	3,779,785
Due to other National banks.....	227,491,984	244,575,545
Due to State banks and bankers.....	102,094,625	102,069,438
Notes and bills rediscounted.....	17,312,806	10,182,799
Bills payable.....	4,888,439	2,567,954
Aggregate.....	\$2,620,193,475	\$2,629,314,022
Number of banks.....	3,049	2,966

* The amount of circulation outstanding at the date named, as shown by the books of the Comptroller's office, was \$272,387,176, which amount includes the notes of insolvent banks, of those in voluntary liquidation, and of those which have deposited legal-tender notes under the Acts of June 20, 1874, and July 12, 1882, for the purpose of retiring their circulation.

THE WORLD OF FINANCE.

Current Opinion on Monetary Affairs from many sources.

A VOLUNTEER PROTECTOR OF THE PUBLIC.

(*New York Evening Post.*)

Some attention has been drawn to the fitness of Mr. William J. Best as a volunteer assistant to the Comptroller of the Currency in the investigation of National banks by recent editorial articles in an evening paper in New York. The House Committee on Banking and Currency made an investigation of the failure of the Pacific National Bank of Boston, in 1884. During this investigation Mr. William J. Best, who had examined the bank upon the request of its directors, circulated a pamphlet in the committee-room written by himself, in which he gave the following account of a transaction he had with the Receiver: "Soon after taking charge, Receiver Price gave me a number of claims to collect, all of which he had classed as bad. I collected a note of \$5,000, and was in a fair way to make other collections. As the bank owed me money for services before the Receiver's appointment, I asked my own counsel and Mr. Stone whether I should not retain the amount in my hand on account. Both advised me to do so. Subsequently I learned I was not at liberty to apply the funds of the Receiver in payment of the bank's indebtedness; but having done so, and my fortune being locked up in railroad enterprises, I could not promptly respond to the Receiver's demand for payment. Nearly a year ago I paid him half the amount, or \$2,500, and the remainder would have been settled very soon thereafter had he not, in his usual foolish way, interfered in my affairs. Since then he has subjected me to all sorts of petty annoyances, culminating in his applying to the Supreme Court of this State for an order of arrest against me. I have recently paid the balance of this claim." * * *

Mr. Ranney, Member of Congress from Massachusetts, then made this statement:

"I have been, Mr. Chairman, one of the counsel for the Receiver, Mr. Price. I have had, as counsel, charge of some special matters. The general business of the collection of debts due to the bank and the Receiver has been in charge of Richard Stone, Jr., of the firm of Morse & Stone. I have been advisory counsel of the Receiver, and have had charge of three special matters. One of them was a matter connected with Mr. Best, of this nature: Mr. Carruth, of Dearborn & Carruth, had borrowed from the bank about \$60,000—maybe a little more. He had given a transfer to the bank of an income, which was due him from an estate left by his father in trust. His father had left about \$70,000 or \$80,000 in trust with a man named Miles Washburn; the income alone was to be paid to Carruth yearly or semi-annually. He had transferred that income to the bank as security for his indebtedness of about \$60,000. I found that after Mr. Best came into the bank after the failure, Miles Washburn, the Trustee, had resigned. Mr. Best was appointed Trustee in his place by the Probate Court. I found that Best had been appointed Trustee and had given straw bonds—bonds which are probably worthless. Instead of keeping the Trust-fund, he had sold and disposed of the whole of it, and, so far as I can learn through the investigation, he had given to Carruth a large portion of the principal sum which he was bound to hold as Trustee. He had taken a portion of it and invested in some railroad enterprises, South or West. At all events, it was sold or gone. Best is also a stockholder in the bank. Ten shares stand in his name on the books, and he has transferred about sixty more to his minor children."

MR. KNOX ON THE CONVERSION OF THE FOURS.

(*The London Statist*, November 5th, 1887.)

Mr. John Jay Knox, ex-Comptroller of the United States Currency, read a paper at the recent meeting of the American Bankers' Association at Pittsburgh, in which he sketched out and defended a plan proposed by himself some years ago for preventing the action of the Treasury from disturbing the trade of the country. In its essential principles it is identical with that which we ourselves suggested some weeks ago in

these columns, but it is better than our plan in some of its details, and it has this further great advantage, that it is recommended by the high authority of Mr. Knox. Explained as briefly as it can be put popularly the plan comes to this: the four per cents, which amount in round figures to 730 millions of dollars, and which cannot be called in and paid off at par until July, 1907, Mr. Knox would replace by an equal amount of two-and-a-half per cent. bonds, and he would compensate the holders of the fours for the loss of $1\frac{1}{4}$ per cent. in interest by paying the present value of the interest so lost in cash. The two-and-a-halfs would have all the privileges now attaching to the fours; in other words, they could be lodged as security in the Treasury, both for note circulation and for Treasury deposits; they could be held in the same way by trustees; and, in short, they would differ in no respect from the fours except that the interest would be less. It will be seen that the holder of the fours would lose nothing by accepting the conversion, while they would gain something if, at the same time, Congress were to allow notes to be issued to the full nominal value of the new bonds. Our readers will recollect that only 90 per cent. of the nominal value of the existing bonds can be issued in note circulation. If the limit were extended to 100 per cent. there would be a gain in note issues of fully 11 per cent. This would be a very great recommendation of the new bonds to bankers, at any rate, who we learn from Mr. Knox hold about 125,000,000 out of the total of 730,000,000 of dollars, the rest being held by Trust companies, Insurance companies, Savings banks, private bankers, Trustees, and the like. Mr. Knox would allow the same currency to the new bonds as to the old—that is to say, they could not be called in and paid off at par until 1907; and he suggests that they would be more attractive to investors if they were made to fall due in series. It is quite clear that the whole amount of 730 millions of dollars could not be paid off at once. There would, therefore, be no real advantage in making them all fall due at the same time; it would be better to make them fall due in series of 80 or 100 millions of dollars every year, and if this were done the last of the bonds would run on until about 1917 or say, about 30 year's time.

As regards the Government, it would gain by the transaction. At present it is bound to pay 4 per cent. on the whole of these bonds, though its credit is good enough to borrow at par at $2\frac{1}{4}$ per cent., or perhaps even lower. Were the interest reduced to $2\frac{1}{2}$ per cent. it would save somewhat by Mr. Knox's plan for it would only pay $2\frac{1}{2}$ per cent. interest on the new bonds and the present value of an annuity of one and a half per cent. running till first July, 1907. There would thus be a saving to the Government and there would be a great advantage to the bond-holders as we have just been explaining, inasmuch as they would receive in cash which could be employed in their business the difference in the value of a four per cent. and a two-and-a-half per cent. bond. They would receive also a two-and-a-half per cent. bond against which they could issue notes and borrow from the Treasury, and in which Trustees and others could invest; and moreover, if Mr. Knox's other recommendation were adopted the time of maturity of some of the bonds would be extended about 10 years. While the note issue on the security of the bonds might be increased about 11 per cent. Lastly, if the first bonds converted were made the last to be redeemed a further inducement would be held out for early conversion. We have thus a plan by which both the Government and the bond-holders would gain, and as we shall presently see, so also would the general public. The great financial difficulty at present is that the revenue greatly exceeds the expenditure; that the surplus accumulates rapidly in the Treasury, denudes the market of funds and thereby deranges the whole trade of the country. Now, if the 730 millions of dollars of bonds were exchanged in the way suggested by Mr. Knox, the Government would have to pay in cash the difference in value between a two-and-a-half per cent. and a four per cent. bond, altogether about 43 millions sterling, and the payment of this cash would take out of the Treasury the surplus revenue of say, a year and three-quarters without any difficulty of any kind, automatically, as it may be said, the accumulation of the surplus in the Treasury would thus be prevented, and time would be given to Congress to consider and discuss carefully the permanent measures to be adopted for preventing the revenue thus inconveniently accumulating in the Treasury. As we have often pointed out, it is not to be expected that a great remission of taxes will be carried when there is no powerful popular agitation to compel it. Yet, unless some plan such as Mr. Knox suggests is adopted the revenue must be cut down and very greatly too, or the expenditure must be enormously increased (and in any case if a crisis in the money

market is to be avoided there must be prompt action. Mr. Knox's plan, however, would offend neither free traders nor protectionists, while it would leave time to Congress to make up its mind as to the ultimate measures it would adopt.

AMERICAN INVESTMENTS ABROAD.

(*London Economist*.)

The decline in the prices of securities, which has characterized the stock markets for some months past, has been much accentuated during the last two or three weeks, especially in the market for American railway shares. * * * The absence of any serious difficulties is attributed to the fact that many of the more speculative American railway stocks, in which the fall has been most severe, are firmly held by operators with large resources, who bought freely at the low prices touched in the early spring, when a conflict between France and Germany was feared, and who, not unnaturally, expected to realize at an advance during that period of activity in business and firmness in prices which is so often experienced in the autumn. But these hopes have been disappointed.

Judging, too, from the outlook, further trials may yet have to be faced. Our reason for saying this is based upon the extremely adverse influences which the collapse of the Baltimore & Ohio Railroad Co., and its present temporary fall into the non-dividend ranks, is likely to exercise upon the minds of British investors—an influence which may for some time neutralize the effects of such factors as good trade and expanding traffic returns. And that it should do so is quite natural, for in the long list of American railway scandals it is doubtful if there have really been any much worse than this last business of the Baltimore & Ohio. To realize this it is only necessary to take a brief survey of the Company's past history and present position. * * * The illusory nature of the surplus, to which we drew attention some months ago, is perhaps the main point that attracts attention. That fund is now seen to be, for the most part, of such a nature that it cannot be realized, consisting, as it mainly does, of the estimated difference between the capital expended upon the line and the capital represented by outstanding securities. This difference no doubt indicates in a large measure the amount of money that has been expended out of income upon capital account—that is, expended in extending the system and its equipments; but, in so far as this was the case, the surplus was subject to the liens of the various mortgages which cover the entire property of the Company. The remainder not accounted for in this way consists of securities useful for "control" purposes, but not, as a rule, salable, and various sums receivable, which figure as credits, but are really of the nature of bad debts, which should have been written off long ago.

The Baltimore & Ohio is not, however, the only company that has flourished a large "surplus" or "balance" in the face of the public, although in no other case has it been of anything like the same magnitude. Most American railway companies, in fact, show a more or less substantial surplus balance, which is frequently proved to be of a more or less fictitious character, owing to its coincidence with a rather bare treasury or a lack of dividends. For instance, the Louisville & Nashville Company failed to pay any dividend for 1886, although the accounts issued a few weeks ago showed a net balance of over \$1,000,000.

Other companies might be named that show large but doubtful surpluses in their balance sheets, including even undertakings of so high a character as the New York Central and the Pennsylvania.

These large paper surpluses may perhaps appear justifiable from an American point of view, for in the United States it is generally understood that they are simply balances comprising, like suspense accounts, a number of more or less doubtful items, but they are none the less utterly delusive to a British investor.

MR. KNOX'S PLAN OF FINANCE.

[*The New York Evening Post*.]

At the National Bankers' Convention Mr. John Jay Knox gave an elaborate statement of the plan of dealing with the 4 per cent. bonds and the Treasury surplus, which he suggested in his report as Comptroller of the Currency in 1882. There is some difficulty in making it popularly understood, and this is one reason why it has not received the attention in Congress which it deserves. Another cause for the public indifference to it heretofore has been the fact that it was not of pressing importance. So

long as there was an abundant outlet for the surplus funds of the Treasury by redemption of the 3 per cents., few persons would take the trouble to read or understand any plans for dealing with embarrassments which, although inevitable, were still distant. The situation is now changed. The embarrassment has come, and it is worse than anybody expected that it would be, because the public revenues are greater than anybody anticipated, and also because money has become more "active" than at any time since 1882. Mr. Knox now emphasizes a fact which has been adverted to in the columns of the *Evening Post*, that however diligent Congress may be in meeting the crisis, a year or two must elapse before the reduction of taxation can take effect. Most probably the better part of a year will have passed before any anti-tax law can be matured and agreed to by a majority of both Houses, and then there will be another considerable interval before the law will begin to operate. What shall be done meanwhile? Shall money be allowed to accumulate in the Treasury at the rate of more than \$100,000,000 per annum.

Mr. Knox proposes that the holders of the 4 per cent. bonds which have still twenty years to run, shall be offered a new 2½ per cent. bond running the same length of time, and also a cash payment equal to the value of the existing premium on the bonds, say 23 per cent. The market premium is somewhat higher than this but as the bondholder gets the use of the premium as active capital for twenty years, he can afford to take something less. This is a matter for the determination of actuaries. It belongs to the domain of mathematics, and there we may leave it. Whatever is the present worth of a twenty-year 4 per cent. bond put up in the manner proposed, i. e., divided into a 2½ per cent. bond and a cash premium, the bondholders will receive. It is an easy calculation that on a 4 per cent. bond for \$1,000 running twenty years, the Government will eventually pay \$1,000 principal and \$800 interest—total, \$1,800; and that under the proposed plan it will pay \$1,000 principal, \$500 interest and \$300 premium—total, \$1,730, a saving of \$70. On \$733,000,000 the saving would be \$51,310,000, but if a computation be made of interest on interest, the saving would be much larger. But as the Government cannot transact business so as to gain either compound or simple interest, we can only reckon on the saving of the sum mentioned, which is sufficiently large to justify the transaction, even if there were no collateral advantages to be gained.

The immediate collateral advantage is the providing of a way to dispose of the surplus revenue before any anti-tax bill can come into play. This is so important a matter that Congress can hardly overlook a plan so easy of adoption and so economical in the end. If it be asked whether the holders of the 4 per cents would consent to the change, Mr. Knox shows that the national banks, holding about one-fifth of the outstanding fours, would be almost certain to fall in with it, because it offers them a premium which they can immediately use in their business and which will be extinguished in the course of twenty years—that is, at the rate of 5 per cent. per annum. He thinks that trust companies, life and fire insurance companies and savings banks will agree to it, for the same reasons, and that trustees who are required by law to invest their trust funds in United States bonds, but not in any particular class of bonds, will be moved by the same considerations in order to save the premium thus put within their reach. The plan seems to offer large advantages to both the Government and the bondholders, without harm to any living creature. Mr. Knox quotes the following paragraph from a strong protectionist paper, the *Utica Herald*, in support of the plan, to which the *Evening Post* gives its assent from the opposite pole of the tariff question:

"The scheme can easily be put into execution if Congress would pass a statute to authorize it. It proceeds on the assumption that what the country needs is something to reduce the surplus temporarily, say for about three years, while Congress is deliberating and perfecting the details of a plan for permanent reduction. This of itself would be a great relief to the country. All through the past year, and in fact for several past, Congress has felt that there was a necessity for some legislation to reduce the revenue of the Government, but although the pressure was strong, it seemed impossible for the members to agree. The plan is exceedingly simple and apparently need not create any strong animosity against it. It treats on the toes of no man who cherishes a particular theory of the tariff. It interferes with neither free-trader nor protectionist. It appeals rather to the common sense of both of these parties, and can be adopted without partisanship by Republicans and Democrats alike.

NEW BANKS, CHANGES IN OFFICERS, FAILURES, ETC.

NOTE.—We shall esteem it a favor if readers of the JOURNAL will notify us of any changes in the banks with which they are connected, as well as of new banks and banking firms organized or recently opened in their place or vicinity, in order that the changes and additions may be made without delay in this department.

New National Banks.—The Comptroller of the Currency furnishes the following statement of National banks organized since our last report. Names of officers and further particulars regarding new National banks will be found under their proper State headings in this list.

- 3806—First National Bank, Iron Mountain, Michigan. Capital, \$50,000.
 3807—Humboldt First National Bank, Humboldt, Kansas. Capital, \$60,000.
 3808—Mountville National Bank, Mountville, Pennsylvania. Capital, \$50,000.
 3809—Simonds National Bank, Sumter, South Carolina. Capital, \$50,000.
 3810—First National Bank, Horton, Kansas. Capital, \$50,000.
 3811—First National Bank, Durham, North Carolina. Capital, \$100,000.
 3812—Jewell County National Bank, Mankato, Kansas. Capital, \$50,000.
 3813—First National Bank, Osage City, Kansas. Capital, \$50,000.
 3814—First National Bank, Ellsworth, Maine. Capital, \$50,000.
 3815—Merchants' National Bank, Ocala, Florida. Capital, \$50,000.
 3816—First National Bank, Terrell, Texas. Capital, \$50,000.
 3817—Canandaigua National Bank, Canandaigua, New York. Capital, \$100,000.
 3818—San Bernardino National Bank, San Bernardino, California. Capital, \$200,000.
 3819—First National Bank, Chanute, Kansas. Capital, \$50,000.
 3820—Ketcham National Bank, Toledo, Ohio. Capital, \$250,000.

ALABAMA.

ANNISTON.—Anniston Savings Bank & Safe Deposit Co. is in business here. Capital, \$50,000. President, John B. Rees; Vice-President, W. S. Larned; Cashier, T. C. Stephens. — Turner & Hammond, Brokers, are in business here.

ARIZONA.

PRESCOTT.—Bank of Prescott; in liquidation.

ARKANSAS,

ARKADELPHIA.—Banking House of John N. Stuart (McNutt & Stuart); style now, Elkhorn Bank. Capital, \$20,000.

BEAR.—Merchants' & Miners' Bank; succeeded by J. P. Durham.

BENTONVILLE.—People's Bank has just been organized. Capital, \$50,000. President, John Smart; Vice-President, I. B. Gilmore; Cashier, F. E. Gilmore.

HARRISON.—Harrison Investment Banking Co. is reported here. Capital, \$25,000. President, F. M. Garvin; Cashier, W. M. Duncan.

CALIFORNIA.

ELISINORE.—Exchange Bank; Assistant Cashier, N. F. Baird.

PASADENA.—San Gabriel Valley Bank; W. Aug. Ray, President, in place of H. W. Magee, resigned.

SAN BERNARDINO.—San Bernardino National Bank has been authorized to commence business. Capital, \$200,000. President, J. G. Burt; Cashier, E. H. Morse.

SAN BUENA VENTURA.—Wm. Collins & Sons; President, Wm. Collins; Cashier, John S. Collins; Assistant Cashier, J. C. Morrison.

SAN FRANCISCO.—Pacific Bank; R. H. McDonald, Jr., Vice-President, resigned.

SAN DIEGO.—Consolidated National Bank; James M. Pierce, Vice-President, deceased. — Savings Bank of San Diego; James M. Pierce, President, deceased.

SANTA BARBARA.—Santa Barbara Savings Bank; now Commercial Bank. Same officers.

COLORADO.

BUENA VISTA.—Bank of Buena Vista (R. W. Hockaday); Assistant Cashier, B. H. Hockaday.

CARBONDALE.—J. K. Robinson & Co. are in business here. Style, Bank of Carbondale. Capital, \$10,000. President, J. K. Robinson; Cashier, W. Kopter.

GRAND JUNCTION.—Commercial Bank (J. F. McFarland); succeeded by Geo. Arthur Rice & Co. Cashier, J. F. McFarland; Assistant Cashier, T. M. Jones.

HOLYOKE.—Holyoke State Bank is reported here. Capital, \$25,000. President, L. Tinkel; Cashier, R. E. Webster.

LA JUNTA.—Bank of Commerce; Lester Hays, Cashier, reported defaulter.

LAMAR.—Bank of Lamar (Borders & Scott); closed by creditors.

TRINIDAD.—Trinidad National Bank; E. D. Wight, Cashier, in place of T. B. Collier; no Assistant Cashier in place of E. D. Wight.

VILAS.—W. B. Choekley & Co. are reported here. Style, Bank of Vilas.

CONNECTICUT.

ESSEX.—Saybrook Bank, Edwin Ayres, President, in place of Samuel C. Ely.

HARTFORD.—Hartford Trust Co.; R. W. Cutler, President, in place of Henry Kellogg; Frank C. Sumner, Treasurer, in place of R. W. Cutler.

MIDDLETOWN.—Middletown Savings Bank; Henry H. Smith, Treasurer, in place of Geo. W. Harris, deceased; Arthur L. Allin, Secretary, in place of Henry H. Smith.

DAKOTA.

ARLINGTON.—Central Dakota Bank (L. A. Kidder); E. L. Coleman, Cashier, in place of H. L. Whitney.
 CENTERVILLE.—Bank of Centerville; now incorporated. Capital, \$20,000.
 EUREKA.—Bank of Eureka has been recently opened. Capital, \$25,000. President, Charles Pfeffer; Cashier, Wm. Brameier.
 FAULKTON.—Security Bank is reported here; Cashier, Charles A. Morse.
 FORMAN.—Bank of Forman (D. F. Vail & Co.); Cashier, L. V. Babcock.
 GROTON.—Bank of Groton; L. H. Neff; President, in place of T. H. Hagerty; W. B. Miller, Cashier, in place of L. H. Neff; W. S. Crawford, Assistant Cashier, in place of W. B. Miller.
 LAKE PRESTON.—Farmers' Bank is reported here. Capital, \$50,000. President, Augustus N. Eddy; Cashier, Chas. E. Murison.
 MADISON.—Dakota Loaning Association of Winfred will open here about May 1, 1888.
 MANDAN.—Northern Pacific Bank; proprietor, Charles E. Meech.
 OELRICHS.—Bank of Oelrichs is reported here. Capital, \$12,000. President, M. Flannigan; Cashier, S. Parker.
 ORIENT.—Bank of Orient is reported here. President, L. M. Sprowls; Vice-President, J. C. Campbell; Cashier, Geo. F. Cromer.
 PARKER.—First National Bank; W. L. Baker, Cashier, in place of Geo. W. Stone. — Citizens' Bank; proprietor, W. A. Houts.
 SANBORN.—Barnes County Bank; Daniel Doolittle, Assistant Cashier, in place of E. W. Siegfried.
 TRIPP.—Jacob Schaetzel & Son in business here. Style, Mortgage Loan Co.; Cashier; Julius Schaetzel.

DELAWARE.

MILFORD.—First National Bank; James M. Hall, President, in place of H. B. Fiddeman, deceased.

FLORIDA.

OCALA.—Bank of Ocala (J. F. Dunn & Co.); succeeded by Merchants' National Bank. Capital, \$50,000. President, John F. Dunn; Cashier, R. C. Jekis; Assistant Cashier, R. B. Mc Connell.
 ST. AUGUSTINE.—First National Bank; Josiah James, Cashier, in place of Geo. W. Gibbs.
 TITUSVILLE.—Indian River Bank is reported here. President, James Pritchard; Cashier, W. M. Brown.

GEORGIA.

ATLANTA.—Atlanta Mercantile Co. has been chartered. Authorized capital, \$500,000. Paid capital, \$50,000. — Capital City Bank has been recently opened. Capital, \$400,000. President, Wm. A. Hemphill; Vice-President, D. Mayer; Cashier, Jacob Haas.
 DAWSON.—J. R. Mercer & Co.; succeeded by First State Bank. Capital, \$51,000. President, John B. Perry; Cashier, John R. Mercer; Assistant Cashier, J. F. Lark.
 ELBERTON.—Citizens & Farmers Bank has been recently opened. Capital, \$30,000. President, H. K. Gardiner; Cashier, W. T. Vananzer.

IDAHO.

WARDNER.—S. F. Chadwick & Son (Bank of Wardner) succeeded by J. S. Atchison.

ILLINOIS.

AURORA.—Merchants' National Bank will open for business March 1, 1888. President, J. O. Curry; Vice-President, S. C. Gillett; Cashier, W. C. Estee.
 BLOOMINGTON.—Third National Bank; A. S. Eddy, Cashier, in place of F. L. Bunn.
 CHICAGO.—S. A. Kean & Co.; Cashier, J. E. Lewis.
 QUINCY.—First National Bank; Frederick Boyd, Assistant Cashier, in place of J. G. Rowland.
 TROY.—Jarvis & Padon (Troy Exchange Bank); succeeded by W. W. Jarvis.

INDIANA.

ELWOOD.—Citizens' Exchange Bank; Assistant Cashier, S. Fred.

IOWA.

CAMBRIDGE.—Gallup & Keller (Citizens' Bank); succeeded by W. H. Gallup. H. M. Silliman, Cashier, in place of M. M. Keller.
 CLARION.—First National Bank; Vice-President, L. L. Estes; N. F. Weber, Cashier, in place of Ed. Hartsock; Assistant Cashier, F. E. Estes.
 DAVENPORT.—Davenport Savings Bank; Walker Adams, President, deceased.
 DECORAH.—Citizens' Savings Bank; C. W. Burdick, President, in place of Geo. Phelps; E. J. Curtin, Cashier, in place of C. W. Burdick; no Assistant Cashier in place of E. J. Curtin.
 DES MOINES.—Des Moines Clearing-House has been established. President, Wm. D. Lucas; Manager, J. G. Rounds.
 ELLSWORTH.—Dailey & Brinton are in business here. Style, Bank of Ellsworth. Capital, \$40,000. Cashier, J. O. Leuning.
 GRANVILLE.—Bank of Granville is reported here. President, Theo. Graff; Cashier, H. Ricker; Assistant Cashier, N. H. Graff.
 HOLSTEIN.—Holstein Bank; succeeded by Holstein Savings Bank (Incorporated). Capital, \$25,000. President, James W. Reed; Vice-President, H. J. Rode; Cashier, Chas. J. Wohlenberg.
 MILTON.—Citizens' Bank (J. D. Nash); now, President, J. W. Car; Vice-President, J. E. Billups; Cashier, W. D. Russell.
 ROCK VALLEY.—State Bank of Rock Valley has been incorporated. Paid capital, \$25,000. President, E. A. Hazard; Vice-President, G. D. Harrington; Cashier, James T. L. Harrington.
 SIOUX CITY.—J. W. Carver is in the collection business.

UTR.—First Ute Bank is reported here. Capital, \$10,000. President, G. P. Moorhead; Vice-President, S. J. Patterson; Cashier, J. W. Bickford.

WALL LAKE.—A. Herrig is in business here.

KANSAS.

ARKANSAS CITY.—Union Bank is reported here.

ATCHISON.—United States National Bank; L. A. Wheeler, Assistant Cashier, resigned.

BALDWIN.—Baldwin City Bank; S. R. Humphrey, Vice-President, admitted.

BELOIT.—Beloit State Bank is new bank here. Capital, \$60,000. President, Henry Casey; Cashier, W. S. Search.

CENTRALIA.—Citizens' State Bank has been chartered. Capital stock, \$50,000. — Centralia State Bank; to be succeeded, about January 1, 1888, by First National Bank. Capital, \$30,000. President, A. J. Best; Vice-President, F. P. Brown; Cashier, A. Oberndorf, Jr.

CHANUTE.—First National Bank has been authorized to commence business. Capital, \$50,000. President, R. N. Allen; Cashier, R. L. Nay.

CHEERYVALE.—State Bank; Assistant Cashier, R. T. Webb.

CIMARRON.—Cimarron Bank; assigned.

CLAPLIN.—Bank of Claplin is reported here. Capital, \$20,000. Cashier, J. H. Cannon.

CLYDE.—State Bank; W. A. Mosher, Assistant Cashier, in place of A. L'Euey.

COLUMBUS.—Cherokee County Bank is new bank here. President, Thos. P. La Rue;

Cashier, Geo. W. Brock. — Bank of Columbus; sold to Cherokee County Bank.

CONCORDIA.—Citizens' National Bank; J. W. Peterson, Cashier, in place of C. P. Tilden.

DIGHTON.—Frazier & Sawyer (Lane County Bank); failed.

DODGE CITY.—Dodge City Investment Co. has been chartered. Capital, \$75,000.

EL DORADO.—National Bank of El Dorado; F. B. Ewing, Assistant Cashier, in place

of R. K. Morris.

FREDONIA.—Wilson County Bank; Isaac Hudson, President, in place of Joshua Hill.

GARDEN CITY.—Bank of Garden City; President, John A. Stevens; Vice-President,

C. W. Aldrich; Cashier, B. P. Showhan.

GARNETT.—Bank of Garnett; C. Worden, President, in place of Frank G. Barber.

GAYLORD.—Gaylord State Bank; D. F. Shearer, Cashier, in place of W. J. Zimmerman.

GOVE CITY.—Gove County Bank; W. J. Lloyd, Cashier, in place of Boyd Dudley.

HARPER.—Harper National Bank; Joseph Munger, Vice-President, in place of W. H.

Grove; E. C. Fox, Cashier, in place of L. W. Wilson.

HARRIS.—Harris Land & Investment Co. has been chartered. Capital, \$10,000.

HAVENSVILLE.—Havensville Bank; Ira Eddy, Cashier, in place of F. M. Wilson.

HORACE.—Greeley County Bank; Proprietor, A. H. Shaffer.

HORTON.—First National Bank has been authorized to commence business. Capital,

\$50,000. President, Scott Hopkins; Vice-President, Alex. Dunn, Jr.; Cashier, F.

M. Wilson.

HOXIE.—Kansas Loan & Savings Bank has been opened. President, W. M. Newell;

Cashier, W. R. Allen.

HUMBOLDT.—Humboldt Bank (E. A. Barber & Co.); succeeded by Humboldt First

National Bank. Capital, \$60,000. President, E. A. Barber; Cashier, George C.

Barber.

HUTCHINSON.—National Investment Co. has been chartered. Capital, \$200,000. —

People's Savings Bank; Assistant Cashier, Geo. S. Bourne.

JUNCTION CITY.—Loan & Investment Co. is reported here.

LAKIN.—Bank of Lakin; failed.

LAWRENCE.—Western Farm Mortgage Co.; reorganized. Style, Western Farm Mortgage

Trust Co. Paid capital, \$500,000.

LEBANON.—Lebanon State Bank; P. C. Glenn, Cashier, in place of Horace Winegar.

LUCAS.—Bank of Lucas is reported here. Capital, \$5,000. President, G. H. Skinner

Cashier, David D. Deaver.

MANKATO.—Jewell County Bank (La Mar & Goodrich); succeeded by Jewell County

National Bank. Capital, \$50,000. President, John J. La Mar; Cashier, Geo. H.

Goodrich.

MEADE CENTER. A Trust Company has been organized. Capital, \$100,000. President,

A. H. Heber; Vice-President, B. B. Brown; Secretary, Willis G. Emerson;

Treasurer, E. Dool.

OSAGE CITY.—Citizens' Bank; succeeded by First National Bank. Capital, \$50,000.

President, John D. Hall; Vice-President, S. B. Pettee; Cashier, D. C. Lake.

OSAWATOMIE.—Osawatomie Bank has been chartered. Paid capital, \$50,000. President,

E. W. Warfield; Cashier, L. A. Wheeler.

OSBORNE.—State Bank; Assistant Cashier, John Hayes.

PENCE.—Pence City Banking Co. has been incorporated. Capital, \$20,000.

PORTIS.—Portis Bank; George R. Timms, Vice-President, in place of Christ. Smith;

W. H. Garand, Cashier, in place of Geo. R. Timms.

RAVANNA.—Security Investment Co. has been chartered. Capital, \$100,000.

SHOCKEYVILLE.—(P. O.: Shockey). Bear Valley Bank is located here instead of

Laporte. President, A. Bennett; Cashier, Frank Kennedy.

SOUTH HUTCHINSON.—Bank of South Hutchinson is reported here. Paid capital,

\$25,000. Vice-President, L. A. Bunker; Cashier, Wm. E. Donaghoe; Assistant

Cashier, R. M. Burnett.

STERLING.—Citizens' State Bank has been chartered. Capital, \$50,000.

ST. JOHN.—State Bank; A. M. Gloyd, Cashier, in place of Wm. R. Hoole.

STOCKTON.—Exchange Bank has been chartered. Capital, \$50,000. President, J. W.

Callender; Cashier, E. J. Williams.

TOPEKA.—Hodges & Knox; succeeded by Wm. C. Knox & Co.

ULYSSES.—Bank of Ulysses is reported here. Capital, \$40,000. President, W. E.

Atchison; Vice-President, C. H. Middlekauff; Cashier, Wm. Middlekauff.

KENTUCKY.

VERSAILLES.—Bank of Woodford; Geo. W. McLeod, President, in place of Robt. McConnell.

MAINE.

ELLSWORTH.—First National Bank has been authorized to commence business. Officers reported in November JOURNAL.

LEWISTON.—First National Bank; E. F. Packard, President, deceased. — Androscoggin Co. Savings Bank; E. F. Packard, President, deceased.

MARYLAND.

BALTIMORE.—Farmers & Merchants' National Bank; Chas. Hall Pitts, Cashier, deceased. MASSACHUSETTS.

ASHBURNHAM.—First National Bank; Geo. F. Stevens, Cashier, deceased.

BOSTON.—National Bank of North America; Acting Cashier, W. F. Paul. — National Security Bank; charter extended to November 22, 1907. — Middlesex Banking Co., of Middletown, Conn., has opened an office here. Manager, N. S. Keay. — Foote & French; George Luther Foote, deceased.

GREENFIELD.—First National Bank; Henry F. Nash, President, in place of Wm. B. Washburn, deceased.

HAVERTHILL.—Essex National Bank; J. Russ, Jr., Cashier, in place of Wm. Caldwell. MILBURY.—Milbury Savings Bank; Wm. R. Hill, President, deceased.

NORTHAMPTON.—First National Bank; A. L. Williston, President, in place of H. F. Williams, deceased.

WALTHAM.—Waltham Savings Bank; David Randall, Vice-President, deceased.

MICHIGAN.

BROOKLYN.—Farmers' Bank; C. W. King, Cashier, in place of S. L. King.

CONSTANTINE.—Farmers' National Bank; W. B. Pierson, Cashier, in place of John G. Shurtz.

DETROIT.—Detroit National Bank; C. H. Buhl, President, in place of H. P. Baldwin.

GALESBURGH.—Olmsted & Storms; still in business here.

HARBOR SPRINGS.—Hopkins, Lyons & Co.; succeeded by Wade B. Smith. Style, Harbor Springs Bank.

HART.—Oceana County Savings Bank is in business here. Paid capital, \$70,000;

President, C. T. Hills; Vice-President, A. L. Carr; Cashier, E. D. Richmond.

HILLSDALE.—Exchange Bank (J. K. Fisher); succeeded by First State Bank. Capital, \$50,000. President, Jas. S. Galloway; Cashier, James K. Fisher.

IRON MOUNTAIN.—First National Bank has been authorized to commence business. Capital, \$50,000. President, John R. Wood; Cashier, H. E. Pearse; Assistant Cashier, Oliver Evans.

ISHPEMING.—Peninsula Bank has been recently organized. Paid capital, \$50,000. President, William Sedgwick; Cashier, A. D. Garner.

NILES.—Citizens' National Bank; E. F. Woodcock, Cashier, in place of G. H. Richards, Jr.

VERMONTVILLE.—Barber, Ambrose & Rockwell; now Homer G. Barber. Cashier, William C. Alsover.

WOODLAND.—Hilbert & Holley (Exchange Bank); succeeded by F. F. Hilbert.

MINNESOTA.

DULUTH.—American Loan & Trust Co. has been organized. Capital, \$50,000.

FERTILE.—E. L. Matthews & Co. have recently commenced business here. Capital, \$10,000. Cashier, Norman Hanson.

LUVERNE.—First National Bank; C. C. Thompson, Cashier, in place of W. H. Halbert; no Assistant Cashier in place of C. C. Thompson.

MINNEAPOLIS.—Minnesota Loan & Trust Co. is in business here. Capital, \$500,000; surplus, \$50,000; President, E. A. Merrill; Vice-President, Geo. A. Pillsbury; Secretary and Treasurer, E. J. Phelps. — C. C. Garland & Co.; Cashier, B. W. Taylor. — W. E. Steele & Co. are in business here.

ST. PAUL.—National Investment Co. is reported here; General Manager, C. G. Johnson. — William N. Viguers & Co. are in brokerage business here.

WELLS.—Watson & Myers (The Wells Bank); succeeded by Walter F. Myers.

MISSOURI.

CLINTON.—Brinkerhoff-Faris Trust & Savings Co. has been organized. Capital, \$200,000. President, Wm. E. Brinkerhoff; Secretary and Treasurer, H. P. Faris.

FRANKFORD.—Frankford Exchange Bank; J. G. McCune, Cashier, in place of E. T. Penn.

KANSAS CITY.—Continental Trust Co. has been recently organized — Fidelity Trust Co. has been incorporated. Capital stock, \$100,000. — Guarantee Loan & Trust Co. has been organized. Authorized capital, \$400,000. President, John Hall; Vice-Presidents, S. P. Griffith, J. E. Price; Treasurer, L. F. Wilson; Secretary, J. G. Riddler; General Manager, J. C. Glenn. — Inter-State Investment Co. is reported here. Capital, \$100,000. President, J. I. Reynolds; Vice-President, W. A. Bunker; Secretary, M. C. Gillham; Treasurer, H. H. Reynolds. — Union Investment Co.; O. F. Page, Secretary and Treasurer, in place of C. N. Seidnitz. — Austin & Co. have recently commenced business here. — Griffith & Price are in business here. — Franklin B. Hough & Co. are in business here.

SENECA.—Bank of Seneca is reported here. Capital, \$16,000. President, J. G. McGannon; Vice-President, D. H. Nichols; Cashier, Edwin E. Crebs.

ST. LOUIS.—Fifth National Bank; failed. — Laclede Bank; James B. True, Cashier, in place of W. H. Trask.

UNION.—Bank of Union has been organized. Capital, \$15,000.

MONTANA.

BUTTE CITY.—First National Bank; Andrew J. Davis, Jr., Cashier, in place of Jos. A. Hyde; no assistant Cashier in place of A. J. Davis, Jr.

NEBRASKA.

BEATRICE.—Exchange Bank; reported sold to People's Bank. — People's Bank; Assistant Cashier, W. F. King.

CHADRON.—Dawes County Bank; no such bank here now. — Lake & Halley; succeeded by Bank of Chadron. Capital, \$25,000. President, R. C. Lake; Vice-President, A. W. Crites; Cashier, A. A. Record.

COLUMBUS.—Commercial Bank has been organized. Capital, \$50,000. President, C. H. Sheldon; Vice-President, W. A. McAllister; Cashier, Robert Uhlig; Assistant Cashier, Daniel Schram.

ENDICOTT.—Endicott Bank; Proprietor, Chas. B. Rice; Assistant Cashier, Vena Rice. **FAIRFIELD.**—First National Bank; Ira Titus, Cashier, in place of M. C. Joslyn; S. C. Thompson, Assistant Cashier, in place of Ira Titus.

GREELEY CENTRE (P. O.: Spaulding).—Greeley State Bank; now incorporated. Capital, \$25,000.

HAIGLER.—Empire Loan & Trust Co. is in business here. Capital \$10,000. President, H. W. Dunlap; Treasurer, Wm. H. Larned.

HEMINGFORD.—Bank of Hemingford is reported here. Capital \$20,000. President, Job Hathaway; Cashier H. B. Austin.

HENDLEY (P. O.: Lynden).—Bank of Hendley is reported here. President, T. M. Davis; Cashier, R. E. Herdman. — Beaver Valley Bank has filed articles of incorporation. Capital, \$10,000. President, E. C. Webster; Cashier, E. K. Wemple.

KIMBALL.—Farmers' & Merchants' Bank is reported here. President, A. H. Amos; Cashier, Francis L. Gibbs.

LEBANON.—State Bank of Lebanon has been incorporated. Capital stock, \$15,000.

LINWOOD.—Farmers' & Merchants' Bank has been incorporated. Capital authorized, \$25,000; paid capital, \$12,000. President, H. W. Nieman; Cashier, Geo. F. Smith.

NELIGH.—Bank of Neligh (Roche & Anderson); new management. President, E. S. Davidson; Vice-President, E. S. Butler; Cashier, A. B. Beach. Capital, \$50,000.

O'CONNOR.—O'Connor Banking Co.; removed to Greeley Centre.

OMAHA.—Nebraska Savings Bank is reported here. Capital, \$100,000. President, J. L. Miles; Vice-President, A. Rosewater; Cashier, D. L. Thomas. — Northwestern Loan & Trust Co. has been incorporated. Capital, \$500,000. — Citizens' Bank; W. G. Templeton, President, in place of A. D. King; E. M. Stickney, Cashier, in place of W. G. Templeton. — Equitable Trust Co. is in business here. Capital, \$200,000. President, Lewis S. Reed; Vice President, James W. Savage; Secretary, C. B. Schmidt; Treasurer, H. W. Yates.

PAXTON.—Bank of Paxton is reported here.

RED CLOUD.—Red Cloud National Bank; Assistant Cashier, P. A. Beachy.

SARGENT.—Farmers' & Merchants' Bank is reported here. Authorized capital, \$100,000; paid capital, \$12,000. President, A. P. Culley; Vice-President, Lee Love; Cashier, Chas. Nicolai.

SHICKLEY.—Farmers' & Merchants' Bank; succeeded by State Bank. Capital, \$20,000. President, T. H. Beekman; Vice-President, C. F. McGrew; Cashier, Harry Patee.

WOOD RIVER.—Hall County Bank is new bank here. Capital, \$10,000. President, H. Chamberlin; Cashier, W. Chamberlin.

NEW HAMPSHIRE.

DOVER.—Cocheco Savings Bank; President, M. S. Hanscom.

NEWPORT.—Public Guaranty Savings Bank; President, Geo. H. Bartlett; Vice-President, Carlton Hurd; Treasurer, P. A. Johnson.

NEW JERSEY.

CAMDEN.—New Jersey Trust & Safe Deposit Co.; Assistant Secretary and Treasurer, J. Henry Hayes.

FRENCHTOWN.—Union National Bank; Wm. H. Martin, President, in place of H. E. Warford.

GLASSBORO.—First National Bank has been organized. Capital, \$50,000.

PASSAIC.—Passaic City Trust & Safe Deposit Co. has been organized. President, Charles M. Howe; Vice-President, Robert D. Kent; Treasurer, Frederick A. Soule; Secretary, David Carlisle.

NEW YORK.

ALBANY.—M. V. B. Bull & Co. are in business here. Cashier, Frank H. Fellows.

BAY SHORE.—Bay Shore Bank has been organized. Capital, \$50,000. President, R. M. Raven.

CANANDAIGUA.—Canandaigua National Bank has been authorized to commence business. Capital, \$100,000. President, F. H. Hamlin; Vice-President, Robert Chapin; Cashier, H. T. Parmelee.

CHATEAUGAY.—Bank of Chateaugay has been authorized to commence business. Capital, \$25,000. President, Eli B. Smith; Vice-President, Levi Peake; Cashier, Geo. Hawkins.

DEPOSIT.—Deposit National Bank; C. J. Knapp, President, in place of James H. Knapp, deceased; H. W. Knapp, Cashier, in place of C. J. Knapp; Charles P. Knapp, Assistant Cashier, in place of H. W. Knapp.

EAST AURORA.—Bank of East Aurora; H. W. Richardson, President, in place of Stephen C. Clarke.

LOWVILLE.—First National Bank; Edward H. Bush, Cashier, in place of William McCulloch, deceased.

NEWARK.—Vary & Sleight are reported here.

NEW YORK CITY.—National Bank of Commerce; John J. Astor, Vice-President, in place of Robert Lenox Kennedy, deceased. — Bank of New Amsterdam; Nelson J. H. Edge, Cashier, in place of William H. Mellins, resigned. — Columbia Bank; Joseph Fox, President, in place of John H. Watson; Daniel T. Hoag, Vice-President, in place of Benj. Griffin. — Armstrong & McGregor, dissolved. — H. G. Campbell & Co.; J. Borden Harriman admitted to Stock Exchange. — Colbron, Chauncey & Co.; C. V. De Forest, deceased. — Fellowes, Johnson & Tilleston; Henry Tilleston withdraws. Remaining partners continue under style of Fellowes, Johnson & Co. — A. S. Hatch & Co.; suspended. — Meeker, Wildes & Co.; Wm. B. and Thomas B. Meeker succeed, under style Meeker & Co. — Quintard & Benwell are in business here. — W. M. Tewksbury is in business here. — Tinker & Weston; F. L. Morrell admitted to Stock Exchange.

NORTH CAROLINA.

DURHAM.—First National Bank has been authorized to commence business. Capital, \$100,000. President, J. S. Carr; Vice-President, Charles S. Bryan; Cashier, Leo D. Heart. — Enterprise Land & Trust Co. has recently been organized. Capital, \$50,000.

OHIO.

CINCINNATI.—Cincinnati National Bank; stockholders decide to reduce capital to \$200,000. — German National Bank; Florence Marmet, Vice-President, deceased. **DENNISON.**—Dennison Deposit Bank is reported here. President, A. B. Johnson; Cashier, C. S. Johnson.

PIQUA.—Piqua National Bank; Francis Jarvis, President, in place of John M. Scott; John S. Patterson, Cashier, in place of Clarence Langdon; J. H. Young, Assistant Cashier, in place of John S. Patterson.

TOLEDO.—Ketcham's Bank (J. B. Ketcham, 2d); succeeded by Ketcham National Bank. Capital, \$250,000. President, J. B. Ketcham, 2d; Cashier, Sebree H. Waring.

WARREN.—Second National Bank; Henry C. Christy, President, in place of C. A. Harrington; Sidney F. Bartlett, Vice-President, in place of H. C. Christy; C. A. Harrington, Cashier, in place of R. W. Ratcliffe.

OREGON.

EUGENE CITY.—Bank of Oregon. Subscribed capital, \$100,000; paid capital, \$25,000. President, J. B. Harris; Cashier, W. T. Peet.

PENNSYLVANIA.

BRISTOL.—Farmers' National Bank; Caleb M. Taylor, President, deceased.

LANCASTER.—Fulton National Bank; John C. Carter, Cashier, in place of John Hertzler. — Northern National Bank; Elam J. Ryder, Cashier, in place of John C. Carter.

MOUNTVILLE.—Mountville National Bank has been authorized to commence business. Capital, \$50,000. President, I. H. Kauffman; Vice-President, M. G. Musser; Cashier, George Crane.

PHILADELPHIA.—Independence National Bank; Assistant Cashier, Theodore E. Weidersheim. — Union Trust Co.; J. Simpson Africa, President, in place of James Long, resigned. — R. F. Raley, failed. — Ritchie Bros. & Co., brokers, are in business here. — J. C. Wray & Co.; discontinued.

PITTSBURGH.—People's National Bank; R. C. Gray, President, in place of Barclay Preston. — Second National Bank; James H. Willock, President, in place of William Cooper; Thomas W. Welsh, Jr., Cashier, in place of James H. Willock. — American Bank; in liquidation.

WEST CHESTER.—Thomas W. Marshall; succeeded by Thomas W. Marshall & Co.

RHODE ISLAND.

NEWPORT.—Merchants' Bank; Seth Bateman, President, deceased.

SOUTH CAROLINA.

CHARLESTON.—Charleston Savings Institution; Joseph W. Bock, Cashier, in place of Wm. Geo. Gibbs, deceased.

SUMTER C. H.—Wallace & Simonds; succeeded by Simonds' National Bank. Capital, \$50,000. President, Andrew Simonds; Vice-President & Resident Manager, R. M. Wallace; Cashier, James M. Carson.

TENNESSEE.

MEMPHIS.—State Savings Bank is reported here. Capital, \$50,000. President, Colton Greene; Vice-President, John K. Speed; Cashier, Joseph D. Montedonico.

TEXAS.

ALBANY.—First National Bank; W. D. Reynolds, Vice-President, in place of R. E. McAnulty.

CALVERT.—First National Bank; there has been no change of officers in this bank, as incorrectly reported in November JOURNAL. Officers are the same as at time of organization.

CLARENDON.—Wood-Dickinson Mercantile & Banking Co. has been organized. Capital, \$50,000. President, O. P. Wood; Cashier, Wm. Cook.

DALLAS.—North-Texas National Bank has been organized. Capital, \$500,000. President, B. Blankenship; Vice-President, Henry Ezell; Cashier, F. R. Malone. — A Clearing-House has been organized. Manager, L. R. Bergeson.

HEMPSTEAD.—James A. Felker; failed.

HILLSBORO.—Sturgis National Bank; Vice-President, C. N. Brooks.

TERRELL.—First National Bank has been authorized to commence business. Capital, \$50,000. President, John Caro Russell; Cashier, M. W. Raley.

VERMONT.

WHITE RIVER JUNCTION.—National Bank of White River Junction; George W. Gates, President, deceased.

VIRGINIA.

TAZEWELL C. H.—Bank of Tazewell is reported here. President, A. J. May; Cashier, Geo. W. Gillespie.

WASHINGTON TERRITORY.

POMEROY.—First National Bank; H. M. Hathaway, Cashier, in place of Sidney G. Crandall.

SPOKANE FALLS.—Traders' National Bank; Assistant Cashier, H. L. Richardson.

TACOMA.—Tacoma Trust & Savings Bank; President, W. J. Thompson; Vice-President, Nelson Bennett.

WISCONSIN.

DARLINGTON.—Citizens' National Bank; Assistant Cashier, John O'Brien.

MILWAUKEE.—Marshall & Ilsley; to be incorporated after January 1st as the Marshall & Ilsley Bank. Capital, \$200,000. President, Samuel Marshall; Vice-President, Charles F. Ilsley; Cashier, James K. Ilsley; Assistant Cashier, Gustav Reuss.

WYOMING.

GLEN ROCK (P. O.: Douglas).—Bank of Glen Rock has been organized. President, Geo. W. E. Dorsey; Vice-President, C. H. Toncray; Cashier, F. B. Harrison.

ONTARIO.

AILSA CRAIG.—Mihell & Co.; succeeded by Owen & Co.

BRAMPTON.—Central Bank of Canada; suspended.

BRIGHTON.—Standard Bank of Canada; W. C. Boody, Agent, in place of J. E. Gray.

DURHAM.—Central Bank of Canada; suspended.

GUELPH.—Canadian Bank of Commerce; suspended.

HARRISON.—Standard Bank of Canada; J. E. Gray, Agent, in place of W. T. Shannon.

LONDON.—Bank of Toronto has recently opened here. Manager, W. R. Wadsworth.

MADOC.—Traders' Bank of Canada has recently opened a branch here. Manager, J. H. McClellan.

MOUNT FOREST.—Traders' Bank of Canada; A. E. Ames, Manager, in place of A. J. McDonell.

NORTH TORONTO.—Canadian Bank of Commerce has recently opened here. Manager, R. C. McHarris.

ORILLIA.—Smith's Banking House has been recently opened. Capital, \$25,000.

PICTON.—Standard Bank of Canada; W. T. Shannon, Agent, in the place of J. S. Loudon.

PORT HOPE.—Bank of Toronto; J. Milloy, Acting Manager, in place of Stuart Armour.

RICHMOND HILL.—Canadian Bank of Commerce; suspended.

SAULT STE. MARIE.—Canadian Bank of Commerce; suspended.

TORONTO.—Canadian Bank of Commerce; suspended. — Standard Bank of Canada; Assistant Cashier, George P. Reed.

QUEBEC.

QUEBEC.—Banque Nationale; L. Ledroit, President, in place of I. Thibaudeau. Application for reduction of capital to \$1,333,000 to be made to next Parliament.

MANITOBA.

WINNIPEG.—Allan, Brydges & Co. have recently commenced business.

NEW BRUNSWICK.

BATHURST.—Merchants' Bank of Halifax; W. R. Racey, Agent, in place of C. H. McLoughlin.

DORCHESTER.—Merchants' Bank of Halifax; now Sub-Agency, under charge of F. McDougall, Agent of Sackville Agency.

E. L. Moon, a broker of Cleveland, was recently indicted for aiding and abetting Isaac Stanley, Paying Teller of the National Bank of Commerce, to embezzle one hundred thousand dollars of the bank's reserve funds three years ago. Moon claims that he did not know the money he obtained from Stanley was taken from the bank.

Mr. S. G. Crandall, former Cashier of the First National Bank of Pomeroy, W. T., writes: "I have taken the JOURNAL for some five years, and find that it grows better every year. Keep up the good work." Mr. Crandall's bank moved into their new building, recently constructed at the cost of \$30,000, on November 1st. His signature was recently published in the JOURNAL.

A Guarantee Trust & Loan Co., has recently been organized at Chattanooga, Tenn., with a paid-up capital of \$100,000. The company is composed of representative business men in Tennessee, Georgia and Alabama. They claim an individual responsibility of the membership amounting to one million five hundred thousand dollars. The object of the company is to negotiate loans of Eastern capitalists to develop the resources of the Southern States.

THE BANKER'S GAZETTE.

The Money Market and Financial Situation.

NEW YORK, December 3, 1887.

The enlargement of the deposits of public money made with the National bank depositories by the Secretary of the Treasury, supplementing the purchase of 4's and 4½'s in the market has averted until the present time the worst of the dangers which were apprehended from the accumulation of currency in the Treasury of the United States. Now that Congress has organized, the Executive branch of the Government will doubtless be inclined to feel relieved from the responsibility that has been thrown on it during the summer and fall. Whether this shifting of responsibility will redound to the benefit of the money market remains to be seen. Under the present laws, the Treasury Department has been enabled at critical times to exert its influence to avert serious financial trouble, but now that Congress is in session it is highly probable that the Secretary of the Treasury will deem it less incumbent on him to continue to carry a responsibility which necessarily rested upon him while Congress was not in session.

There are two things which it is necessary for Congress to accomplish. First, to dispose of the surplus already accumulated, and second to make such changes in the laws for raising revenues as will reduce the income of the Government to an amount not greater than its expenditures. As to the means to be employed to accomplish each of these objects there is much difference of opinion. While the surplus now in the Treasury could be most profitably used in reducing the interest on the public debt, it is very probable that the present session will see many schemes broached which, for their operation, contemplate more or less assistance of the United States Treasury. It is not to be expected that this suggestive opportunity for furthering private plans for the public benefit will be neglected. There will doubtless be propositions for increasing pensions, for paying claims of various descriptions, for commencing extensive public works, and for private enterprises for the public good similar to the Nicaragua Canal. To suggest ways of spending money is easy, more especially when they may be of benefit to the suggestors.

Any attempt to reduce the revenue, will, as it has been in the past, be met with much opposition from the many interests which must necessarily be interfered with. Hardly any change can be made in the present tariff laws without encountering some opposition. It is plain, therefore, that however successful the legislative branch of the Government may be in eventually effecting measures for the relief of the financial situation, this will only be accomplished if at all after extended discussion which may consume several months. In the meantime the country will as heretofore, be obliged to rely on the judgment of the Secretary of the Treasury for immediate relief if any necessity arises.

During the last month there has been little change in the condition of the money market. There has been no reduction in the demand for currency from the West and South. There have been two bank failures of importance, one at St. Paul and the other at St. Louis, but these cannot be said to have had any general effect.

The report of the Department of Agriculture for the month of November estimated that the cotton crop of the United States would be less than that of the previous year, and also reduced its estimate of the corn crop.

Railroad building has been checked somewhat by the difficulty of procuring funds, and this has had an effect upon the iron and steel market.

Taking everything into consideration, a review of the money market for the past eleven months shows that, while there has been a great revival of business, and all the tendencies have been toward a hopeful undertaking of new

enterprises, there has, notwithstanding an apparent increase in the amount of available currency, been a real deficiency in the amount required to carry on the many projects which have been started during the year. This may be regarded in two ways. As having rendered the development to be expected from so hopeful a business outlook less than it would otherwise have been; or on the other hand as having exerted a conservative influence, and confined the enterprises which have been entered into to those of the more sound and conservative character, and as having prevented many schemes which could only have resulted in loss, from being carried into operation. We believe that, with the speculative and enterprising spirit, which seemed to exist throughout the country at the beginning of the year, an unlimited supply of currency, such as might have been obtained in the days when the State banks were permitted to make almost unlimited issues, might have resulted in a financial crisis as disastrous as either of those of 1837 and 1857. The soundness and comparative inflexibility of the currency of the country has doubtless prevented a serious financial crisis. The surplus in the Treasury has acted somewhat as a safety valve, relieving the pressure when it became unbearable in other directions. As a whole the business of the country has undoubtedly been satisfactory and profitable during the past year.

FOREIGN EXCHANGE.—During the week ending November 5th the demand for sterling exchange was light, and the business done was of a limited character. The supply of commercial bills was quickly absorbed. Dullness prevailed, and the rates were somewhat easier. There were no importations of gold. For the week ending November 12th the demand was at no time sufficient to make an active market. There was no change of rates. During the week ending November 19th there was little fluctuation, although in the latter part the market was somewhat stronger. During the early part of the week ending November 26th there was quite an active demand, and a scarcity of commercial bills followed by an advance in rates, but the demand soon fell off. The Bank of England lost £183,000 in specie from October 30th to November 26th, and the Bank of France lost 8,350,000 francs in gold and gained 4,325,000 francs in silver during the same period. The discount rate of the Bank of England remains unchanged at 4 per cent. The following are the latest posted and actual rates of the principal dealers: Bankers' sterling, 60 days, nominal, \$4.82; sight, nominal, \$4.86; 60 days, actual, \$4.81; sight, actual, \$4.84½; Cable transfers, \$4.85½; Prime commercial sterling, long, \$4.80½; Documentary sterling, 60 days, \$4.80½; Paris, bankers', 60 days, \$5.24½; sight, 5.22¼; Paris, commercial, 60 days, \$5.26½; sight, \$5.24; Antwerp commercial, 60 days, \$5.27½; Swiss bankers, 60 days, \$5.24½; sight, \$5.22; Reichmarks (4) bankers, 60 days, \$94¾; sight, \$95¼; Reichmarks (4) commercial, 60 days, \$94½; sight, \$94.6-8; Guilders bankers, 60 days, \$39.15-16; sight, \$40½; Guilders commercial, 60 days, \$39¾; sight, \$40; Copenhagen, Stockholm and Christiana, krona, 60 days, \$26½; sight, \$26¾.

Paris dispatches quote exchange on London 25f. 84c.

The following shows the posted rates for prime bankers' sterling bills on London, at 60 days, and sight, and prime commercial sterling bills on London, at 60 days; and sight, and prime commercial sterling, together with exchange on Paris on October 1st, the changes in rates that occurred during the month, and the highest and lowest during the months of October and November.

OCTOBER.	BANKERS		Cable		PARIS	
	60 days.	Sight.	Transfers.	Commercial.	60 days.	Sight.
Highest.....	4.82½	4.86½	4.86½	4.80½	5.24½	5.22¼
Lowest.....	4.80½	4.85	4.85½	4.78½	5.27¼	5.24½
November 1....	4.82	4.86	4.86½	4.80½	5.24½	5.22¼
" 19.....	4.82½	4.86½	4.86½	4.81	5.24½	5.21½
" 28....	4.82	4.86	4.85½	4.80½	5.24½	5.22¼
NOVEMBER.						
Highest.....	4.82½	4.86½	4.86½	4.81	5.24½	5.21½
Lowest.....	4.82	4.86	4.85½	4.80	5.24½	5.22¼

COINS AND BULLION.—Bar silver is quoted in London at 43¾d. per ounce. At this quotation for silver the bullion value of the standard dollar is 74.39

cents. The following are New York quotations in gold for other coins and bullion:

Trade dollars... ..\$ 74 @ \$	Twenty marks 4 73 @ 4 80
New (412½ grains) dollars... 99¾ @ 1 00	Spanish doubloons.....15 55 @ 15 70
American silver ½ & ¼s... 99¾ @ 1 00	Spanish 25 pesetas..... 4 75 @ 4 85
American dimes 99¾ @ 1 00	Mexican doubloons.....15 55 @ 15 70
Mexican dollars 75 @ ..	Mexican \$0 pesos.....19 50 @ 19 60
Peru soles & Chilian pesos.. 74 @ 75	Ten guilders..... 3 96 @ 4 00
English silver..... 4 78 @ 4 85	Com'l silver bars, per oz... 96 @
Five francs..... 93 @ 95	U. S. Assay silver bars . . . 95¼ @ 96
Victoria sovereigns.....\$4 83 @ \$4 88	Fine gold bars par @ ¼ % premium on the
Twenty francs 3 86 @ 3 90	Mint value.

HOME MONEY MARKET.—During the first part of the month a better tone prevailed in the home money market. There was a stronger market for bonds, and the sales at the Stock Board showed an improved business at rather better prices. This continued until the end of the third week in November. There seemed to be a popular feeling of a greater confidence in values, and there were larger sales. During the remainder of the month there seemed to have arisen a general feeling that money would be higher, and the market for stocks was much less active. During the week ending November 5th the rates for call loans on stock and bond collateral, ranged from 3 to 5 per cent.; commercial paper from 5½ to 6 per cent. For the week ending November 12th the rates for call loans ranged from 3 to 7 per cent., commercial paper from 5½ to 6 per cent. For the week ending November 19th loans on collateral ranged from 3 to 6 per cent., the rates for commercial paper from 5½ to 6 per cent. The week ending November 26th loans based on stock and bond collateral were from 3 to 7 per cent.; those on commercial paper from 5½ to 6 per cent. There has been a gradual rise in the price of money during the month; in fact, all the signs indicate a continued demand from all parts of the country during the winter. The following are the latest rates of exchange on New York:

Savannah, buying at par; selling ¼ premium. Chattanooga, Charleston, buying ½ discount; selling at par. New Orleans commercial, \$1.50 per \$1,000 discount; bank, par. St. Louis, 75c. per \$1,000 discount. Chicago, 70¢@80c. per \$1,000 discount. These rates show a strong tendency of money from New York to the West and South. We would refer our readers to the letter from the Chicago correspondent of the JOURNAL, which indicates that much Western paper is being discounted in the East.

GOVERNMENT BONDS.—The following table shows the closing prices or closing bids at the New York Stock Exchange for the principal issues of Government bonds on each day of the month of November, and the highest and lowest during the month. Actual sales marked *:

NOV.	4½s. '91, coup.	4s. 1907, coup.	4s. 1907, Reg.	C'y 6s. 1895.	C'y 6s. 1899.	NOV.	4½s. '91, coup.	4s. 1907, coup.	4s. 1907, Reg.	C'y 6s. 1895.	C'y 6s. 1899.
1	106¾	126¾	126¾	121	120	18	106¾	126¾	126¾	121¾	120¾
2	106¾	126¾	126¾	121	120	19	106¾	*126¾	126¾	121¾	120¾
3	106¾	126¾	126¾	121	120	21	106¾	*126¾	126¾	121¾	120¾
4	106¾	126¾	126¾	121	120	22	106¾	*126¾	126¾	121¾	120¾
5	106¾	126¾	126¾	121	120	23	106¾	*126¾	126¾	121¾	120¾
7	106¾	126¾	126¾	121	120	25	106¾	126¾	126¾	121¾	120¾
9	106¾	126¾	126¾	121	120	26	106¾	126¾	126¾	121¾	120¾
10	106¾	127	127	121	120	28	106¾	126¾	126¾	121¾	120¾
11	106¾	127	127	121	120	29	106¾	126¾	126¾	121¾	120¾
13	106¾	127	127	121	120	30	106¾	126	126	122	120¾
14	106¾	127	127	121	120						
15	*109	127	127	121	120						
16	106¾	126¾	*126¾	121¾	120¾	High	109	127	127	122	120¾
17	*106¾	126¾	*126¾	121¾	120¾	Low	106¾	126	126	121	120

NEW YORK CITY BANKS.—During the week ending November 4th the combined currency and gold received by the New York banks amounted to \$1,864,000. The amount shipped to the interior by the New York banks was \$2,760,000, showing a loss of \$896,000. In their dealings with the Sub-Treasury the New York banks lost \$150,000, making a net loss of currency and coin of \$1,046,000. For the week ending November 12th the New York city banks shipped to the interior, in excess of the amount received by them, \$1,152,000 in gold and currency, and in their transactions with the Sub-Treasury they experienced a loss of \$100,000, making a total loss that week of \$1,252,000 in gold and currency. During the week ending November 19th they lost currency and gold in their dealings with the interior of the country amounting to \$1,251,000, and in their dealings with the Sub-Treasury their loss was \$500,000, making a total loss in currency of \$1,751,000 for the week. The week ending November 26th the total loss in coin and currency in the New York banks amounts to \$3,468,000, made up of \$2,368,000 loss in dealings with the interior of the country, and \$1,100,000 loss in dealings with the Sub-Treasury. These losses alone during the month go far to explain the general rise in rates for money during the month. The following table shows the condition of the New York city Clearing-House banks for a number of weeks past, as well as about the same time in 1885 and 1886.

The following table shows the condition of the New York Clearing-House Banks for a number of weeks past, as well as about this time in 1886 and 1885:

1887.	Loans.	Specie.	Legal-tenders.	Deposits.	Circulation.	Surp. Res.
Nov. 26..	\$353,277,900	\$70,006,100	\$24,581,100	\$351,891,200	\$8,037,600	\$6,964,400
Nov. 19..	352,168,700	71,710,800	24,220,700	353,774,000	8,036,700	7,488,000
Nov. 12..	351,937,300	74,801,700	22,852,900	356,268,800	8,036,300	8,587,400
Nov. 5..	352,360,600	77,086,700	22,890,700	358,763,400	8,048,700	9,786,550
Oct. 29..	350,196,300	78,816,600	22,612,200	357,866,500	8,117,500	11,982,675
Oct. 22..	351,032,800	76,822,700	21,788,000	356,989,900	8,218,800	9,363,225
Oct. 15..	351,842,700	74,559,500	21,514,500	355,255,200	8,201,700	7,260,200
Oct. 8..	348,088,700	74,974,500	20,781,800	350,371,200	8,174,100	8,201,700
Oct. 1..	344,795,400	75,144,800	20,324,800	345,826,000	8,205,100	9,017,100
Sept. 24..	346,428,800	70,521,900	20,521,900	341,935,900	8,237,000	5,816,725
Sept. 17..	347,096,100	68,931,600	20,608,200	342,880,500	8,123,600	3,818,675
Sept. 10..	347,442,900	68,120,400	21,743,300	342,637,500	8,118,200	4,154,325
Sept. 3..	344,888,900	68,579,300	22,745,100	344,447,100	8,114,600	5,212,625
1886.						
Nov. 13..	341,946,800	78,006,200	17,816,000	351,719,400	8,116,100	7,891,850
1885.						
Nov. 14..	340,369,100	92,796,300	28,757,400	380,234,200	9,952,000	26,495,150

The Treasury Statement for the 1st of December shows that the Treasury net holdings were as follows: the holdings for the two previous months and for July 1, 1886 and 1887, are also given.

U. S. Treasury Net holdings of.	July 1, 1886.	July 1, 1887.	Oct. 1, 1887.	Nov. 1, 1887.	Dec. 1, 1887.
Gold	\$156,793,749	\$186,875,069	\$192,717,946	\$202,869,832	\$211,880,526
Silver	96,229,539	73,348,425	63,509,842	58,183,571	51,759,999
U. S. notes	22,868,317	21,767,376	17,610,212	15,261,066	16,818,220
Bank notes	149,014	197,046	174,370	156,818	118,403
Fractional silver.....	29,282,496	27,094,192	25,094,830	24,468,135	24,158,008
In Treasury	\$305,323,115	\$307,529,129	\$299,197,200	\$300,929,422	\$304,235,192
In Depository B'ks.	14,436,199	22,991,302	25,438,630	81,797,468	42,423,670
Total	\$319,759,314	\$330,520,431	\$324,635,830	\$382,696,890	\$346,658,862

The public debt, less cash in the Treasury, has increased \$490,871 during the month of November, as compared with a decrease of \$16,833,695 during the month of October. The outstanding interest bearing debt on December 1st was \$1,041,761,542; with accrued interest in addition amounting to \$10,918,759. This statement includes \$64,623,512 Pacific Railroad bonds. Four per cent.

bonds have diminished from \$732,447,550 on November 1st to \$732,440,850 on December 1st. The amount of public moneys on deposit with the depository banks has increased from \$31,767,468 to \$42,428,670 on December 1st. The increase during the month, therefore, is \$10,661,202.

The following table shows the net gold and silver held by the United States Treasury on the 1st of December and on the 1st of November and October :

	Dec. 1, 1887.	Nov. 1, 1887.	Oct. 1, 1887.
Gold coin and bullion.....	\$302,661,278	\$302,544,605	\$290,702,629
Gold certificates outstanding.....	90,780,753	99,684,773	97,984,683
Gold owned by Treasury.....	\$211,880,525	\$202,859,832	\$192,717,946
Silver dollars and bullion.....	\$219,909,213	\$218,897,528	\$217,954,668
Silver certificates outstanding.....	168,149,274	160,713,957	154,354,826
Silver owned by Treasury.....	\$51,759,939	\$58,183,571	\$63,599,842

The changes during the month are an increase in the net gold coin held of \$9,020,693 and a decrease in silver dollars and bullion of \$6,423,632. In addition the Treasury held fractional silver coin amounting to \$24,158,004.

From the statement of the Comptroller of the Currency for December 1st it appears that the total decrease in National bank circulation during the month of November was \$2,152,133, as against a decrease of \$851,227 during the month of October. Of the circulation issued during the month \$150,710 was issued through new banks, and \$1,528,187 through banks increasing circulation. The total amount of lawful money deposited with the Treasury to retire outstanding bank circulation was \$101,785,322, showing a decrease during the month of \$800,886, as might be expected from the large amount of National bank currency redeemed during the interval. Bonds to secure public deposits amounted on December 1st to \$141,768,000, including \$436,000 6s, \$11,083,500 4½s, \$29,728,500 4s, and \$520,000 called 3s.

The following shows the amount of each description of bonds held by the Treasurer to secure National bank circulation on the dates indicated :

	Dec. 1, 1887.	Nov. 1, 1887.	Oct. 1, 1887.	Sept. 1, 1887.	Jan. 1, 1887.
Currency 6 per cents.....	\$3,256,000	\$3,256,000	\$3,256,000	\$3,206,000	\$3,680,000
4½ per cents.....	68,831,100	68,696,100	70,030,850	69,953,550	58,636,200
4 per cents.....	113,928,400	115,781,400	116,214,250	116,202,900	113,903,200
3 per cents.....	181,500	*144,500	216,000	*734,500	52,218,950
Total.....	\$187,147,000	\$188,828,000	\$189,717,100	\$190,096,950	\$229,438,350
* Called.					

During the month of November \$6,696,699 in National bank notes were redeemed by the Treasury of the United States. Of this amount \$808,040 were returned to the banks, and the remainder, \$5,888,629, was destroyed. The coinage executed at the mints of the United States during the month of November was as follows : Double eagles of a value of \$3,460,000 ; standard dollars, \$3,400,000 ; dimes, 267,000 ; five cent nickels to the extent of \$120,000 ; and one cent pieces to the amount of \$49,570 were also coined. The total valuation of the coinage for the month was \$7,297,290.

The 25th annual report of the Comptroller of the Currency has been issued. The important points of this report will be fully presented to our readers in the January number of the JOURNAL.

Since the foregoing was written the President's Message has been sent to Congress. It is uncompromisingly in favor of tariff reduction, and does not view with favor any of the plans proposed for the use of the surplus. Tariff reduction is, of course, the radical remedy for the prevention of accumulation of surplus in the future, but the immediate pressure is to provide for the surplus already accumulated, and that which will accumulate before the radical prescription can be compounded and applied.

The following table shows the highest, lowest and closing prices of the active stocks at the New York Stock Exchange in the month of November, the highest and lowest since January 1, 1887, and also during the year 1886:

	NOVEMBER, 1887.			SINCE JANUARY 1, 1887.		YEAR 1886.	
	High.	Low.	Closing.	Highest.	Lowest.	High.	Low.
Atlantic & Pacific....	11½	9½	10½	15¼—June 13	9¼—Oct. 14	13½	7
Canadian Pacific....	55	53	55½	6¾—Jan. 13	49½—Sept. 20	73	61
Canada Southern....	60	52½	56¾	64½—May 19	49—July 30	71½	34¾
Central of N. J.....	80	71¾	75¾	86¼—Apr. 13	55½—Jan. 3	64	42¼
Central Pacific....	34¾	30	33	43¾—Apr. 12	28¾—Oct. 14	51	38
Chesapeake & Ohio....	4½	2	4	9¼—Jan. 8	2—Nov. 11	13¼	7
do 1st pref....	7¾	4	7	17—Jan. 13	4—Nov. 11	21½	13
do 2d pref....	5½	3	5	11¼—Jan. 20	3—Nov. 11	15½	8¼
Chic., Burl. & Quincy	135¼	127	128¼	156—May 17	123¾—Oct. 17	141	128¾
Chic., Mll. & St. Paul.	78¾	71¼	75¼	95—May 18	69¾—Oct. 17	99	82¾
do preferred....	115	110¼	112½	127¼—May 17	110—Oct. 17	125¼	116
Chic. & North-west'n.	113¼	106¼	111¼	127¾—June 7	104¼—Oct. 17	120¾	104¼
do preferred....	145	139¾	141	153¼—June 7	137¾—Oct. 17	144	135
Chic., Rock I. & Pac.	116¾	110	113¼	140¾—May 17	109—Nov. 1	131	120¼
Chic., St. L. & Pitts.	15½	13	14	22—Apr. 22	12¾—Sept. 21	19½	9¼
do preferred....	42	35	41	52¼—Apr. 22	35—Jan. 27	43¾	26¼
Chic., St. P., M. & O.	42¾	37¼	39¼	54¼—May 17	34—Oct. 17	55	35¼
do preferred....	110½	103¼	108	118¼—June 7	100—Oct. 17	116¼	97
Clev., Col., Cin. & Ind.	56	51	53	68—Apr. 11	47¼—Oct. 17	75½	43¼
Col. H. Val. & Tol.	27¾	22¼	24½	39¾—Jan. 11	15—Sept. 19	45	26¾
Del., Lack. & West'n	135	125¼	131	139¼—June 1	123¼—Oct. 17	144	115
Denv. & R. Grande a.p	25	22	21¼	32¾—Apr. 14	20¼—Oct. 14	35¼	21¼
E. Tenn., Va. & Ga.	12½	10	10½	17—Jan. 3	9¾—Oct. 17	18½	11
do 1st preferred	66	58	62½	82¼—Jan. 13	52—Sept. 21	83¾	67
do 2d preferred	26	21	23¾	32—Jan. 3	18—Oct. 17	35¾	23
Evans. & Terr. Haute	85	92	91	100—Apr. 9	80—Sept. 20	91¾	67½
Green B. Win. & St. P.	109¼	9	10	17—Apr. 7	7¾—Sept. 21	14½	8
Illinois Central....	118	115	117	138—May 28	114—Oct. 18	143½	130
Ind., Bloom. & W'n.	16¾	13¼	14	27¾—Apr. 1	12—Sept. 20	28¾	12
Kingston & Pem....	35	29	29¼	47¼—Apr. 21	28¾—Oct. 17	45	26¾
Lake Shore....	97	92¾	94¾	98¾—June 30	89—Oct. 14	100¾	76¼
Long Island....	98	88¼	92	99¾—May 14	85—Sept. 20	100	80
Louisville & Nashv'e	63	57¼	60¼	70¼—Apr. 14	54¾—Oct. 13	69	35¾
Lou'ville, N.A. & Chic.	46	35	45	67¾—June 11	30¼—Sept. 20	71	32
Manhattan consol....	103¼	100	101	161¾—Apr. 20	93¾—Aug. 31	175	120
Michigan Central....	92	86¼	88¼	95¼—May 19	80—Aug. 26	98¾	61¼
Mil., L. S. & West.	89¼	81¼	84¼	94¼—May 18	66¼—Jan. 6	71¼	22
do preferred....	108¼	102	108	119—May 18	98—Jan. 4	103	50¼
Minneapolis & St. Louis	11	9¼	9¼	20¼—Apr. 2	8¼—Oct. 14	23¾	16¼
do preferred....	25	19	24	48¼—May 31	18¼—Oct. 14	52¼	40¼
Mo., Kan. & Texas....	21½	17	18¾	31¼—Apr. 9	17—Nov. 1	38¼	21
Missouri Pacific....	83¼	84¾	89¼	112—May 19	84¼—Nov. 1	119	100¾
Mobile & Ohio....	15	10	12	19¼—Jan. 8	9¾—Oct. 15	21½	11
Nash., Chat. & St. L.	81	73¼	76¼	88¾—Jan. 3	63¾—Oct. 14	105½	43¼
N. Y. Cent. & H. R.	109¼	106	107¾	114¾—May 19	101¼—Oct. 14	...	...
N. Y. Chic. & St. L. new†	30	17	17	20¼—Nov. 18	16¼—Dec. 1	...	...
do 1st preferred...	75	68	70	77—Nov. 17	68—Nov. 30	...	...
do 2d preferred...	41	40	41	42—Nov. 22	38—Dec. 2	...	...
N. Y., Lake E. & W'n	31	27¾	28¾	35¾—Apr. 12	24¼—Oct. 14	38¾	22¼
do preferred....	68¼	62	65¼	78—May 23	59—Oct. 13	81¼	50¼
N. Y. & New Eng....	43¾	39¾	39	66—Mar. 29	34¼—Oct. 14	68¾	30¼
N. Y., Ont. & West'n.	17¾	15¾	16¼	20¼—Jan. 3	14¼—Oct. 13	22½	15
N. Y., Susq. & West'n	10¼	8¼	9	14—Feb. 14	7¼—Sept. 20	12½	6
do preferred....	83	27¼	29¼	38¼—Feb. 14	24¼—Sept. 21	33¼	17¼
Norfolk & Western....	17	14	14¼	23¾—Jan. 8	13—Oct. 17	27¼	9¼
do preferred....	43¾	39	41¼	55¾—May 16	34¼—Oct. 15	59¾	25
Northern Pacific....	24¼	21	22¼	34¾—July 18	20—Oct. 12	31¾	22
do preferred....	48¼	43¾	46¾	63¼—May 19	41¾—Oct. 18	66¼	53¼
Ohio & Mississipp....	25¾	23¼	24¼	32¼—Apr. 4	21—Oct. 17	35¾	19¾
Oregon & Transc....	22¼	17¼	20¼	35¾—Apr. 7	16—Oct. 13	38	25
Peoria, Dec. & Evnsv.	23¾	22¼	20	39¼—May 25	17¼—Sept. 21	34¾	16
Phila. & Reading....	71¾	62	68¾	71¾—Nov. 18	34—Feb. 1	53¾	18¼
Richm'd & W. Point.	28¾	23	26¾	53—Jan. 17	20¾—Sept. 21	77¼	27¼
Rome, Wat'n & Og'bg	90	79¼	87	95—Jan. 17	75—Oct. 18	97	25
St. L. & San F....	37¼	32	36¼	44¾—May 26	30—Jan. 27	36¾	17
do preferred....	74¼	68¼	72¼	84¼—May 26	61¼—Feb. 2	72¾	87¼
do 1st pref....	118	110	113	120—June 2	107—Oct. 13	118¾	97
St. Paul & Duluth....	67	62¾	65	95—June 20	55—Oct. 14	67	37
do preferred....	105	101	104¾	114¾—May 23	99—Aug. 2	114	98¾
St. Paul, Minn. & Man	111¼	103¼	106¼	120¾—May 27	94¼—Oct. 17	124½	106¾
Texas & Pacific....	28¼	23¼	26	35¼—May 23	20—Feb. 3	25	7¼
Union Pacific....	58¼	45¾	55¾	63¾—May 18	44—Oct. 17	68¼	44¼
Wabash, St. L. & Pac.	19¾	15¼	17	2¾—May 6	13¼—Feb. 1	24¾	19
do preferred....	33¾	29¼	31	38¼—May 18	23¼—Feb. 1	41¾	23¾
Col. Coal & Iron Co.	40¼	32¼	37¼	58¼—May 19	30—Sept. 20	...	...
Del. & Hudson Canal	106¼	101¼	103	106¼—Nov. 25	96¼—Sept. 21	106¼	88¼
Oregon R. & Nav. Co	92	86¼	88	105¾—May 19	79¼—Oct. 13	109¾	93
Pacific Mail....	40	33	39¼	58¾—Apr. 7	32¼—Sept. 21	67	45¼
Western Union Tel....	81¾	76¾	78¾	81¾—Nov. 17	67¼—Sept. 24	80	60¼

* First assessment paid. † Assented. ‡ Coin. Repts. § Second assessment paid.

STOCK EXCHANGE QUOTATIONS.

Revised by the official lists up to the first day of this month. The following tables include all securities listed at the New York Stock Exchange.

The Quotations indicate the last bid or asked price. Where there was no quotation during the past month the last previous quotation is designated by a *. The highest and lowest prices for the year 1886—actual sales—are given for comparison.

STATE SECURITIES.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		DEC. 1, 1887.	
				High.	Low.	Bid.	Asked
Alabama Class A 3 to 5.....	1906	6,728,800	J & J	108	97	105	
do do small.....				105	97	105	
do Class B 5's.....	1906	539,000	J & J	110	105	107	112
do Class C 4's.....	1906	959,000	J & J	103½	95	100	
do 6's, 10-20.....	1900	960,000	J & J	107½	104	103	107
Arkansas 6's, funded.....	1899, 1900	3,000,000	J & J	111½	5	9	
do 7's, Little Rock & Fort Smith..		1,000,000	A & O	28	12	16	
do 7's, Memphis & Little Rock...		1,200,000	A & O	27	13		24
do 7's, L. R., Pine Bluff & N. O....		1,200,000	A & O	27½	12½	17	
do 7's, Miss., Ouachita & Red River		600,000	A & O	20¾	12	17	
do 7's, Arkansas Central R. R.....		1,350,000	A & O	8	5		15
Georgia 7's, gold bonds.....	1890	2,000,000	Q J	114	108½	104	
Louisiana 7's, consolidated.....	1914		J & J	94	84	100	
do 7's, do stamped 4's...		12,039,000		82¾	67	91¾	92
do 7's, do small bonds...				78	67	88	
Michigan 7's.....	1890	231,000	M & N	112	108	105	
Missouri 6's.....	1887	3,242,000	J & J	104½	102	101½	
do 6's.....	1888	3,251,000	J & J	106½	103½		102½
do 6's.....	1889 or 1890	1,105,000	J & J	110	107	104	
do Asylum or University.....	1892	401,000	J & J	113	110	109	
do Funding bonds.....	1894, 1895	1,000,000	J & J	119	115	110	
do Hannibal & St. Joseph.....	1887	1,000,000	J & J	104	101	*118	
New York 6's, gold, registered.....	1887	942,000	J & J	104	102	102½	
do 6's, coupon.....	1887	643,200	J & J	104	102	102½	
do 6's, loan.....	1891	4,302,600	J & J	115	110	112	
do 6's, loan.....	1892	2,000,000	A & O	120	112	115	
do 6's, loan.....	1893	473,000	A & O	122	115	117	
North Carolina 6's, old.....	1886-98	4,738,000	J & J	30½	30	35	
do April & October.....		3,639,400		36½	30	35	
do to N. C. R. R.....	1883-4-5		J & J	175	165	170	
do do 7's, coupon off.....				175	165	140	
do do April & October.....		3,000,000	J & J	145	135	170	
do do 7's, coupon off.....				145	135	140	
do Funding Act.....	1866-1900	2,417,000	J & J	13½	10	12	
do do.....	1868-1898	1,721,400	A & O	13½	10	12	
do new bonds, J. & J.....	1892-1898	2,383,000	J & J	23	20	15	
do do April & October.....		495,000		23	20	15	
do Chatham Railroad.....		1,200,000	A & O	13	5	8	12
do special tax, Class 1.....			A & O	14½	8	10	12
do do Class 2.....			A & O	10½	10	*12	
do do to W'n N. C. R.....			A & O			*12	
do do to West'n R. R.....			A & O			*12	
do do to Wil., C. & R'n R. R.....			A & O			*12	
do do to W'n & Tar R. R.....			A & O			*12	
do trust certificates.....						10	12
do consolidated 4's.....	1910		J & J	100¾	88½		98
do do small bonds.....		3,620,511	J & J	98	87		97
do do 6's.....	1919	2,593,000	A & O	129	115		122
Rhode Island 6's, coupon.....	1893-4	1,372,000	J & J	124	118	115	
South Carolina 6's, Act March 23, 1869, non-fundable.....	1888, 1888, 1888	5,965,000		7¾	5	5½	7
South Carolina, Brown consolid'n 6's.....	1893	4,280,000	J & J	110½	104	108	108
Tennessee 6's, old.....	1890-2-8			65½	53		62½
do 6's, new bonds.....	1892-8-1900	4,397,000		65½	53		62½
do 6's, new series.....	1914			65½	53		62½
do compromise 3-4-5-6's.....	1912	2,014,000	J & J	75½	62	60	72
do new settlement 6's.....	1913	827,000	J & J	109	103	100	
do do small bonds.....		49,400	J & J			100	
do do 5's.....	1913	347,000	J & J	102	100		99
do do small bonds.....		10,300	J & J				
do do 3's.....	1913	10,743,000	J & J	80	71½	71	72
do do small bonds.....		350,800	J & J				71½

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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STATE SECURITIES—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		DEC. 1, 1887.	
				High.	Low.	Bid.	Ask d
Virginia 6's, old.....		9,427,000		47	42	48	
do 6's, new bonds.....	1886	700,000		47	42	48	
do 6's, do.....	1867	466,000		49	42	48	
do 6's, consolidated bonds.....		20,239,000		100	80	90	
do 6's, ex-matured coupons.....				60	50	48	
do 6's, consolidated, 2d series.....		2,442,784		69	60	60	
do 6's, deferred bonds.....				133½	9	10	11½
do Trust receipts.....		12,691,531		133½	9	10	10½
District of Columbia 3-65's.....	1924		F & A	120	116	*117	119
do small bonds.....		14,033,600	F & A			*116	118½
do registered.....			F & A			*116½	119
do funding 5's.....	1899		J & J	112½	110	104	
do do small.....		943,400	J & J				
do do regist'd.....			J & J				
FOR GOV. SECURITIES.—Quebec 5's.....	1908	3,000,000	M & N				108¾

CITY AND COUNTY.

Brooklyn 6's.....			J & J			*110	
do 6's, Water Loan.....		9,706,000	J & J			*125	
do 6's, Improvement Stock.....		730,000	J & J			*125	
do 7's, do.....		6,084,000	J & J			*140	
do 6's, Public Park Loan.....		1,217,000	J & J			*125	
do 7's, do.....		8,016,000	J & J			*163	
Jersey City 6's, Water Loan.....		1,163,000	J & J			*106	
do 7's, do.....		3,109,800	J & J			*110	
do 7's, improvement.....		3,669,000	J & J			*117	
Kings County 6's.....							
New York City 6's, 20, 50.....	1877					*128	
do 6's.....	1878					*130	
do 6's.....	1887	3,066,000	F.M.A.N			*101	
do gold 6's, consolidated.....	1896		M & N			*121	
do do 6's.....	1902	14,702,000	J & J			*136	
do do 6's, Dock bonds.....		3,976,000				*110	
do do 6's, County bonds.....						*120	
do do 6's, C's, Park.....	1894-6	10,343,000	J & D			*118	
do 6's.....	1896					*120	
do 5's.....	1898	674,000	Q J			*115	

MISCELLANEOUS.

American Telegraph & Cable Co.....	100	14,000,000				72½	74
Bankers & Merchants' Telegraph.....	100	3,000,000		3½	2½	*2½	
Boston Land Co.....	10	800,000					
Canton Co., Baltimore.....	100	4,500,000		65	53		
Chartiers Valley Gas Co.....	100	3,000,000					
Cent. New Jersey Land Improvement.....	100	2,200,000				*24	28
Consolidated Gas Co.....	100	35,430,000		111	74½	72½	74½
Delaware & Hudson Canal.....	100	24,500,000	Q M	108½	87½	105	105½
Equitable Gas Light Co.....	100	3,000,000				115	120
Iron Steamboat Company.....	100	2,000,000				*28	
Manhattan Beach Company.....	100	5,000,000				10	12
Philadelphia Company.....	50	7,500,000	Mthy			94	
Pullman's Palace Car Co.....	100	15,927,200	Q F	147½	128	138	139
Southern & Atlantic Telegraph.....	25	948,875	A & O			*142	
Sutro Tunnel Co.....	10	20,000,000					
Western Union Telegraph.....	100	86,200,000					
North-Western Telegraph.....	50	2,500,000	Q F	80½	60½	76½	78½
Central & So. American Telegraph.....	100	4,006,600	Q J			*72½	72½
Commercial Telegram Co.....	100	1,800,000				*35	
do do preferred.....	100	200,000		105	103½	*102	103
Mexican Telegraph Co.....	100	1,500,000	Q J	122½	110	*135	160
Joliet Steel Co.....	100	2,666,000		131	105	*110	125

GOVERNMENT SECURITIES.

United States 4½ registered.....	1891		M.J.S.&D			107½	107½
do 4½ coupons.....	1891	234,673,350	M.J.S.&D	114	109½	108½	108½
do 4's registered.....	1907		J.A.J.&O			126	126½
do 4's coupons.....	1907	733,654,150	J.A.J.&O	129½	123	126	126½
do 6's, currency.....	1895	3,002,000	J & J			122	
do 6's, do.....	1896	8,000,000	J & J			124½	
do 6's, do.....	1897	9,712,000	J & J			126½	
do 6's, do.....	1898	29,904,952	J & J	136½	133	128½	
do 6's, do.....	1899	14,004,560	J & J			130½	

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RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		DEC. 1, 1887.	
				High.	Low.	Bid.	Askd.
Albany & Susquehanna.....	100	3,500,000	J & J	148	136	145	150
Atchison, Topeka & Santa Fe.....	100	68,000,000	Q F	99½	84½	94½	94½
Atlantic & Pacific.....	100	25,000,000	13½	7	10½	11½	11½
Beech Creek.....	50	3,700,000			22½	23½	23½
do preferred.....	50	1,300,000			80	86	86
Burlington, Cedar Rapids & Northern.....	100	5,500,000		75	45	50	50
Buffalo, Rochester & Pittsburgh.....	100	6,000,000		35½	22½	50	60
do do preferred.....	100	6,000,000				100	110
Canada Southern.....	100	15,000,000	F & A	71½	34½	56½	56½
Canadian Pacific.....	100	65,000,000	F & A	73	61	53½	54½
Central of New Jersey.....	100	18,503,200	Q	64	42½	76½	77½
Central Iowa Railway.....	100	9,200,000				2½	6
do 1st installment paid.....							
do 1st preferred.....	100	907,000					
do 1st installment paid.....							
do 2d preferred.....	100	1,167,800					
do 1st installment paid.....							
Central Pacific.....	100	68,000,000	F & A	51	38	32½	33½
Charlotte, Columbia & Augusta.....	100	2,575,000		50	30		
Chesapeake & Ohio.....	100	15,906,188		13½	7	4½	4½
do do 1st preferred.....	100	8,447,800		21½	13	6½	7
do do 2d preferred.....	100	11,594,000		15½	8½	5½	6½
Chicago & Alton.....	100	14,081,000	Q M	146	138	135	140
do do preferred.....	100	3,479,500	Q M	162	160	180	170
Chicago & Northwestern.....	100	41,373,000	J & D	120½	104½	109½	109½
do do preferred.....	100	22,325,200	Q M	144	136	141½	142½
Chic., St. Paul, Minneapolis & Omaha.....	100	21,408,283	J & J	55	35½	36½	36½
do do preferred.....	100	12,644,833	J & J	116½	97	107½	108
Chicago, Rock Island & Pacific.....	100	46,156,000	Q F	131	120½	112½	114
Chicago, Burlington & Quincy.....	100	76,385,900	Q M	141	128½	127½	129
Chicago, Milwaukee & St. Paul.....	100	30,680,361	A & O	99	82½	75½	76½
do do preferred.....	100	21,555,900	A & O	126½	116	112	113
Chicago & Eastern Illinois.....	100	3,000,000				113	
Chicago, St. Louis & Pittsburgh.....	100	10,000,000		19½	9½	14½	15½
do do preferred.....	100	20,000,000		43½	26½	38	41
Chicago & Indiana Coal Railway Co.....	100	2,197,800				43	50
do do preferred.....	100	1,465,200				89½	98
Cin., New Orleans & Texas Pacific.....	100	3,000,000					
Cincinnati, Ind's, St. Louis & Chicago.....	100	10,000,000				70	75
Cincinnati, Jackson & Mackinac.....	100	8,320,000					
do do preferred.....	100	4,680,000					
Cleveland & Pittsburgh guaranteed.....	50	11,243,738	Q M	153	146½	151	
Cleve., Columbus, Cin. & Indianapolis.....	100	14,991,800	F & A	75½	43½	52½	53½
Columbia & Greenville preferred.....	100	1,000,000		60	42	15	20
Columbus, Hooking Valley & Toledo.....	100	11,700,000		45½	26½	24½	25½
Delaware, Lackawanna & Western.....	50	26,200,000	Q J	144	115	132	132½
do Morris & Essex.....	50	15,000,000	J & J	144	132½	139	140
N.Y., Lackawanna & Western.....	100	10,000,000	Q J	109	100½	105½	107
Dubuque & Sioux City.....	100	5,000,000	A & O	101	60½	75	
Denver & Rio Grande.....	100	38,000,000		35½	21½	22	22½
do do preferred.....	100	23,650,000		63½	53½	54	55½
Denver & Rio Grande Western.....	100	7,500,000				14½	15½
Denver, South Park & Pacific.....	100	3,500,000					
Des Moines & Fort Dodge.....	100	4,283,100				11	13
do do preferred.....	100	763,000				23	25
Detroit, Mackinac & Marquette.....	100	4,750,000					
Det. Bay Cit. & Alp. R. R.....	100	1,670,800					
East Tennessee, Virginia & Georgia.....	100	27,500,000		18½	11	10½	11
do do do 1st preferred.....	100	11,000,000		83½	67	62½	64
do do do 2d preferred.....	100	18,500,000		35½	24	23½	24
Elizabethht'n, Lexington & Big Sandy.....	100	5,000,000		22	15	6	10
Evansville & Terre Haute.....	50	3,000,000		91½	67½	88½	91
Flint & Pere Marquette preferred.....	100	6,500,000				14	
Green Bay, Winona & St. Paul.....	100	8,000,000		14½	8	9	10
do do preferred.....	100	2,000,000				14	24
Harlem.....	50	8,518,100	J & J	240	218½	210	220
do preferred.....	50	1,381,500	J & J				
Houston & Texas Central.....	100	10,000,000		44½	25	25	32
Illinois Central.....	100	80,000,000	M & S	143½	130	115	117
do leased line 4 per cent. stock.....	100	10,000,000	J & J	100½	93	94	98
Ind., Bloom. & W., full assess'm't p'd.....	100	10,000,000				14	15½
Joliet & Chicago.....	100	1,500,000	Q J	150½	150	147	

QUOTATIONS AT THE NEW YORK STOCK EXCHANGE.

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RAILROAD STOCKS—Continued.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		DEC. 1, 1887.	
				High.	Low.	Bid.	Askd
Kentucky Central.....	100	5,500,000					
Keokuk & Western.....	100	4,000,000				*30	40
Kingston & Pembroke.....	50	4,500,000				31	33
Lake Erie & Western.....	100	11,840,000				15½	16
do do preferred.....	100	11,840,000				45½	46
Lake Shore & Michigan Southern.....	100	49,466,500	F & A	100%	76½	94½	95
Long Island.....	50	10,000,000	Q F	100	80	90	92
Louisville & Nashville.....	100	30,000,000	F & A	69	33½	60½	61½
Louisville, New Albany & Chicago.....	100	5,000,000		71	32	38	45
Manhattan consolidated.....	100	23,895,630	Q	175	120	99½	100½
Marquette, Houghton & Ontario.....	100	2,378,800				12	18
do do preferred.....	100	3,278,500					85
Mexican Central (limited).....	100	35,000,000				14½	14½
Milwaukee, Lake Shore & Western.....	100	2,000,000		71½	22	85½	86
do do preferred.....	100	5,000,000		103	50½	105½	108
Milwaukee & Northern.....	100	4,131,000		42½	40	30	60
Michigan Central.....	100	18,738,204		98½	61½	86	88
Missouri Pacific.....	100	45,000,000	Q J	119	100½	89½	90
Missouri, Kansas & Texas.....	100	46,405,000		98½	21	18½	18½
Mobile & Ohio assessed.....	100	5,320,800		21½	11	10	
Morgan's Louisiana & Tex. R. & S. S.....	100	1,004,100				120	
Minneapolis & St. Louis.....	100	6,000,000		23½	18½	9	10
do do preferred.....	100	4,000,000		52½	40	20	24
Minn., S. S. Marie & Atlantic.....	100	2,426,000					
do do preferred.....	100	2,426,000					
New York Central & Hudson River.....	100	89,428,300	Q J	117½	98½	107½	108
New York, New Haven & Hartford.....	100	15,500,000	Q & J	223	204½	210	220
Boston & N. Y. Air Line pref'd 4 p. c.....	100	3,000,000		102	96	98	100
New York, Lake Erie & Western.....	100	78,000,000		38½	22½	29½	29½
do do preferred.....	100	8,536,900	Q	81½	50½	66½	
New York, Ontario & Western.....	100	58,113,982		22½	15	16½	17
New York & New England.....	100	20,000,000		65½	30½	38½	39½
New Jersey & New York.....	100	1,500,000				3½	5
do do preferred.....	100	800,000				*4½	6½
New York, Chicago & St. Louis.....	100	14,000,000				17	18
do do 1st preferred.....	100	5,000,000				68	70
do do 2d preferred.....	100	11,000,000					41
New York, Susquehanna & Western.....	100	13,000,000		12½	6	9	9½
do do preferred.....	100	8,000,000		33½	17½	30½	31
Northern Pacific.....	100	49,000,000		31½	22	22½	22½
do do preferred.....	100	37,336,776		66½	53½	46½	46½
Nashville, Chattanooga & St. Louis.....	25	6,668,375		106½	43½	76½	78
Norfolk & Western.....	100	7,000,000		27½	8	15½	16
do do preferred.....	100	22,000,000		59½	25	41½	42
Norfolk Southern.....	100	1,000,000					
Ohio & Mississippi.....	100	20,000,000		35½	19½	23½	24½
do do preferred.....	100	4,030,000		91	79	*51½	51½
Ohio Southern.....	100	3,840,000		22½	13½	13	14½
Omaha & St. Louis preferred.....	100	2,220,500				*30½	31½
Oregon & California.....	100	7,000,000					
do do preferred.....	100	12,000,000					
Oregon & Trans-Continental.....	100	40,000,000		38	25	20½	20½
Oregon Short Line.....	100	15,285,000		38	19½	18	21
Oregon Improvement Co.....	100	7,000,000		51	16	43	45
Oregon Railway & Navigation Co.....	100	24,000,000	Q J	109½	93	89½	90
Philadelphia & Reading 1st assm't paid.....							
do do 2d do.....							
do do 3d do.....							
do do All do.....		84,702,000				69½	69½
do do preferred, 1st do.....							
do do do 2d do.....							
do do do 3d do.....		1,286,800					
do do All do.....							
Pittsburgh, Ft. Wayne & Chic. guar'd. 100		19,714,285	Q J	150	141	151	152
do do special 100		10,778,600		140	132½		
Pitts., McK'sport & Youghiogheny con.....		3,000,000				*105	
Pooria, Decatur & Evansville.....	100	8,400,000		34½	16	20½	21½
Richmond & Allegheny reorganiz'n cert.....		5,000,000		15½	2	*1	3
do do stamped assessment paid.....						5	10
Richmond & Danville.....	100	5,000,000	Q F	200	75	*150	

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RAILROAD STOCKS.

NAME.	PAR.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		DEC. 1, 1887.	
				High.	Low.	Bid.	Ask d
Richmond & West Point R. & W. Co.....	100	40,000,000		77½	87½	26½	27
do do preferred.....	100	5,000,000	J & J			61	62
Rome, Watertown & Ogdensburg.....	100	5,238,900		98	25	87	90
Utica & Black River guaranteed.....	100	2,225,000		125	117½	*117	
Southern Carolina.....	100	4,204,180		24	10½	*9½	11
Southern Pacific.....	100	88,076,200		41½	30½	*30	
St. Louis, Alton & Terre Haute.....	100	2,300,000		48	27	35	39
do do.....	100	2,370,200		95	80	75	80
Belleville & Southern Illinois pref.....	100	1,275,000	May			75	80
St. Louis & San Francisco.....	100	11,954,300	M & N			37	38½
do do preferred.....	100	10,000,000		36½	17	38	39½
do do 1st preferred.....	100	4,500,000	F & A	72½	37	72½	73½
St. Louis, Arkansas & Texas.....	100	9,555,000		18½	97	112	114½
St. Paul & Duluth.....	100	4,055,400		67	37	63	65
do do preferred.....	100	5,377,000	J & J	114	99½	103	105
St. Joseph & Grand Island.....	100	4,500,000		37	25	*27½	
St. Paul, Minneapolis & Manitoba.....	100	20,000,000		124½	108½	108	109
Tex. & P. Trust C't'f's, all assm'ts paid.....	100	32,188,700	Q F			26½	28½
Toledo & Ohio Central.....	100	1,592,000		38½	27	30	31
do do preferred.....	100	3,108,000		38½	48½	50	53
United New Jersey R. & Canal Co.'s.....	100	21,240,400				*218	
Union Pacific.....	100	60,868,500	Q J	68½	44½	56½	56½
Utah Central.....	100	4,250,000		18	17	26	
Virginia Midland.....	100	6,000,000		51½	15	*30	40
Wabash, St. L. & Pac. full paid cert's.....	100	28,419,500	Q			17½	17½
do do preferred.....	100		Q			31½	33
do do full-paid p. o. cert.....	100	24,223,200		24½	12	15½	16½
do do preferred.....	100			41½	23½	29½	30½
Wheeling & Lake Erie Railway.....	100	3,600,000				46	47½

RAILROAD BONDS.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Aitchison, Topeka & Santa Fe 4½'s.....	1920	4,687,000	A & O				
do do sinking fund 6's.....	1911	12,348,000	J & D				*115½
Atlantic & Pacific guar'd 1st gold 4's.....	1937	17,610,000	J & J			82½	83
Beech Creek 1st gold 4's.....	1936	5,000,000	J & J			*90½	
Balt. & Ohio 1st 6's (Parkersb'g br'oh).....	1919	8,000,000	A & O	128½	120	*117	123
do do 5's, gold.....	1885-1925	10,000,000	F & A	114	106½	105	106
do do registered.....			F & A	113½	109½		106
Boston, Hoosac Tunnel & W'n deb. 5's.....	1913	2,000,000	M & S	93½	92½	91	98
Brooklyn Elevated 1st gold 6's.....	1924	3,500,000	A & O			105	106
do do 2d mortgage 3-5's.....	1915	1,250,000	J & J			*83	
Bur., Cedar Rapids & Northern 1st 5's.....	1906	6,500,000	J & D	111	106	107	109
do do con. 1st & col. tr. 5's.....	1934	5,000,000	A & O	110	98		97½
do do do registered.....			A & O				*100
Minneapolis & St. L. 1st 7's, gold.....	1927	150,000	J & D	189	128	130	
Iowa City & Western 1st 7's.....	1909	456,000	M & S	114½	109½	*109	
Cedar Rapids, Iowa Falls & N. 1st 6's.....	1920	825,000	A & O	111	110½	105	110
do do do 1st 5's.....	1921	1,905,000	A & O	108½	100	90	97½
Buffalo, N. Y. & Phila. con. 1st 6's.....	1921	11,000,000	J & J	51	37		*57½
do do trust certificates.....						38	50½
do do general 6's.....	1924	8,700,000	M & S				*45
do do trust certificates.....						22	50
Canada Southern 1st int. gold 5's.....	1908	14,000,000	J & J	108½	108½	105	105½
do do 2d mortgage 5's.....	1913	6,000,000	M & S	96	84	91½	92½
do do registered.....			M & S			90	91
Central Iowa 1st mortgage 7's 1st Rec.....	1899	3,700,000	J & J	111	84	*112	
do (Eastern division) 1st 6's do.....	1912	622,000	A & O	75	66	*82	90
do (Illinois division) 1st 6's do.....	1912	612,000	A & O	70	66		75
do cons gold bonds do.....		3,852,000	A & O			*70½	
Cent. R. & Bkg. Co. Ga. col. g. 5's.....	1937	5,000,000	M & N			99	101½
Chesapeake & Ohio pur. money fund.....	1938	2,300,000	J & J	117	114½	105	110
do 6's, gold, Series A.....	1908	2,000,000	A & O	114	106½	91	98
do 6's, gold, Series B.....	1908		M & N				*108
do do coupons off.....			M & N	84	60	68	70
do do small bonds.....	1906		M & N			*74	75
do do coupons off.....		15,000,000	M & N			65	
do extension coupon 4's.....	1936		M & N			64½	
do do reg'd 4's.....	1936		M & N				*69
do 6's, currency.....	1913	10,122,500	J & J	41½	25	15½	16½
do small bonds.....	1913		J & J			14½	15½
do mortgage 6's.....	1911	2,000,000	A & O	103	94½		*89
Ches., Ohio & S.-W. mortgage 5-6's.....	1911	6,976,000	F & A	104	88½	103	105

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1887.		DEC. 1, 1887.	
				High.	Low.	Bid.	Ask.
do do 2d mortgage 6's...1911		2,495,000	F & A			*85	
Chicago & Alton 1st mortgage 7's...1883		2,383,000	J & J	121½	115	115	
do sinking fund 6's...1903		2,655,000	M & N	125	121	122½	125
Louisiana & Missouri River 1st 7's...1900		1,785,000	F & A	124	120	119	
do do 2d 7's...1900		300,000	M & N	116½	116		120
St. Louis, Jacksonville & Chic. 1st 7's...1884		2,365,000	A & O	122	116½	113	
do 1st guarantee (564) 7's...1884		564,000	A & O			112½	
do 2d mortgage (390) 7's...1888		44,000	J & J			113½	
do 2d guarantee (188) 7's...1888		188,000	J & J			113½	
Mississippi River Bridge 1st 6's...1912		680,000	A & O	107	105	105½	
Chicago, Burling'n & Quincy cons. 7's...1903		\$30,000,000	J & J	188	182½	182½	184
do 5's, sinking fund...1901		2,500,000	A & O			*110	
do 5's, debentures...1913		9,000,000	M & N	110¼	105	103½	104½
do (Iowa div.) sinking f'd 5's...1919		3,000,000	A & O	113½	112½	*111½	
do do do 4's...1919		10,591,000	A & O	103	99½		96
do Denver division 4's...1922		7,968,000	F & A	101½	97½	93	94
do do 4's...1921		4,300,000	M & N		92½		*96
do Neb. Extension 4's...1927		11,600,000	M & N				97
do do Registered		400,000	M & N	101½			
Chic. Burlington & Northern 1st 5's...1928		9,000,000	A & O	104½	102½	102	102½
do do debentures 6's...1896		2,250,000	J & D			*181½	
Chic. Rock Island & Pacific 6's, coup. 1917		+12,500,000	J & J	140	128½	131½	
do 6's, registered...1917			J & J	140	130	131½	132½
do extension & cou. 5's...1934			J & J	113	109	108½	
do do re-registered		14,960,000	J & J			108½	
Des Moines & Fort Dodge 1st 4's...1905		1,200,000	J & J			85	87
do do 1st 2½'s...1905		1,200,000	J & J				60
do do extension 4's		672,000	J & J			*83	
Keokuk & Des Moines 1st mort. 5's...1923		2,750,000	A & O	113	108		109
do do small bonds...1923			A & O			*108	
Central Railroad of N. J. 1st 7's...1890		5,000,000	F & A	114½	107	107	108
do 1st consolidated 7's...1899		4,183,000	Q J			112½	113
do assented				118	106	112½	113
do convertible 7's...1902		1,316,000	M & N				114
do assented				120	106		113½
do convertible deb. 6's...1906		793,000	M & N	92½	63	113½	116½
do general mtge 5's...1987		15,281,000	J & J			99	99½
do do registered		4,986,000	Q J				99
Lehigh & Wilkes-Barre con. gold...1900		11,500,000	Q M				
do do assented				114½	108	111½	112½
{\$4,116,000 held by Central R. R. of N. J. unassented; \$5,384,000 assented.							
Am. Dock & Improvement Co. 5's...1921		5,000,000	J & J	103	89	102	
Mil. & St. Paul 1st m. 8's Pra. du Chn. 1898		3,674,000	F & A	136½	132	127	128½
do 2d 7-10 Pra. du Chn. 1898		1,241,000	F & A	129	125	119	
do 1st 7's \$ gold, Riv. division 1902		3,804,500	J & J	184½	180	127½	
do 1st 7's 2 do 1902			J & J			*116	
do 1st m. La Crosse div. 7's...1883		5,284,000	J & J	125	120	116½	118
do 1st m. Iowa & Minn. 7's...1897		3,198,000	J & J	127½	122½	117	
do 1st m. Iowa & Dakota 7's...1899		541,000	J & J	132	124½	118	
do 1st m. Chicago & Milw. 7's...1903		2,393,000	J & J	134	130	125	127
do consolidated 7's...1905		\$35,000,000	J & J	136	128½	124½	126
do 1st 7's, Iowa & Dak. exten. 1908		3,505,000	J & J	134½	125½	125	126
do 1st 6's, Southwest'n div'n...1909		4,000,000	J & J	121	115½		*116
do 1st 5's, La Crosse & Dav. 1919		3,000,000	J & J	106½	105		104
do 1st So. Minnesota div. 6's...1910		7,432,000	J & J	121	114½		114½
do 1st Hastings & Dak. div. 7's...1910		5,680,000	J & J	131	124	120	122½
do do 5's...1910		585,000	J & J				99
do Chic. & Pacific div. 6's...1910		2,500,000	J & J	124½	119	118	
do 1st Chicago & Pac. W. 5's...1921		24,540,000	J & J	111	108		108½
do Chic. & Mo. R. div. 5's...1928		2,049,000	J & J			97	99
do Mineral Point div. 5's...1910		2,840,000	J & J	108½	102	100	103
do Chic. & L. Sup'r div. 5's...1921		1,380,000	J & J			*101	
do Wis. & Min. div. 5's...1921		4,755,000	J & J	109½	102	101	102½
do terminal 5's...1914		4,686,000	J & J	108½	101½	101	
do Far. & So. 6's assu. 1924		1,250,000	J & J	119	114½	*100½	108½
do inc. conv. sink'g fund 5's...1916		2,000,000	J & J			92	
Dakota & Gt. Southern 5's...1916		1,000,000	J & J				101
Chic. & North'n rn consol. bonds, 7's...1915		\$12,900,000	Q F	145½	138½	137	139
do coupon gold 7's...1902		+48,000,000	J & J	140	130	128	129½
do registered gold 7's...1902			J & D	137	130½		127

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NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886.		DEC. 1, 1887.	
				High.	Low.	Bid.	Ask'd
do sink'g fund 6's.....	1879-1929	6,805,000	A & O	110	116	*117	120 1/2
do do registered.....			A & O	110	106	107	107
do do 5's.....	1879-1929	8,155,000	A & O	111 1/2	107	107	107
do do registered.....			M & N	110 1/2	105	107	107
do debenture 5's.....	1933	10,000,000	M & N	110 1/2	105	104	107
do do registered.....			M & N	109	104 1/2	103 1/2	103 1/2
do 25 year debenture 5's.....	1909	4,000,000	M & N			*105	105 1/2
do do registered.....			F & A 15			93	93 1/2
do extended 4's, 1886.....	1926	11,852,000	F & A 15				
do do registered.....			J & J	115 1/2	115	*116	116 1/2
Escanaba & Lake Superior 1st 6's.....	1901	720,000	F & A			*122	122 1/2
Des Moines & Minneapolis 1st 7's.....	1907	600,000	A & O	127	124	*128	128 1/2
Iowa Midland 1st mortgage 8's.....	1900	1,350,000	M & S	123	124	120	124
Peninsula 1st convertible 7's.....	1898	152,000	J & J	118	124	120	124
Chicago & Milwaukee 1st mortg. 7's.....	1898	1,700,000	M & N	117 1/2	116 1/2	*113	113 1/2
Winona & St. Peters 2d 7's.....	1907	1,582,000	M & S	111	106	*105	107 1/2
Milwaukee & Madison 1st 6's.....	1906	1,600,000	M & S	110 1/2	108		108 1/2
Ottumwa, C. F. & St. P. 1st 5's.....	1909	1,600,000	M & S	123	123	118	
Northern Illinois 1st 5's.....	1910	1,500,000	J & D	124	123 1/2	118	
C., C. & Ind'polis 1st 7's sink. fund.....	1899	3,000,000	J & D	123	124	108	
do consolidated mtge 7's.....	1914	27,500,000	J & J	110 1/2	100	105 1/2	106
do sinking fund 7's.....	1914		J & J			*110	
do gen'l consol. 6's.....	1884	3,500,000	J & D	123 1/2	118 1/2	120	120 1/2
do do registered.....			M & N	120	125	*124	124 1/2
Chic., St. P., Min's & Omaha con. 6's.....	1930	322,839,000	J & J	100	92	100	
Chicago, St. Paul & Min. 1st 6's.....	1918	3,000,000	M & N	116	112 1/2	109	112
North'n Wisconsin 1st mortgage 6's.....	1930	800,000	Q M	118	109	112	116
St. Paul & Sioux City 1st 6's.....	1919	6,080,200	M & S	108	101	72	73 1/2
Chic. & Eastern Ill. 1st sink'g f'd c'y.....	1967	3,000,000	J & J	100 1/2	92	98	98 1/2
do do small bonds.....			J & D			*118	119
do do 1st c. 6's, gold.....	1884	3,000,000	A & O	119	110	113	
Chic., St. Louis & Pittsb. 1st con. 5's.....	1932	322,000,000	A & O	100	92	100	
do do do registered.....			M & N	116	112 1/2	109	112
Chic. & West'n Ind. 1st sinking f'd 6's.....	1919	2,500,000	Q M	118	109	112	116
do general mortgage 6's.....	1932	23,896,666	M & S	108	101	72	73 1/2
Chicago & St. Louis 1st 6's.....	1915	1,500,000	J & J	100 1/2	92	98	98 1/2
Chicago & Indiana Coal 1st 5's.....	1938	3,689,000	Q F			*96	97
Cin., Ind., St. L. & Chic. 1st guar. 4's.....	1936	1,255,000	J & D			*106	106 1/2
do do registered.....			A & O			*98	100
Cincin., Jack. & Mack. 1st con. g. 5's.....	1936	1,400,000	J & J			*98	100
Columbia & Greenville 1st 6's.....	1916	2,000,000	A & O	94	81	70 1/2	72 1/2
do do 2d 6's.....	1926	1,000,000	J & D	97 1/2	88 1/2	*68	69
Col., Hooking Valley & Toledo 1st 5's.....	1931	14,500,000	J & J			95	95
do general mortgage gold 6's.....	1904	2,000,000	J & D	116 1/2	114	113	114
Col. & Cincinnati Midland 1st 6's.....	1914	2,000,000	M & S	140	135 1/2	133	136
Delaware, Lackaw'a & W. conv. 7's.....	1892	600,000	A & O	137 1/2	131 1/2	130	130
do do mtge 7's.....	1907	10,000,000	M & N	146	140 1/2	139	140
Syracuse, Bingh'ton & N. Y. 1st 7's.....	1906	1,750,000	F & A	117	112 1/2	100 1/2	100 1/2
Morris & Essex 1st mortgage 7's.....	1914	5,000,000	J & J			116	116 1/2
do 2d 7's.....	1891	3,000,000	A & O	133	125	122 1/2	123 1/2
do bonds, 7's.....	1900	281,000	J & D	138	130	125 1/2	126 1/2
do 7's.....	1871-1901	4,991,000	J & J	133	125	127	127 1/2
do 1st cons. gua'd 7's.....	1915	25,000,000	F & A	113	108 1/2	108 1/2	108 1/2
N. Y., Lackawanna & W'n 1st 6's.....	1921	12,000,000	J & J	115 1/2	110	109	109 1/2
do do construction 5's.....	1923	5,000,000	M & N	115 1/2	112 1/2	107	107
Delaware & Hud. Canal 1st reg. 7's.....	1891	4,988,000	A & O	121	115 1/2	113 1/2	113 1/2
do 1st extension 7's.....	1891	549,000	A & O	120 1/2	118	113 1/2	113 1/2
do coupon 7's.....	1894		M & S	143 1/2	138	138	138
do registered 7's.....	1894	4,829,000	M & S	141	140 1/2	138	138
do 1st Penna. Div. coupon 7's.....	1917	10,000,000	J & J	109	108 1/2	103 1/2	103 1/2
do do reg. 1917.....			A & O	125	125 1/2	*127	127 1/2
Albany & Susquehanna 1st 7's.....	1888	1,000,000	A & O	124	117 1/2	117 1/2	118
do do 1st con. gua'd 7's.....	1906	3,000,000	A & O	119 1/2	118	117	118
do do registered.....	1906	5,443,000	A & O	144	141 1/2	145	145
do do registered.....			M & N			139	139
Rensselaer & Saratoga 1st coup. 7's.....	1891	2,000,000	J & J	81 1/2	76 1/2	76 1/2	76 1/2
do do 1st reg. 7's.....	1921		M & N	84	72	117 1/2	120
Denver & Rio Grande 1st consol. 4's.....	1936	22,575,000	M & N	124	114 1/2	117 1/2	120
do do 1st mtge 7's.....	1900	6,382,500	M & N	89	72	78	78
Denver, South Park & Pac. 1st 7's.....	1906	1,800,000	M & N				

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				High.	Low.	Bid.	Ask d
Denver & Rio Grande West'n 1st 6's...1911		5,857,000	M & S	85½	72½	70½	75½
do do do assented...			A & O	83½	72	67	69
Detroit, Mack. & Marquette 1st 6's...1921		2,280,000	A & O	100	55	*90	
do do land grant 3½ S. A. 1911		4,580,000		56	20	31	34½
Detroit, Bay City & Alp'a 1st 6's...1918		2,300,000	J & J	108½	106	108½	110
East Tenn., Virginia & Georgia 1st 7's...1900		8,500,000	J & J	126	118½	117	
do do divisional 5's...1830		3,106,000	J & J	108	106		111
do do con. 1st gtd 5's...1868		12,770,000	M & N	99½	94½	95	95½
E. & W. of Ala. 1st con. gld 6's...1928		1,109,000	J & D				58
Elizabeth City & Norfolk a.f. deb. cert. 6's		250,000	A & O				*104
do do 1st mtrge 6's...1920		900,000	M & S			*52½	
Elizabeth'n, Lex & Big Sandy 6's...1902		3,500,000	M & S	110	99		97½
Erie 1st mortgage extended 7's...1897		2,482,000	M & N	127½	121	116½	
do 2d extended 5's...1919		2,149,000	M & S	117½	118	111	
do 3d extended 4½'s...1923		4,618,000	M & S	112½	108	104½	
do 4th extended 5's...1920		2,926,000	A & O	119	112½		117
do 5th extended 7's...1898		709,500	J & D	109	108	108½	
do 1st consolidated gold 7's...1920		16,890,000	M & S	139½	129	131½	138
do 1st cons. f'd coup. 7's...1920		3,705,997	M & S	133	120½	127	130
do reorganization 1st lien 6's...1908		2,500,000	M & N	112	106½	102	107
Long Dock bonds, 7's...1893		8,000,000	J & D	120	112½	113	115
do do consolidated 6's...1935		4,500,000	A & O	124	114½	112	114
Buffalo, New York & Erie 1st 7's...1918		2,380,000	J & D	140	133½	135	
N. Y., L. Erie & W. new 2d con. 6's...1909		33,597,400	J & D	116½	89	*98	
do collateral trust 6's...1922		5,000,000	M & N	108	102	108½	
do fund coupon 5s...1885-1909		4,082,000	J & D	96½	77½	*80	
Buffalo & Southw'n mortgage 6's...1908		1,500,000	J & J		90		
do do small...			J & J				
Evansville & Terre Haute 1st con. 6's...1921		3,000,000	J & J	120½	111½	117½	120
do Mt. Vernon 1st 6's...1923		375,000	A & O	112½	108	*108	
do Indianapolis 1st con. 6's...1926		1,020,000	J & J	113	109	108½	108½
Eureka Springs Ry 1st 6's, gold...1933		500,000	F & A				
Flint & Pere Marquette mortgage 6's...1920		5,000,000	A & O	122½	116	117½	
Fort Worth & Denver City 1st 6's...1921		6,768,000	J & D	95½	81		83
Gal., Harrisburg & San Antonio 1st 6's...1910		4,800,000	F & A	116	106½		109
do 2d mortgage 7's...1906		1,000,000	J & D	119½	108		108
do Western division 1st 5's...1931		13,500,000	M & N	108	92		93½
do do do 2d 6's...1931		6,750,000	J & J	94	90	*117	
Grand Rapids & Indiana general 5's...1924		3,217,000	M & S			99	101
do do registered...			M & S				
Green Bay, Winona & St. Paul 1st 6's...1911		1,600,000	F & A	107½	80	99	104
Gulf, Col. & Santa Fe 1st 7's...1909		11,724,000	J & J	128½	116½	120	121
do do gold 6's...1923		6,000,000	A & O	106½	86½		97
Hannibal & St. Joseph consol'd 6's...1911		26,000,000	M & S	125	119½	116	
Henderson Bridge Co. 1st 6's...1931		2,000,000	M & S	113	108½	108½	108½
Houston & Texas Cent. 1st main l. 7's...1891		6,896,000	J & J			115½	116
do do 1st West. div. 7's...1891		2,375,000	J & J			113½	114½
do do 1st Waco & N.W. 7's...1903		1,140,000	J & J				115
do do 2d c. main line 8's...1912		4,118,000	A & O	95½	76	107	
do do gen'l mort. 6's...1921		4,325,000	A & O	78½	50	*108	
do do Trust Co. receipts...						65	70
Houston, E. & W. Texas 1st 7's...1898		1,344,000	M & N	89½	65	62	
Illinois Central 1st gold 4's...1951		1,500,000	J & J	110	106½	*107	109
do do registered...						107	
do do gold 3½'s...1951		2,500,000	J & J	102½	99½	94	95
do do registered...						94	95
Springfield division coupon 6's...1898		1,600,000	J & J	121	117½	116	
Middle division registered 5's...1921		600,000	F & A	109½	*111		
Chicago, St. L. & N. O. Tenn. lien 7's...1897		541,000	M & N				123
do 1st consol. 7's...1897		857,000	M & N	123	122½		120
do 2d mortgage 6's...1907		80,000	J & D			*118	
do gold 5's...1951			J & D 15	120½	112	116	117½
do gold 5's, registered...			J & D 15			110	114
Dubuque & Sioux City 2d div. 7's...1894		586,000	J & J	119	118½	112½	115
Cedar Falls & Minn. 1st 7's...1907		1,334,000	J & J	120	106	85	90
Ind., Bloomington & W'n 1st pref'd 7's...1900		1,000,000	J & J	120½	116	110	
do 1st 5-6's trust receipts...		3,408,000	A & O	104½	89½	90	
do 2d 5-6's trust receipts...		1,477,000	A & O	90	66½	75	
do Eastern div. trust receipts...		2,960,000	J & D	105½	89	90	93
Ind., Decatur & S. 1st 7's ex. fund coup. 1908		1,613,000	A & O	108	98½	101½	103

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				High.	Low.	Bid.	Ask d
Internat'l & Gt. Northern 1st 6's, gold..	1919	7,954,000	M & N	119	114	110	
do do coupon 6's..	1909	7,054,000	M & S	96	84	79	81
Kentucky Central R'y gold fours.....	1887	6,600,000	J & J			105	73½
Knoxville & Ohio 1st 6's, gold.....	1925	2,000,000	J & J	105½	86½	91	92
Lake Erie & Western 1st gold 5's.....	1937	5,920,000				103	108½
Lake Shore & Michigan Southern.							
Cleve., Painesville & Ashtabula 7's..	1892	920,000	A & O	119	114	100½	
Buffalo & Erie new bonds 7's.....	1898	2,784,000	A & O	129	121½	118	120
Kal'zoo & White Pigeon 1st 7's.....	1890	400,000	J & J	108	108	105	
Detroit, Monroe & Toledo 1st 7's.....	1908	924,000	F & A			120½	
Lake Shore div. bonds 7's.....	1899	1,356,000	A & O	128	121½	119½	121
do consol. coupon 1st 7's..	1900	‡25,000,000	J & J	134½	127	128	126½
do consol. registered 1st.....	1900		Q J	132½	127	124½	125
do consol. coupon 2d 7's.....	1903		J & D	127	119½	123	124
do consol. registered 2d.....	1903	‡25,000,000	J & D	125	119½		120½
Mahoning Coal 1st 5's.....	1934		J & J	105	103	101	
Long Island 1st mortgage 7's.....	1898	1,500,000	M & N	180	119	118	121
Long Island 1st consolidated 5's.....	1931	‡5,000,000	Q J	115½	108	110	112
N. Y. & Manhattan Beach 1st 7's.....	1897	500,000	J & J			*114	
N. Y., B'klyn & M'n B. 1st c. g. 5's..	1935	783,000	A & O				*110
Louisville & Nashville consol'd 7's.....	1896	7,070,000	A & O	125	117	118½	120½
do Cecilian branch 7's ..	1907	1,000,000	M & S	113	107½	105½	
do N. O. & Mobile 1st 6's.....	1930	5,000,000	J & J	107½	99	108	109½
do do 2d 6's.....	1930	1,000,000	J & J	97	86	96	98
do Evans., Hend. & N. 1st 6's..	1919	2,400,000	J & D	116½	112	115	
do general mortgage 6's.....	1930	‡20,000,000	J & D	109½	100½	112	
do Pensacola division 6's.....	1920	600,000	M & S	102	97½	100	
do St. Louis division 1st 6's.....	1921	3,500,000	M & S	113	108	109½	
do do 2d 3's.....	1980	8,000,000	M & S	57	51	55	
do Nash. & Decatur 1st 7's.....	1900	1,900,000	J & J	128	121	119	
do So. & N. Ala. sink'g f'd 6's..	1910	2,000,000	A & O	106	102		108
do Louisville, Cin. & Lex. 6's..	1931	‡7,000,000	M & N			*108½	
do Trust bonds, 6's.....	1922	10,000,000	Q M	107	98	107	108
do 10-40 6's.....	1924	5,000,000	M & N	100	84½	100	
do 5 per cent 50 year g. bonds..	1937	1,350,000				99	101
do Penn. & At. 1st 6's, gold, gtd..	1921	3,000,000	F & A	96	82½	90	95
Lou., New Albany & Chicago 1st 6's..	1910	8,000,000	J & J	120	100½	110	
do do consol'd gold 6's..	1916	8,500,000	A & O	100	94½	92	98
Louisville, N. O. & Texas 1st gold 6's..	1934	11,140,000	M & S	92½	90½	*87	
do do 2d mtg'd 5's..	1934	8,117,000	S	50			
Memphis & Charleston 6's, gold.....	1924	1,000,000	J & J	106½	102	102	108½
Metropolitan Elevated 1st 6's.....	1908	10,818,000	J & J	123	115	118	116½
do do 2d 6's.....	1899	4,000,000	M & N	113½	108½	105	108
Mexican Central 1st mortgage 7's..	1911	‡41,170,000	J & J			41	43
do do ex. coupon 6-7-8.....			J & J	60	39	*61	
do do new assented 4's.....			J & J	57	34	68	71
do do income bonds.....	1911	8,784,000				19	22½
Michigan Central 1st consol. 7's.....	1902	8,000,000	M & N	123	120½	124½	124½
do do 1st consol. 5's.....	1902	2,000,000	M & N	111½	107	106½	
do do 6's.....	1909	1,500,000	M & S			108½	109½
do do coupon 5's.....	1981	‡4,000,000	M & S	110	107½	106	107
do do registered 5's.....	1931		Q M	110	107		*108
do Jackson, Lansing & Sag'w 6's..	1891		M & S			104½	105½
Milwaukee & Nor. 1st main line 6's..	1910	2,155,000	J & D	108	103	110	112
do do 1st extension 6's.....	1913	1,978,000	J & D	104	100	107½	107½
Milw., L. Shore & West'n 1st 6's.....	1921	4,360,000	M & N	121½	112½	120	
do do conv. debent. 5's ..	1907	600,000	F & A			92	100
do do Mich. div. 1st 6's.....	1924	1,281,000	J & J	120½	106½	114	
do do Ashland div. 1st 6's..	1925	1,000,000	M & S	117	112½	114½	117
Minneapolis & St. Louis 1st 7's.....	1927	950,000	J & D	128	125		130
do do Iowa exten. 1st 7's.....	1909	1,015,000	J & D	125	119		*110
do do 2d mortgage 7's.....	1891	500,000	J & J	102	101		100
do do Southw'n ext. 1st 7's..	1910	636,000	J & D			*110	
do do Pacific ext. 1st 6's.....	1921	1,382,000	A & O	110	108	*108	
do do imp't and equip. 6's.....	1922	2,000,000	J & J	100	90	70	85½
Minnesota & Pacific 1st mortgage 6's..	1906	8,086,000	J & J				102½
Minnesota & N. West 1st 6's, gold.....	1894	7,783,000	J & J	106	99½		102
Minn., S. S. Marie & Atl. 1 g 5's.....	1926	7,400,000	J & J			98	
Mo., Kansas & Texas gen'l cons. 6's..	1920	‡35,815,000	J & D	105½	87½	80	80½
do do gen'l cons. 5's.....	1920	9,812,000	J & D	96½	72½	69	70
do do cons. 7's.....	1904, 5-6	14,877,000	F & A	118	108	108	107

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				High.	Low.	Bid.	Ask'd
do do 2d mort. income. 1911		607,000	A & O	90	78	*85	91
Hannibal & Cent. Missouri 1st 7's... 1890		684,000	M & N	115	110	108
Mobile & Ohio new mortgage 6's..... 1927		7,000,000	J & D	116	109½	112	113½
do collateral trust 6's..... 1892		58,000	J & J	....	....	102	....
do 1st extension 6's..... 1927		\$1,000,000	Q J	108	101	107½	108½
St. Louis & Cairo 4's, guaranteed..... 1931		4,000,000	J & J	78½	72½	70	74½
Morgan's Louisiana & Texas 1st 6's..... 1920		1,494,000	J & J	116	104½	106½	....
do do 1st 7's..... 1918		5,000,000	A & O	127	118	121	....
Nashville, Chattanooga & St. L. 1st 7's. 1913		6,800,000	J & J	131	123	129	132
do do 2d 6's. 1901		1,000,000	J & J	115½	110	107	105
N. Y. Central 6's..... 1887		2,391,000	J & D	106	101	102½	103
do debenture cert. ext. 5's. 1893		6,450,000	M & N	108½	104	103½	104
do & Hudson 1st coup. 7's. 1903		J & J	140½	134	136	137½
do do 1st registered. 1903		\$30,000,000	J & J	137½	133½	135	136
do do deb. 5's... 1904		M & S	112½	107½	108½	109
do do deb. 5's, registered		10,000,000	M & S	110½	107½	107½	107
Harlem 1st mortgage 7's, coupon... 1900		M & N	139	131	130	131
do do 7's, registered. 1900		\$12,000,000	M & N	139	131½	130	130
N. J. Junction guaranteed 1st 4's... 1886		104	106
do registered certificates.....		2,000,000	F & A	....	....	....	....
N. Y. Elevated 1st mortgage 7's..... 1906		8,500,000	J & J	130	123	118½	120
N. Y. Penn. & Ohio prior lien 6's..... 1895		8,000,000	M & S	....	....	*108	....
N. Y. City & North. gen'l mtge 6's. 1910		M & N	73½	55	....	*78
do do Trust Co. receipts		4,000,000	....	73½	54	*80	65
do do assented.....		M & N	....	....	60	62
N. Y. & New England 1st 7's..... 1905		6,000,000	J & J	130	125	122	....
do do 1st 6's..... 1905		4,000,000	J & J	117½	117½	*116	....
N. Y., Chicago & St. Louis 1st g. 4's. 1937		20,000,000	A & O	....	....	85	85½
do do registered.....		A & O	....	....	....	....
N. Y., Ontario & W. 1st gold 6's..... 1914		8,000,000	M & S	109	103	108	109
N. Y., Susquehanna & W'n debent. 6s. 1897		93,500	F & A	....	....	....	....
do do coupons off.....		F & A	94	76½	*78	....
do do 1st refund 5's. 1937		3,750,000	J & J	....	....	91	92
do do 2d mtge. 4½'s. 1937		636,000	F & A	....	....	70	76
Midland R. of New Jersey 1st 6's..... 1910		3,500,000	A & O	110	100	109½	....
N. Y., N. Haven & H. 1st reg. 4's..... 1903		2,000,000	J & D	112½	112	....	100
N. Y., Tex. & Mex., guar. 1st 4's..... 1912		1,442,500	A & O	....	....	....	....
No. Pac. g'l 1st m. r'd and l.g. g.o. 6's. 1921		53,309,000	J & J	120	111½	116½	116½
do do do reg. 6's. 1921		J & J	117½	111½	*114	114½
do g'l 2d m. r'd & l.g. a.f.g. o. 6's. 1933		20,000,000	A & O	104	91½	100½	100½
do do do reg. 6's. 1933		A & O	....	....	*103½	103½
do dividend scrip.....		4,640,821	J & J	....	....	103	....
do do extended.....		J & J	....	....	....	100
James River Valley 1st 6's, gold..... 1936		963,000	J & J	109	106½	*110	104½
Spokane & Pal. 1st sinking f. gold 6's. 1936		688,000	M & N	....	....	115	117
St. Paul & North'n Pacific gen'l 6's. 1923		6,300,000	F & A	....	....	113	115
do registered certificates.....		Q F	....	....	....	114
Helena & Red Mountain 1st gold 6's... 1937		400,000	M & S	....	....	103	....
Duluth & Manitoba 1st g. 6's..... 1936		1,650,000	J & J	....	....	*103½	....
Drummond & Pittsburg 1st g. 5's..... 1937		516,000	....	....	....	....	....
Hel., B. Val. & Butte 1st 6s g. 1937		600,000	M & N	....	....	101½	....
New Orleans Pacific 1st Rec. 1st 6's. 1920		6,720,000	J & J	....	....	74½	....
N. O. & N. East'n prior lien gold 6's. 1915		1,050,000	A & O	....	....	....	*107
No. Pacific Terminal Co. 1st gold 6's. 1933		3,000,000	J & J	109½	102½	103	105
Norfolk & Western gen'l mtge 6's..... 1931		6,902,000	M & N	115½	104	111	....
do New River 1st 6's..... 1932		2,000,000	A & O	118	99½	....	*118
do improvement & ext. 6's. 1934		3,500,000	F & A	102	87½	98	....
do adjustment mortg. 7's. 1924		1,500,000	Q M	107	82½	101	104
Ogdensburg & Lake Champl. 1st con. 6's. 1920		3,500,000	A & O	104½	96	*104½	....
Ohio & Miss. consol. sinking fund 7's. 1898		3,435,000	J & J	125	118½	115½	118
do consolidated 7's..... 1898		3,066,000	J & J	125	118	115½	118
do 2d consolidated 7's..... 1911		3,715,000	A & O	120	118½	112	112
do 1st Springfield division 7's. 1905		8,000,000	M & N	110½	91	....	113½
do 1st general 5's..... 1932		3,216,000	J & D	94½	87½	87	....
Ohio Central 1st terminal trust 6's..... 1920		600,000	J & J	....	....	....	....
do 1st Mineral division 6's. 1921		300,000	J & J	....	....	....	....
Ohio River 1st 5's..... 1936		2,000,000	J & D	....	....	98	99½
Ohio Southern 1st mortgage 6's..... 1921		2,100,000	J & D	108	97½	105	107
Omaha & St. Louis 1st 4's..... 1937		2,717,000	J & J	....	....	77	77½
Oregon & California 1st 6's..... 1921		9,000,000	J & J	*101½
Oregon & Transcontinental 6's..... 1882-1922		10,063,000	M & N	104½	92½	90	93

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				High.	Low.	Bid.	Ask d
Oregon Improvement Co. 1st 6's...	1910	5,000,000	J & D	99	84	98	98½
Oregon Railroad & Navigation 1st 6's...	1909	6,000,000	J & J	114¼	110	110¼	111
do do consol. m. 6's...	1925	9,137,000	J & D	108¼	102	99	101
Panama Sinking Fund subsidy 6's...	1910	2,747,000	M & N			*90	
Peoria, Decatur & Evansville 1st 6's...	1920	1,287,000	J & J	119	108		112
do Evansville division 1st 6's...	1920	1,470,000	M & S	111¼	108		106
do 2d mortgage 5's...	1927	2,088,000	M & N				73
Peoria & Pekin Union 1st 6's...	1921	1,500,000	Q F	112	106	110	
do 2d mortgage 4½'s...	1921	1,499,000	M & N				73
Central Pacific gold bonds 6's...	1906		J & J	118¾	112½	116	
do do	1896		J & J			116	
do do	1897	25,883,000	J & J			116	
do do	1898		J & J			116	116½
do San Joaquin branch 6's...	1900	6,080,000	A & O	112	107¾	*112½	
do California & Oregon 1st 6's...	1888	6,000,000	J & J	106	100	102¼	
do do Series B 6's...	1892	5,880,000	J & J			102	
do land grant 6's...	1880	9,436,000	A & O	107½	102¼		102½
do mortgage bond 6's...	1923	12,000,000	A & O				102½
Western Pacific bonds 6's...	1889	2,735,000	J & J	116	109	111	
Nor. Ry. (Cal.) 1st 6's, guaranteed...	1907	3,961,000	J & J	123	116¼	117¾	118½
Southern Pac. of California 1st 6's...	1905-12	38,447,000	A & O	114	105¾	109	111
Southern Pac. of Arizona 1st 6's...	1909-1910	10,000,000	J & J	112	109¼	111¾	112½
South'n Pacific of N. Mexico c. 1st 6's...	1911	5,000,000	J & J	109½	100	108	
Union Pacific 1st 6's...	1896		J & J	119½	114		114½
do do	1897	27,229,000	J & J			115½	116
do do	1898		J & J			116	116½
do do	1899		J & J				117½
do land grant 7's...	1887-9	1,270,000	A & O	108¼	101¼	101¾	
do sinking fund 8's...	1893	14,848,000	M & S	123¼	116	118¾	
do registered 8's...	1893		M & S	121	117	113	
do collateral trust 6's...	1906	4,423,000	J & J	108¼	104	106¼	
do do 5's...	1907	5,583,000	J & D			96	
Kansas Pacific 1st 6's...	1885	2,240,000	F & A	114¾	110¼	110¾	
do 1st 6's...	1896	4,063,000	J & D	116	110	111½	112½
do Denver division 6's, ass'd...	1899	6,242,000	M & N	118	113	114	
do 1st consol. 6's...	1919	13,855,000	M & N	109¾	99¼	100¾	101¼
Central Br'ch U.P. fund coup. 7's...	1895	630,000	M & N			104¼	
Atchison, Colorado & Pac. 1st 6's...	1905	3,672,000	Q F	107	101¼	104	106
Atchison, Jewell Co. & West. 1st 6's...	1905	542,000	Q F	105	100	100	
Oregon Short Line 1st 6's...	1922	14,931,000	F & A	109	97¾	99¼	100
Utah South'n general mortgage 7's...	1909	1,950,000	J & J	90½	85	90	95
do extension 1st 7's...	1909	1,950,000	J & J	88	72¾	91	94
Missouri Pacific 1st consol. 6's...	1920	20,184,000	M & N	117	108	109¼	109¾
do 3d mortgage 7's...	1906	3,828,000	M & N	127¼	116½	116	
Pacific R. of Mo. 1st mortgage 6's...	1888	7,000,000	F & A	107	103¼	102	102½
do 2d mortgage 7's...	1891	2,573,000	J & J	118	109	108	
Verdig's V'y Ind. & W. 1st 5's...	1923	750,000	M & S			*112½	95½
Leroy & C'y Val. A-L. 1st 5's...	1923	520,000	J & J				113½
St. L. & S. Francisco 2d 6's, class A...	1906	520,000	M & N	118	108	112¾	
do 6's, class C...	1906	2,400,000	M & N	117	105¼	112¾	
do 6's, class B...	1906	2,766,500	M & N	118	105¾	112	
do 1st 6's, Pierce C. & O. b...	1895	1,090,000	F & A	117	111¼	113	
do equipment 7's...	1895	650,000	J & D			109	
do general mtge. 6's...	1931	7,732,000	J & J	114	99¼	119¾	115
do general mtge. 5's...	1931	5,000,000	J & J			100	101¼
South Pacific (Mo.) 1st 6's...	1888	7,144,500	J & J	106	103	102¼	103
Kansas City & Southw'n 1st 6's, gold...	1916	744,000	J & J	107¼	105		105
Fort Smith & Van B. Bdg. 1st 6's...	1910	475,000	A & O				106
St. L., Kansas & Southw'n 1st 6's...	1916	735,000	M & S			98	
Texas & Pacific 1st 6's...	1905	3,784,000	M & S	105½	105½		*111
do ex coupon...			M & S			*100	
do consolidated 6's, trust receipts...		\$9,316,400	J & D	103¼	90	97¼	100
do inc. l. gt. ass'ted trust receipts...		7,922,000	July	63¾	53¼	48	50
do Hio. G. 6's, 1930, trust receipts...		13,028,000	F & A	75	73¾	65	67¾
do gen'l m. & term. trust receipts...		\$2,859,000	F & O	71	49	60	63
Pennsylvania Railroad Company.							
Penna. Co.'s guar'd 4½'s, 1st coup...	1921	15,000,000	J & J	108¼	102¼	106	106
do do registered...	1921		J & J	108¼	101¼	105	
Pitt., C. & St. Louis 1st coupon 7's...	1900	2,706,000	F & A	121	120¼	117	
do 1st registered 7's...	1900	4,157,000	F & A			*119	
do 2d 7's...	1913	2,500,000	A & O				*124

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				High.	Low.	Bid.	Ask'd
Pitts., Ft. Wayne & Chicago 1st 7's. 1912		5,250,000	J & J	145	141	141¾
do do 2d 7's. 1912		5,160,000	J & J	142½	138	....	139¾
do do 3d 7's. 1912		2,000,000	A & O	138	133½	130	....
Clev. & Pitts.con.sinking fund 7's...1900		2,282,000	M & N	131	126	*129¼	....
do. 4th do 6's. 1892		1,105,000	J & J	111	109	107¼	*108¾
St. L., Van. & Terre H. 1st guar. 7's. 1897		1,899,000	J & J	122	120	....	*118
do do 2d 7's. 1898		1,000,000	M & N	....	....	*105	....
do do 2d guar. 7's. 1898		1,600,000	M & N	....	....	105	....
Phila. & Reading inc. m. coupon 7's...1896		10,000,000	J & D	....	....	*71	72½
do trust receipts.....		J & D	....	....	*66	70
do 3d assessment paid.....		J & D	....	....	85	86
do deben. coupon 6's...1893		J & J	....	....	*66	70
do trust receipts.....		670,500	J & J	....	....	....	....
do 3d assessment paid.....		J & J	....	....	65	....
do deben. conv. 7's...1893		J & J	....	....	....	....
do trust receipts.....		10,395,900	J & J	....	....	*57	62
do 3d assessment paid.....		J & J	....	....	65	....
do pfd. 1st series con. 5's. 1922		M & N	....	....	....	....
do trust receipts.....		6,000,000	M & N	....	....	....	....
do 3d assessment paid.....		M & N	....	....	*81	....
do 2d series con. 1903		F & A	....	....	....	....
do trust receipts.....		5,000,000	F & A	....	....	*61	....
do 3d assessment paid.....		F & A	....	....	74½	....
Pine Creek 6's...1932		3,500,000	J & D	....	....	*114	....
Pittsburgh, Cleve. & Toledo 1st 6's...1922		2,400,000	A & O	110¾	106½	107	....
Pittsburgh Junction 1st 6's...1922		1,440,000	J & J	....	....	*122	....
Pittsburgh, McKeesport & Y. 1st 6's 1932		2,250,000	J & J	....	....	....	*130
Rome, Watertown & Ogd. 1st 7's...1891		1,021,500	J & D	117	108½	109½	....
do do consol. 1st ex. 5's...1922		6,337,000	A & O	103	87½	102	102¾
Rochester & Pittsburgh 1st 6's...1921		1,300,000	F & A	117	113½	117	....
do do consolidated 1st 6's...1922		3,920,000	J & D	112	105½	114	....
Richmond & Alleghany 1st 7's...1920		J & J	....	....	*71½	....
do Trust Co.'s receipts.....		5,000,000	J & J	80	65	59	60½
do do stamped.....		J & J	....	....	60	....
Richmond & Danville consol. gold 6's. 1915		6,000,000	J & J	119½	111¾	112½	113
do do debenture 6's. 1927		4,000,000	A & O	114	86	....	110
do do do assented.....		J & J	113¾	106½	....	91
do do consol.m.g. 5's. 1936		1,500,000	A & O	....	....	....	85
Atlanta & Charlotte 1st pref'd 7's...1897		500,000	A & O	....	....	*118	....
Atlanta & Charlotte income...1900		750,000	A & O	....	....	*105	....
Rich. & W. Point terminal trust 6's...1897		8,500,000	F & A	....	....	89	89½
San Antonio & Aran. Pass 1st g. 6's.'85-1916		1,750,000	J & J	....	....	*88	90
do do 1886-1926		2,598,000	J & J	....	....	....	91½
Scioto Valley 1st consolidated 7's...1910		603,000	J & J	72	47	*65	....
do do do coupons off.....		J & J	....	....	50	65
St. Joseph & Grand Island 1st 6's...1925		7,000,000	M & N	110¾	104	97	98
St. Louis & Iron Mountain 1st 7's...1892		4,000,000	F & A	118	110	109	....
do do 2d 7's...1897		6,080,000	M & N	119	111	....	110
do do Arkansas branch 1st 7's...1895		2,500,000	J & D	116½	112½	111	113
do do Cairo & Fulton 1st 7's...1891		7,555,000	J & J	113	108½	106½	....
do do Cairo, Ark. & Texas 1st 7's...1897		1,450,000	J & D	116½	109½	114	....
do gen'l con. r'y & land g't 5's...1931		\$38,201,000	A & O	100	90	92¼	94
St. L., Alton & Terre Haute 1st 7's...1894		2,200,000	J & J	119½	115	115	117
do do 2d mortgage preferred 7's...1894		2,800,000	F & A	114	110½	108	109½
do do 2d mortgage income 7's...1894		1,700,000	M & N	108	103½	100	102
Belleville & Southern Illinois 1st 6's. 1896		1,041,000	A & O	117½	116½	115	120
Bellev'e & Carondelet 1st 6's...1923		485,000	J & D	110½	110½	....	113
St. Louis, Ark. & Tex. 1st ctf's. 6's...1936		12,870,000	M & N	....	....	97½	98
do do 2d ctf's. 6's...1936		11,804,000	F & A	....	....	43	45
St. Paul, Minn. & Manitoba 1st 7's...1909		4,991,000	J & J	116	112	112	....
do do do small.....		J & J	....	....	*111¾	112¾
do do 2d 6's...1909		8,000,000	A & O	122½	116½	....	115½
do do Dakota extension 6's...1910		5,676,000	M & N	122	116½	115	115½
do do 1st consolidated 6's...1933		J & J	125	115	116½	117
do do do registered.....		21,444,000	J & J	119	114¾	*114	115½
do do do reduced to 4½'s		J & J	....	....	....	98¼
do do do do regist'd.....		J & J	....	....	*98¾	....
Minneapolis Union 1st 6's...1922		2,150,000	J & J	....	....	110	....
St. Paul & Duluth 1st 5's...1931		1,000,000	F & A	....	....	*105	....
South Carolina Railway 1st 6's...1920		5,000,000	A & O	113	102	95	97
do do 2d 6's...1931		1,500,000	J & J	90	81	65	70

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RAILROAD BONDS—Continued.

NAME.	PRINCIPAL DUE.	AMOUNT.	INT. PAYABLE.	YEAR 1886. DEC. 1, 1887.			
				High.	Low.	Bid.	Ask d
Shenandoah Valley 1st 7's.....	1909	2,270,000	J & J				
do do Trust Co. receipts.....			J & J			91½	
do do gen'l mtge 6's.....	1921	†4,113,000	A & O		23	*32	85
do do Trust Receipts.....			A & O	49½		34	36
Sodus Bay & Southern 1st 5's, gold.....	1924	500,000	J & J	105	101		
Texas Central 1st sinking fund 7's.....	1909	2,145,000	M & N	80	68	76	80
do do 1st mortgage 7's.....	1911	1,254,000	M & N			*79	
Toledo & Ohio Central 1st gold 5's.....	1935	8,000,000	J & J	102½	92½	94½	94½
Toledo, Peoria & W'n 1st 7's.....	1917	4,500,000	Q J				*104
do do Trust Co. receipts.....				106	91	76	85
Toledo, Ann Arbor & No. Mich. 1st 6's, gold.....	1924	2,120,000	M & N	85	80	89½	90
Toledo, Ann Arbor & G.T. 1st 6's, gold.....	1921	1,260,000	J & J	107	101	101	103
Toledo, St. Louis & Kan. City 1st g. 6's.....	1918	2,000,000	J & D				94½
Texas & New Orleans 1st 7's.....	1905	1,820,000	F & A			112	116
do do Sabine div. 1st 6's.....	1912	2,075,000	M & S	107½	100½	100½	
Valley R'y Co. of O. con. gold 6's.....	1921	1,700,000	M & S				*98
Virginia Midland mortgage Inc. 6's.....	1927	4,000,000	J & J	100	53½		*105
do do gen'l mortgage 6's.....	1936	8,717,000	M & N				*82½
Wabash, St. L. & Pac. gen. mtge 6's.....	1920	16,000,000	J & D	63	45		
do Trust Co. receipts.....			J & D	67	44	55	57½
do Chicago division 6's.....	1910	4,500,000	J & J	97	85	100	103
do Havana division 6's.....	1910	1,600,000	J & D	88	88		*80
do Indianapolis division 6's.....	1921	2,275,000	J & D				108
do Detroit division 6's.....	1921	2,052,000	J & J	92	73		
do Cairo division 6's.....	1931	3,857,000	A & O	91	70	*50	91½
Wabash mortgage 7's.....	1879-1909	2,000,000	F & A	115½	110	110½	112
Tol. & Wabash 1st extended 7's.....	1890	3,400,000	F & A	111	100		110½
do 1st St. Louis division 7's.....	1888	2,700,000	F & A			97	94
do 2d mortgage extended 7's.....	1903	2,500,000	M & N	105½	97	90	
do equipment bonds 7's.....	1883	600,000	M & N	6		*102	
do consol. convertible 7's.....	1907	2,600,000	Q F	100	84½		95
G't Western 1st mortgage 7's.....	1888	2,500,000	F & A	114	109½	109½	111½
do 2d mortgage 7's.....	1893	2,500,000	M & N	106	95	93½	
Quincy & Toledo 1st mortgage 7's.....	1890	500,000	M & N	97	94		106
Hannibal & Naples 1st 7's.....	1909	500,000	J & D			*95	
Illinois & So. Iowa 1st exten. 6's.....	1912	800,000	F & A			100	
St. L., Kan. C. & N.R. 1st E'e & R'y 7's.....	1895	3,000,000	M & S	116	108½	110½	112
do Clarinda br. 6's.....	1919	284,000	F & A	75½	65	*45	60
do St. Charles bridge 1st 6's.....	1908	1,000,000	A & O	103½	94	100	
North Missouri 1st mortgage 7's.....	1895	6,000,000	J & J	130	113½	114	114½
Wabash, St. L. & P. Iowa trust receipts.....		2,289,000	M & S				*80
West Shore 1st guaranteed 4's.....		50,000,000	J & J	106	100½	100½	101
do do registered.....			J & J	105½	101½	101½	101
Western Union coupon 7's.....	1900	3,920,000	M & N	123	116	*118	
do do registered.....	1900		M & N	125	117	117	119
North Western Telegraph 7's.....	1904	1,250,000	J & J			103½	
Wheeling & Lake Erie 1st 5's.....	1923	3,000,000	A & O			98	100
Mutual Union Tel. sinking fund 6's.....	1911	5,000,000	M & N	90½	75	83½	84½
Man. B. Imp. Co. lim'd 7's.....	1909	1,000,000	M & S				*85
Colorado Coal & Iron 1st 6's.....	1900	8,500,000	F & A	101½	90	98	100
Tenn. Coal, Iron & R. consol. 6's.....	1901	620,000	M & N	100	97		*105
do. South Pittsburgh 1st 6's.....	1902	730,000	F & A	98	96		100
do Bir. div. 1st consolidated 6's.....	1917	4,000,000	J & J			82	83
Col. & Hocking Coal & Iron gen'l 6's.....	1917	1,000,000	J & J			*70	

COAL AND MINING.

American Coal Co.....	Par 25	1,500,000				*25	
Consolidated Coal Co. of Maryland.....	100	10,250,000				23	27
Cumberland Coal and Iron Co.....	100	500,000					
Colorado Coal and Iron Co.....	100	10,000,000				37½	38½
Cameron Iron and Coal Co.....	100	2,739,900					40
Columbus & Hocking Coal & Iron Co.....	100	4,700,000				20½	20½
Marshall Consol. Coal Co.....	100	2,000,000				*24½	
Maryland Coal Co.....	100	4,400,000				14	15
New York & Perry Coal and Iron Co.....	100	8,000,000					*53
New Central Coal Co.....	100	5,000,000				13	15
Pennsylvania Coal Co.....	50	5,000,000	Q F				27½
Quicksilver Mining Co.....	100	5,708,700				5½	6½
do do preferred.....	100	4,291,300				28	30
Silver bullion certificates.....							
Tenn. Coal, Iron & R. R. Co.....	100	10,000,000				28½	29½
Whitecast Fuel Co.....	100	1,300,000				86	86½

EXPRESS.

Adams Express.....	Par 100	12,000,000	Q M	150	136½	140	145
American Express.....	" 100	18,000,000	J & J	111	101½	106½	110
United States Express.....	" 100	7,000,000	Q F	86	51	65	67
Wells Fargo Express.....	" 100	6,250,000	J & J	120	119	128	132
Pacific Mail Steamship Co.....	" 100	20,000,000		67	45½	30½	30½

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INCOME BONDS. Interest payable if earned, and not to be accumulative.

NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886.		DEC. 1, 1887.	
				High.	Low.	Bid.	Ask'd
Atlantic & Pacific West'n div. income. 1910		10,500,000	A & O	31½	20½	26½	27
do do do small.			A & O			*21½	25
do do Cent'l div. income. 1922		2,100,000	J & D				25
Central Iowa coupon debt certificates....		620,000	A & O				*25
Chicago & Eastern Illinois income.... 1907		1,000,000	D			*100	
Des Moines & Fort Dodge 1st inc. 6's. 1905		1,200,000	J & J			*57	
Detroit, Mack, & Marquette income. 1921		1,500,000		43½	12	*54	
Elizabeth City & Norfolk 2d income. 1970		1,000,000					
Green Bay, Winona & St. Paul 2d inc. 1911		3,781,000	J & J	42½	24½	31½	36
Ind. Bl'n & W'n consol. inc. trust receipts		4,560,000	J & J			20	21
Indp's, Decatur & Springfield 2d inc. 1906		2,850,000	J & J	39	22		*33
do do Trust Co. receipts....			J & J	41	20		35
Lehigh & Wilkesbarre Coal Co. 1888		1,119,200	M & N	100	90	90	100¾
do do small bonds. 1888			M & N				97½
Milw., L. Shore & Western income.		500,000	M & N	107	88	99½	104
Mobile & O. 1st preferred debentures....		4,763,000		74¾	53	44	49
do 2d do do do		1,850,000		44½	32	24½	26
do 3d do do do		600,000		35	30	12	20
do 4th do do do		900,000		31	25	12	18
N. Y., Lake E. & Western income 6's. 1977		508,000		76	56	*70	
N. Y., Penn. & Ohio 1st inc. acc. 7's. 1905		35,000,000	J & J			55	
Ohio Central (Min'l division) inc. 7's. 1921		300,000				*39½	35
Ohio Southern 2d income 6's. 1921		2,100,000	J & D	49½	34	32	36
Ogdensburg & L. Champlain income. 1920		800,000	Oct			*40	
do do small		200,000	Oct			65	68½
South Carolina Railway income 6's. 1931		3,000,000	Feb	33	22½	15	17½
St. Louis, I. M. & S. 1st 7's pref. int. ac'e..		348,000	Mch				
Sterling Iron & Railway (series B) inc. 1894		418,000	Feb				
do plain income 6's. 1896		491,000	April				
Sterling Mountain Railway income. 1895		476,000	Feb				
St. Louis, Alton & Terre H. div. bds. 1894		1,357,000	June	50	33	39	41
St. Joseph & Grand Island 2d income. 1925		1,680,000	J & J	77	55½	45	60
Shenandoah Valley income 6's. 1923		2,500,000	Feb			*30	

FREE LIST.

This "Free List" is made up of securities—both stocks and bonds—which are not regularly "called" at the Exchange. Members are at liberty to deal in them daily, on the Bond Call, but the transactions are infrequent.

American District Telegraph. 100	3,000,000			45	30		
Albany City 6's.							
Albemarle & Chesapeake 1st 7's. 1909	500,000	J & J				*115	
Alabama Central Railroad 1st 6's. 1918	1,000,000	J & J					
Allegheny Central 1st mortgage 6's. 1922	600,000	J & J					
Atlantic & Pacific (W'n div.) 1st m. 6's. 1910		J & J					
Boston & New York Air Line. 100	1,000,000						
Bradford, Bordell & Kinzua. 100	500,000						
do do 1st 6's. 1932		J & D				*55	60
Bradford, Eldred & Cuba. 100	500,000						
do do 1st 6's. 1932		J & J				*37	42
Brooklyn City R. R. 10	2,000,000	Q F					
Brooklyn Gas Company. 25	2,000,000						
Brooklyn, Bath & Coney Island 1st 6's. 1912	200,000	F & A					
Brooklyn & Montauk 1st 6's. 1911	250,000	M & S				*108½	
do do 1st 5's. 1911	750,000	M & S					
Buffalo & Southwestern. 100	471,900						
do do preferred. 100	471,900						
Carolina Central 1st mortgage 6's. 1920	2,000,000	J & J				105	108
Cedar Falls & Minnesota. 100	1,586,500			19½	11	8	12
Cincinnati, Sandusky & Cleveland. 50	4,500,000			51	32		
do do preferred.	429,000						
do do 1st 7's. 1890	1,072,300	J & D					
Cincinnati, Lafayette & Chic. 1st 7's. 1901	900,000	M & S					118
Cin. & Sp. 1st mort. C. C., C. & I. 7's. 1901	1,000,000	A & O		119	114	*119	
do 1st m. g'd Lake S. & M. S. 7's. 1901	1,000,000	A & O		121	117½	*121	
Cincinnati, Hamilton & Dayton. 100	3,500,000			149	105½	60	62
do consol sinking fund 7's. 1905	1,000,000	A & O		120	120	*118	
do do consol. 6's. 1920	1,000,000	M & N					
Cin., W. & Baltimore prior lien 4½'s. 1893	500,000	A & O					
do 1st 6's. 1931	1,250,000	M & N				*115	
do 1st 4½'s guaranteed. 1931	5,922,000	M & N		106¾	103½	*104	105½
do 2d 5's. 1931	3,040,000	J & J					

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NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAY- BLE	YEAR 1886.		DEC. 1, 1887.	
				High.	Low.	Bid.	Ask d
do	3d ¾'s.....	1931	2,270,000	F & A			
do	1st income mortgage	1931	3,040,000	F & A			
do	2d income mortgage	1931	4,000,000				
do	preferred stock.....	100	12,993,000		12	5	5½
do	common stock.....	100	5,886,100		6¾	2½	3½
Citizens' Gas Company		20	1,200,000				4¾
Columbus, Springfield & Cin. 1st 7's	1901	1,000,000	M & S				
Consolidation Coal convertible 6's.....	1897	1,250,000	J & J			105	
Cumberland & Penn. 1st 6's.....	1891	903,500	M & S			101½	104½
do do 2d 6's.....	1888	392,000	M & N			102½	
Cumberland & Elk Lick Coal.....	100	1,000,000					
Chicago City 7's.....	1890	220,000	J & J				
Charlotte, Col. & Augusta 1st 7's.....	1895	2,000,000	J & J				
Chicago & Atlantic 1st 6's.....	1920	6,500,000	M & N			*90	
do do 2d 6's.....	1923	2,500,000	F & A				
Dubuque & Dakota 1st 6's.....	1919	690,000	J & J				
Duluth Short Line 1st 5's.....	1916	500,000	M & S				
Danbury & Norwalk.....	50	600,000					
Detroit, Hillsdale & Southwestern.....	100	1,350,000		82	79		
Eighth Avenue.....	100	1,000,000					
Erie & Pittsburgh.....	50	1,998,400	Q M			*112	112
do do consolidated 7's.....	1898	22,485,000	J & J			*125	
Farmers' Loan & Trust Company.....	25	1,000,000					
Frankfort & Kokomo.....	50	600,000					
do do 1st 7's.....	1908	200,000	J & J				
Fort Worth & Denver City.....	100	6,440,000		25½	15	48½	48½
Galveston, H. & H. of '82, 1st 5's.....	1913	2,000,000	A & O	79	71	*89	75
Gold & Stock Telegraph Co.....	100	5,000,000	Q J				
Grand Rapids & Indiana 1st 7's.....	1899	505,000	A & O				*117½
do 1st guaranteed 7's.....	1899	3,984,000	J & J			*117	125½
do 1st extended land 7's.....	1899	1,010,000	A & O			*113	120
Henderson Bridge Co.....	100	1,000,000					
Ind., Decatur & Sp. 1st coupon 7's.....	1900	187,000	A & O				
Iron Steamboat Company 6's.....	1901	500,000	J & J	90	85½		100
Int. & Great Northern 2d income.....	1909	370,000					
Jefferson R. R. 1st mortgage 7's.....	1889	2,000,000	J & J	107	102½	*101	
Jerome Park Villa Site & Imp. Co.....	100	1,000,000					
Keokuk & Des Moines.....	100	2,600,400		16	5½	4	5
do do preferred.....	100	1,524,600		38½	28		25
Little Rock & Fort Smith.....	100	4,096,135					
do do 1st 7's.....	1905	3,000,000	J & J				
Louisville City 6's, act. of Leb. bra'h.	1886	225,000	J & D				
do 6's, Leb. branch extension.	1893	333,000	A & O				*75
Long Island Railroad.....	50	900,000		100	80		
{ Brooklyn & Montauk.....	100	1,100,000					
{ do do preferred.....	100	600,000	M & S				
Smithtown & Port Jefferson 1st 7's.....	1901	2,272,700				*24½	25
Louisiana & Missouri River.....	100	1,010,000				*55	
do do preferred.....	100	329,100	F & A			*120½	124
Louisiana Western 1st 6's.....	1921	2,240,000	J & J				
Lac. & Sus. Central 1st E. side 7's.....	1892	500,000	J & D				
do W. side 7's.....	1892	500,000	J & D				
Metropolitan Elevated.....	100	1,136,000	Q J				
Mariposa gold convertible 7's.....	1886	250,000	J & J				
Memphis & Charleston.....	25	5,312,725		69½	29	46	51
do 1st consol'd Tenn. lien 7's.....	1915	1,400,000	J & J	38½	21		*128
Missouri, Kansas & Texas.....	100	2,296,000	J & J				
{ Union Pacific (South branch) 1st 6's.	1899	347,000	J & D				
{ Tebo & Neosho 1st mortgage 7's.....	1903	32,000	M & N				
Hannibal & Central Missouri 2d 7's	1892	1,000,000	M & N				
Boonville Bridge Co. 7's, guarant'd.	1906	209,000	J & J				
Milwaukee & St. P. con. sink. f'd 7's.....	1902	89,000	J & J				
do 1st m. Hastings & Dakota 7's.....	1902	520,000					
Milwaukee & Lake Winnebago.....	100	780,000					
do do preferred.....	100	1,430,000	J & J			*106	
do do 1st 6's.....	1912	520,000					
do do income 5's.....	1912	1,000,000	F & A			*550	
New York Life & Trust Co.....	100	2,604,000					
Norwich & Worcester.....	100	300,000	J & J				
Nash., C. & St. L. 1st 6's, T. & P. branch.	1917						

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NAME.	PAR OR DATE DUE.	AMOUNT.	INT. PAYA- BLE.	YEAR 1886.		DEC. 1, 1887.	
				High.	Low.	Bid.	Ask d
do 1st mort. 6's, McM., M. W. & A. b.		220,000	J & J				
New London Northern	100	1,500,000					
New York Mutual Gas Light	100	3,500,000					
N. J. Southern int. guaranteed 6's	1899	1,449,600	J & J	101½	91		*100
New Orleans, Mobile & Texas	100	4,000,000					*99
N. Y. & Texas Land Co., limited	50	1,500,000		180	149½	*161¼	
do do land scrip		1,006,600		57½	50	55	65
N. Y., Brooklyn & Man. Beach pref.	100	650,000	A & O				
Nevada Central 1st mortgage 6's	1904	720,000	A & O				
Oswego & Syracuse		1,320,400					
Ohio Central incomes	1920	642,000				*1½	
Panama	100	7,000,000	Q F				
Pullman's Palace Car debenture 7's	1888	1,000,000	A & O			*103½	
Phila. & Reading con. coupon 6's	1911	7,304,000	J & D				
do registered 6's	1911	663,000	J & D				
do coupon 7's	1911	7,310,000	J & D				
do registered 7's	1911	3,339,000	J & D				
do imp't mtge. coupon 6's	1897	9,384,000	A & O				
do general mtge. coupon 6's	1908	19,686,000	J & J				109
do def'd inc. irredeemable		34,300,000					
do do small							
Pittsb'h, Bradford & Buffalo 1st 6's	1911	800,000	A & O	82½	70	*80	85
Rochester & Pittsburgh income	1921	70,000	A & O			67	
Rensselaer & Saratoga R. R.	100	7,000,000		170	155	162	164
Second Avenue R. R.	100	1,199,500					
Sixth Avenue R. R.	100	1,500,000					
do 1st mortgage	1889	415,000	J & J				
Savannah & Charleston 1st 7's	1889	500,000	J & J				
Sandusky, Day'n & Cincinnati 1st 6's	1900	608,000	F & A				
St. Louis, Jacksonville & Chicago	100	1,448,800					
do do preferred		1,034,000					
St. Louis Southern 1st gold 4's	1931	550,000	M & S				
do 2d income 5's	1931	525,000	M & S				
Sterling Iron & Railway Co.	50	2,300,000					
Scioto Valley Railway	50	2,500,000		17	6½	*10	11
Spring Valley Water Works 1st 6's	1906	7,000,000	M & S				
Terre Haute & Indianapolis	50	1,988,000	F & A			*97	100
Third Avenue R. R.	100	2,000,000				*220	240
do coupon bonds			J & J				
do registered bonds		2,000,000					
Tonawanda Valley & Cuba	100	600,000					*85
do do 1st 6's	1931	500,000	M & S				
Union Trust Co.	100	1,000,000				*125	
United States Trust Co.	100	2,000,000				*535	
Vermont Marble Co.	100	3,000,000					
do do sinking fund 5's	1910	1,200,000	J & D				
Warren Railroad	50	1,800,000				125	
do 2d mortgage 7's	1900	750,000	A & O			118	
Williamsburgh Gas Light Co.	50	1,000,000	Q J				
Wabash funded interest bonds	1907					*100	
Toledo & Illinois Division 7's		128,000	F & A			99½	
Lake Erie, Wabash & St. Louis 7's		350,000	F & A			100	
Great Western 1st mortgage 7's		350,000	F & A			100	
Illinois & Southern Iowa 7's		42,000	F & A			95	
Decatur & East St. Louis 6's		472,500	F & A			90	
Quincy & Toledo 6's		37,500	F & A			90	
Toledo & Wabash 2d mortgage 6's		127,500	F & A			75	
Wabash & Western 2d mortgage 6's		262,500	F & A			75	
Great Western 2d mortgage 6's		437,500	F & A			75	
Consolidated convertible 6's		637,000	F & A			65	
Central Arizona Mining	10	3,000,000					
Excelsior Water & Mining Co.	100	10,000,000					
Homestake Mining Co.	100	12,500,000	Mo.	23	11	12¼	13
La Plata Mining & Smelting Co.	10	12,000,000					
Little Pittsburgh Consol. Mining	100	10,600,000					
Mariposa L. & M. Co., California	100	20,000,000					
do do preferred	100	5,000,000					
Ontario Silver Mining Co.	100	15,000,000	Mo.	30	22	26	27
Robinson Consolidated Gold Mining	50	10,000,000					
Standard Consol'd Gold Mining Co.	100	10,000,000					
Silver Cliff Mining Co.	50	10,000,000					

NOTICES OF NEW BOOKS.

Pratt's Digest of the National Bank Act and other laws relating to National Banks, from the revised statutes of the United States with Amendments and additional Acts, to which is appended information how to proceed in organizing National Banks; also rules and regulations governing the redemption of United States and National Bank Notes, and Circulars issued by the Treasury Officials: of interest to Bankers. Edition of 1886, revised to June 1, 1887. Prepared and published by A. S. PRATT & SONS, National Bank Agents, Washington, D. C.

This is a work of great practical worth to banks and bankers of all classes. Messrs. Pratt & Sons have been agents of National banks at Washington since the commencement of the National banking system. Their intimate acquaintance with the Bureau of the Comptroller of the Currency and of the Treasurer of the United States enables them to give accurate information to all doing business with those offices. The digest gives, and shows where to obtain, useful practical information about the relations of National banks to the Government. No National bank should be without it. It is valuable to State banks and bankers who may wish to enter the National system, and also to private bankers for the same reason.

Sketch of American Finances, 1789-1835. By JOHN WATTS KEARNEY. New York and London: G. P. Putnam's Sons. The Knickerbocker Press, 1887.

Mr. Kearney's sketch covers a most interesting period of the financial history of the United States, and, as he suggests in his preface, may be studied with much benefit as a means of throwing light upon the present financial condition of the country.

The period treated of extends from the assumption of the Revolutionary debts contracted by the Continental Congress and the several States, by the new Government inaugurated under the Constitution of 1789, and ends with the complete liquidation in 1835 of this debt and others contracted in the interim. Although during this period there was a gradual reduction of the old debt, yet at several dates it was quite largely increased first, by the expenses of the anticipated French war and the trouble with the Barbary States, then by the bonds issued for the Louisiana purchase, and more largely by the expense caused by carrying on the war of 1812.

The book, however, is a mere sketch of the financial events of the period covered. It does not give, to the extent that might be desired, the historical reasons for the various transactions that it mentions. It is very meagre in regard to the foreign debt contracted during and immediately subsequent to the Revolutionary War, and very incompletely elucidates the history of the sinking fund of that period. It is, however, an attempt in the right direction, and will be read with interest by many at this stage of American history, so near the end of the first century of the existence of the Government.

Natural Law in the Business World. By HENRY WOOD. Boston: Lee & Shepard. New York: Charles T. Dillingham. 1887.

All business continuously done becomes after a time a matter of routine, and many scientists appear to make the mistake of regarding a routine originally determined by human action, either individual or united, as a law of nature. Properly, a natural law is supposed to be something that works just as well without human assistance. The ebb and flow of the tides, the motion of the earth, are in obedience to the law of gravitation, and the tide rises notwithstanding the implicit commands of King Canute. But it lately appears to be the fashion to conclude that, because men have for a long time performed certain actions in certain prescribed ways, these methods attain the dignity of natural law, and have an equal fixity with the law that controls the planets. The work, the title of which is given above, treats of the various relations of business and social life with much ability, but we think that the author falls into the error we have indicated above, and has given a too ambitious title to his book. If we regarded the business methods we see around us, and the various economic regulations of society that prevail as the results of some unchangeable recondite natural law, this view would be a serious bar to any reform. If the man who mows with a scythe gets it into his head that the use of scythes is determined and fixed by a natural law of the universe, he would lay himself open to the charge of fighting against nature if he used a mowing machine. When railroads were unknown, a philosopher, seeing that stage-coaches were generally used as a means of travel might say there is a natural law of transportation which directs the use of stage-coaches

drawn by horse power. A belief in this would tend to prevent the introduction of railroads. So, if we assume that the various ways of doing business and of regulating social questions that now prevail are the results of the working of a natural law, it would be useless to hope for any amelioration of what may be bad in the present social and business system. The machinery of modern life is, however, presented very intelligently and clearly in Mr. Wood's book. There has already been a great demand for it, and, to meet this demand, the present edition in paper binding has been issued.

Silver Question in England.—The American bankers at their Convention at Pittsburgh approved a resolution recommending the discontinuance of the coinage of the silver dollar, until after the settlement of the contest which is at present taking place between the mono-metallists and bi-metallists in England. London is the financial centre at which the market price of silver is regulated for two reasons. Because London is the financial centre of the world, and because India, one of the largest users of a silver currency, is at present an appanage of England. The settlement of the question, in one way or the other, is of more importance to the peace of mind of English financiers than to that of the statesmen of this country. But in England, as well as in the United States, there are political as well as financial elements involved in the settlement. Mr. Goschen, Chancellor of the Exchequer, is particularly cautious about committing himself. Speaking of certain questions of a financial nature, among which that concerning silver was the most prominent and important, he said: "We cannot allow those questions to drift without bringing them at last to a real authoritative decision. I look forward to the autumn not for a holiday, for ministers must not expect much holiday; but I do look forward to the autumn and to the winter for time in which real efforts can be made in the direction of studying some of those problems, the solution of which is demanded by every interest in this country. (Cheers.) I look forward to approaching that task." The *London Bankers' Magazine* in commenting on the attitude of Mr. Goschen remarks: "Note the cheers in parenthesis given in the report of the speech. Had Mr. Goschen said plainly that bi-metallism was an impracticable and unstatesmanlike system, as, to such a mind as his, it must appear then there would have been no cheers. Farmers, workmen, and others have a vague idea that, but for the dearness of gold, profits and earnings would be better than is actually the case. Mr. Goschen can hardly own to vagueness of ideas on the subject. It is useless for him to go on keeping up the farce of having an open mind on the subjects mentioned. * * * As to the question of bi-metallism, Mr. Goschen ought to know, and we can hardly accuse him of not knowing, that its very discussion throws a cloud over the real causes of depression, which must be sought in foreign competition, and the wars of modern industry, the cheapening of produce by steam and machinery, the want of technical education, and the natural disposition to sink into sloth after the enervating prosperity lately enjoyed." This is the whole thing in a nutshell, and is not very complimentary to erratic individuals who, like S. Dana Horton, author of the "Silver Pound," have crossed the ocean to teach the true principles of finance to English statesmen. The clamor in England has for some time been so great for the quack remedy of bi-metallism, that a Royal Commission was appointed to investigate the question. This Commission has examined witnesses, and has made a preliminary report unfavorable to the assumptions of the bi-metallists. This report has, of course, to be passed on by Parliament. From Mr. Goschen's cautious tactics we can see how widely the bi-metallic error has spread in England, and the necessity there is of time for discussion, in order that the traditional English common sense may have time to assert itself.

Whist!—The most expert players of this "finest of all games" say that the little book containing the principles and rules of the modern scientific game of whist, as explained and compiled by a well-known Milwaukee lady, and published by the Chicago, Milwaukee & St. Paul Railway, as a clever advertising medium for that great institution, is a true guide for the beginner, and a better standard reference for the American admirers of the game than the treatises of Pole, Cavendish, and others. No family circle or whist club can feel properly equipped without a copy of "Whist and How to Play It," which can be easily obtained by inclosing *ten cents* in postage, with your full name and address, to A. V. H. Carpenter, General Passenger Agent, Milwaukee, Wis.—*Adv.*

BANKERS' OBITUARY RECORD.

Adams.—Walker Adams, President of the Davenport Savings Bank of Davenport, Iowa, is dead.

Bateman.—Seth Bateman, Director and for many years President of the Merchants' Bank of Newport, Rhode Island, died November 1st, at the age of 85 years.

Brown.—B. E. Brown, director of the Fannin County Bank of Bonham, Texas, died on November 21st, of Bright's disease.

De Forest.—Cornelius V. De Forest, special partner in the Stock Exchange firm of Colbron, Chauncey & Co., New York city, died November 9th, aged 70 years.

Foote.—Geo. Luther Foote, of the banking firm of Foote & French, of Boston, Mass., died November 24th. He was for many years Cashier of the Monument National Bank of Charlestown.

Gates.—Geo. W. Gates, Vice-President of the National Bank of White River Junction, Vermont, died on November 22d, at the age of 62 years.

Harris.—George W. Harris, Treasurer of the Middletown Savings Bank of Middletown, Conn., and at one time Cashier of the Central National Bank, of the same place, died September 29th, aged 73 years eleven months.

Hartman.—W. M. Hartman, Vice-President of the Bank of Allen County, Iowa, Kansas, is dead.

Hill.—William Robinson Hill, President of the Millbury Savings Bank, of Millbury, Mass., died on November 19th, at his residence, at Wilkinsonville, Mass. He was also a Director in the Grafton National Bank.

Knapp.—James H. Knapp, President of the Deposit National Bank, N. Y., died on November 13th. He had been connected with the bank for twenty-five years.

Lamb.—Thomas Lamb, formerly President of the Suffolk Savings Bank, and Director of the New England National Bank, of Boston, died on October 23rd at the advanced age of ninety-one years. He was chosen Director of the New England National Bank in 1838, was made President *pro-tem* in 1846 and President in October 1846, which position he resigned in 1884.

Locke.—Wm. M. Locke, a retired banker of Des Moines, Iowa, committed suicide on November 10th by shooting himself.

Marmet.—Florence Marmet, Vice-President of the German National Bank of Cincinnati, died of apoplexy, on November 14th. He was a leading man in public enterprises in the Ohio Valley and widely known among business men in the entire West.

McConnell.—Robert McConnell, Esq., President of the Bank of Woodford, Versailles, Kentucky, died recently.

McCulloch.—William McCulloch, Cashier of the First National Bank of Lowell, N. Y., died November 12th, aged eighty-seven years. He was a fier in the war of 1812, having enlisted as a substitute for his father.

Meumann.—Col. Theodore Meumann, Cashier for twenty-two years of the East St. Louis Bank of East St. Louis, Ills., died on November 25th at the age of 59 years.

Overstoltz.—Henry Overstoltz, President of the defunct Fifth National Bank of St. Louis, at one time Mayor of that city, died November 29th of heart disease. He did not know the bank had suspended.

Packard.—D. F. Packard, President of the First National Bank, of Lewiston, Me., and of the Androscoggin County Savings Bank, died on November 2nd, at the age of sixty-two. He was one of the wealthiest and best known business men in the place, and was held in universal esteem.

Pearson.—Robert Pearson, who was Cashier of Pearson's Exchange Bank, of Carrollton, Ill., from 1860 to 1878, and of the Green County National Bank of the same place, until January, 1883, died on November 9th, at the age of forty-three years. He had been in ill health for some time.

Pierce.—Jas. M. Pierce, President of the Savings Bank of San Diego, Cal., and Vice-President of the Consolidated National Bank of the same place, died recently.

Pitts.—Charles Hall Pitts, Cashier of the Farmers & Merchants' National Bank of Baltimore, Md., died November 10th, at the Parker House, Boston.

Randall.—Hon. David Randall, Vice-President of the Waltham Savings Bank of Waltham, Mass., and Director in the Waltham National Bank, and Waltham Loan & Trust Company, died on November 25th, at the age of 70.

Sargent.—Benjamin Sargent, who had been an officer of the old Illinois State Bank and later of the First National and Alton National Banks of Alton, Ills., recently died at that place.

Stevens.—George F. Stevens, Cashier of the First National Bank, Ashburnham, Mass., died November 25th. He was also Treasurer of Cushing Academy and Town Clerk for ten years. Prior to removing to Ashburnham he had held the office of Town Clerk in his native place, Amherst, N. H.

Taylor.—Caleb N. Taylor, President of the Farmers' National Bank of Bristol, Pa., died on November 16, aged 70 years.

Thacker.—Jesse Thacker, who was the first President of the First National Bank of Carthage, Mo., died November 16th from the effects of being kicked by a horse.

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